大唐地产
DYNASTY PROPERTY

大唐集團控股有限公司
DATANG GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2117

GLOBAL OFFERING

Sole Sponsor, Sole Global Coordinator, Joint Bookrunner and Joint Lead Manager

ICBC 工银国际

Other Joint Bookrunners and Joint Lead Managers (in alphabetical order)

農銀國際 ABC INTERNATIONAL
交銀國際 BOCOM International
建银国际 CCB International
招銀国际 CMB INTERNATIONAL
安信國際 ESSENCE INTERNATIONAL
國都香港 GUODU HONG KONG
國泰君安國際 GUOTAI JUNAN INTERNATIONAL
海通國際 HAITONG
VISION

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

大唐地产
DYNASTY PROPERTY

Datang Group Holdings Limited
大唐集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**333,400,000 Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**33,340,000 Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**300,060,000 Shares (subject to reallocation and the Over-allotment Option)**
Maximum Offer Price (subject to a Downward Offer Price Adjustment)	**:**	**HK$4.60 per Hong Kong Offer Share, plus brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%** **(payable in full on application in Hong Kong dollars and subject to refund)** **(if the Offer Price is set at 10% below the low end of the indicative Offer Price range after making a Downward Offer Price Adjustment, the Offer Price will be HK$3.24 per Hong Kong Offer Share)**
Nominal value	**:**	**US$0.01 per Share**
Stock code	**:**	**2117**

Sole Sponsor, Sole Global Coordinator, Joint Bookrunner and Joint Lead Manager

ICBC 工银国际

Joint Bookrunners and Joint Lead Managers (in alphabetical order)

農銀國際 ABC INTERNATIONAL　交銀國際 BOCOM International　建银国际 CCB International　招银国际 CMB INTERNATIONAL　安信國際 ESSENCE INTERNATIONAL　國都香港 GUODU HONG KONG　國泰君安國際 GUOTAI JUNAN INTERNATIONAL　海通國際 HAITONG　VISION

Joint Lead Managers (in alphabetical order)

CRIC 克而瑞證券 CRIC SECURITIES CO. LTD　港利資本 GLAM Capital　匯鑫富證券　HTF 瑞豐國際 HTF SECURITIES LIMITED　華金證券國際 Huajin Securities International　利弗莫尔证券 Livermore Holdings Limited

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 (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any of the other documents referred to above.

The Offer Price is expected to be determined by agreement between ICBC International Capital (for itself and on behalf of the Underwriters) and our Company on the Price Determination Date. The Price Determination Date is expected to be on or around Friday, December 4, 2020 and, in any event, no later than 12:00 noon on Wednesday, December 9, 2020. The Offer Price will be no more than HK$4.60 per Offer Share and is currently expected to be no less than HK$3.60 per Offer Share (subject to a Downward Offer Price Adjustment) unless otherwise announced. If the Offer Price is set at 10% below the low end of the indicative Offer Price range after making a Downward Offer Price Adjustment, the Offer Price will be HK$3.24 per Offer Share. Investors applying for Hong Kong Offer Shares must pay, on application, the maximum Offer Price of HK$4.60 per Share, unless otherwise announced, together with brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price is less than HK$4.60 per Offer Share.

ICBC International Capital (for itself and on behalf of the Hong Kong 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 (which is HK$3.60 to HK$4.60 per Share) 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, notices of the reduction in the number of Offer Shares in the Global Offering and/or the Offer Price range will be published on the Stock Exchange's website at **www.hkexnews.hk** and on the Company's website at **www.dyna888.com** no later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering.

If applications for Hong Kong Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offering, then even if the number of Offer Shares in the Global Offering and/or the Offer Price range is so reduced, such applications cannot be subsequently withdrawn. If, for any reason, the Offer Price is not agreed between ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters) and the Company on or before 12:00 noon on Wednesday, December 9, 2020, the Global Offering will not proceed and will lapse. Further details are set out in the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this Prospectus.

Prior to making an investment decision, prospective investors should carefully consider all of the information set out in this Prospectus, including the risk factors set out in the section headed "Risk Factors" in this Prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination" in this Prospectus. It is important that you refer to that section for further details.

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.

November 27, 2020

We will issue an announcement to be published on the website of the Stock Exchange at www.hkexnews.hk and the website of our Company at www.dyna888.com if there is any change in the following expected timetable of the Hong Kong Public Offering.

Hong Kong Public Offering commences and **WHITE** and **YELLOW** Application Forms available from	9:00 a.m. on Friday, November 27, 2020
Latest time for completing electronic applications under the **HK eIPO White Form** service through one of the below ways[2]:	11:30 a.m. on Friday, December 4, 2020
(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**	
Application lists open[3]	11:45 a.m. on Friday, December 4, 2020
Latest time to lodge **WHITE** and **YELLOW** Application Forms	12:00 noon on Friday, December 4, 2020
Latest time to give **electronic application instructions** to HKSCC[4]	12:00 noon on Friday, December 4, 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 Friday, December 4, 2020
Application lists close[3]	12:00 noon on Friday, December 4, 2020
Expected Price Determination Date[5]	Friday, December 4, 2020
(1) Where applicable, announcement of the Offer Price being set below the low end of the indicative Offer Price range after making a Downward Offer Price Adjustment (see the section headed "Structure of the Global Offering — Pricing and Allocation") on the website of the Stock Exchange at **www.hkexnews.hk** and on the website of the Company at **www.dyna888.com** on or before[11]	Thursday, December 10, 2020
(2) Announcement of 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 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 website of our Company at **www.dyna888.com** on or before[10]	Thursday, December 10, 2020
(3) Results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers or Hong Kong business registration 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]	Thursday, December 10, 2020

(4) 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 **www.dyna888.com**[6][10]	Thursday, December 10, 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** (alternatively: **www.hkeipo.hk/IPOResult**) with a "search by ID" function[10]	Thursday, December 10, 2020
Despatch/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]	Thursday, December 10, 2020
Despatch of **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques in respect of wholly successful (if applicable) or wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering on or before[8][9][10]	Thursday, December 10, 2020
Dealings in Shares on the Stock Exchange expected to commence[10]	9:00 a.m. on Friday, December 11, 2020

Application for the Hong Kong Offer Shares will commence on Friday, November 27, 2020 through Friday, December 4, 2020, being longer than normal market practice of four days. The application monies (including the brokerages, SFC transaction levies and Stock Exchange trading fees) will be held by the receiving banks on behalf of the Company and the refund monies, if any, will be returned to the applicants without interest on Thursday, December 10, 2020. Investors should be aware that the dealings in the Shares on the Stock Exchange are expected to commence on Friday, December 11, 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, Extreme Conditions and/or a tropical cyclone warning signal number 8 or above in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, December 4, 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 Friday, December 4, 2020 and in any event, no later than 12:00 noon on Wednesday, December 9, 2020. If, for any reason, the Offer Price is not agreed by 12:00 noon on Wednesday, December 9, 2020 between ICBC International Capital (for itself 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 Friday, December 11, 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. Investors who trade Shares prior to the receipt of Share certificates or prior to the Share certificates becoming valid certificate of title do so at their own risk.

(8) e-Auto Refund payment instructions/refund cheques 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 cheque, 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 cheque. Inaccurate completion of an applicant's Hong Kong identity card number or passport number may invalidate or delay encashment of the refund cheque.

(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 cheques and/or Share certificates in person from the Company's 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 Thursday, December 10, 2020 or such other date as notified by the Company as the date of despatch/collection of Share certificates/e-Auto Refund payment instructions/refund cheques. 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 cheques, if any, in person but may not elect to 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 cheques 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. Despatch/Collection of Share Certificates and Refund Monies — Personal Collection — (iv) If you apply via Electronic Application Instructions to the HKSCC" for details. Uncollected refund cheques 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, November 27, 2020 to Friday, December 11, 2020, then the day of (i) announcement of results of allocations in the Hong Kong Public Offering; (ii) despatch of Share certificates and refund cheques/**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.

(11) To be announced as soon as practicable after the Price Determination Date but before the allotment results announcement.

The above expected timetable is a summary only. See "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" 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 Datang Group Holdings 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 Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, officers, representatives, employees, agents or professional advisers or any other person or party involved in the Global Offering.

CONTENTS

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 property developer in China focused on the development of residential and commercial properties in selected economic regions. We have expanded our business into mainly six economic regions in China, including the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region. In 2020, we were ranked 88th among the Top 500 Real Estate Property Developers in China in terms of comprehensive strength(1) by China Real Estate Association and China Real Estate Appraisal Center(2). In 2018 and 2019, we were ranked first and third, respectively, among property developers in terms of contracted sales amount(3) in urban areas of Zhangzhou by the CRIC. In 2018 and 2019, we were one of the top three property developers in Nanning in terms of contracted sales amount(3) by the CRIC.

Headquartered in Xiamen, we historically focused our property development business mainly in the Western Taiwan Strait Economic Region, capturing the opportunities presented by its growing economy. Leveraging our experience and success in the Western Taiwan Strait Economic Region, we have expanded our property development business into other economic regions in China, including the Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region. We intend to further solidify our market position in the six economic regions while expanding into selected cities that we consider to have high growth potential in these regions. We are primarily engaged in the development of residential properties, including the Youth Series (大唐果系), Royalty Series (世家系) and Impression Series (印象系), which generally target customers with a demand for their first homes, and first and second home upgrades, respectively. We follow our Chinese design philosophy and strive to infuse distinctive Chinese design elements into our property designs. We have received numerous awards and recognitions for our property designs. In 2017, our Tong'an Shuiyunjian (同安·水雲間) in Xiamen received the "Oscar Comfortable Living Award for Residential Properties in Xiamen" from

Notes:

(1) Comprehensive strength is assessed by China Real Estate Association and China Real Estate Appraisal Center using seven main factors, including operational scale, profitability, risk management, growth potential, operational performance, ability to innovate and social responsibility. Each of the main seven factors is evaluated from a number of aspects or based on a number of metrics, such as total assets and total GFA sold.

(2) China Real Estate Appraisal Center is jointly set up by China Real Estate and Housing Research Association, China Enterprises Evaluation Association, the Real Estate Research and Appraisal Center of Peking University, Shanghai E-House Real Estate Research Institute and Sina Technology China Co., Ltd.

(3) The contracted sales amount used by the CRIC's ranking assessment for Nanning was calculated on a pro rata basis of our share of equity in the projects that we participate in, while the contracted sales amount for Zhangzhou was calculated on the basis that we held the entire equity interest in all of the property projects we operate, irrespective of whether we owned the entire property interest or a portion thereof through joint venture or associates.

Xiamen Press Media Group, Xiamen Cultural and Broadcast Media Group and Xiamen Evening News. See "Business — Awards and Recognitions" for more information on our awards and recognitions.

We also develop commercial properties, including office buildings, hotels, shopping centers and others, which we believe will not only diversify our source of income, but also enhance our brand name. We hold a portion of our commercial properties for long-term investment.

Our revenue grew at a CAGR of approximately 42.0% from RMB4,019.3 million for 2017 to RMB8,108.0 million for 2019. Our revenue amounted to RMB2,526.1 million for the first half of 2019 and RMB1,785.4 million for the first half of 2020. Our net profit grew at a CAGR of 23.2% from approximately RMB413.2 million for 2017 to RMB627.4 million for 2019. Our net profit amounted to RMB369.4 million for the first half of 2019 and RMB90.0 million for the first half of 2020.

OUR BUSINESS MODEL

During the Track Record Period, we focused on the development and sale of properties. In 2017, 2018 and 2019 and the first half of 2020, our revenue generated from the sale of properties contributed to the majority of our total revenue, amounting to approximately RMB3,403.2 million, RMB5,230.6 million, RMB7,772.4 million and RMB1,583.9 million, respectively, which accounted for approximately 84.7%, 95.2%, 95.9% and 88.7% of our total revenue for the same periods, respectively. We also derived a portion of our revenue from the provision of our construction services, which included revenue generated from construction of resettlement housing to local governments. See "Business — Construction of Resettlement Housing" for more details. We generated revenue from the provision of construction services in the amount of approximately RMB534.8 million, RMB204.0 million, RMB218.6 million and RMB127.5 million for 2017, 2018 and 2019 and the first half of 2020, respectively, which accounted for approximately 13.3%, 3.7%, 2.7% and 7.1% of our total revenue for the same periods, respectively. In addition, we generated a small portion of our revenue from rental of properties, provision of hotel services and other services during the Track Record Period.

In addition to developing residential properties, we also develop commercial properties, including office buildings, hotels, shopping centers and others. We hold certain portion of our commercial properties for investment.

Property Development Projects

As of August 31, 2020, we had 105 property projects developed by our subsidiaries and joint ventures and associates at various stages of development. The tables below set forth a breakdown of total land bank attributable to us of our property portfolio as of August 31, 2020 in terms of geographical location:

	Number of Projects	Completed GFA Unsold/Rentable GFA	Planned GFA under Development	Estimated GFA for Future Development	Total Land Bank Attributable to Us[(1)]	% of Our Total Land Bank Attributable to Us[(1)]
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Property Projects Developed by Our Subsidiaries						
Western Taiwan Strait Economic Region						
Xiamen	6	70,703	84,816	92,238	247,757	2.2
Quanzhou	3	194,976	1,424	—	196,400	1.8
Zhangzhou	13	119,989	836,636	349,548	1,306,173	11.7
Fuzhou	2	—	178,821	53,597	232,418	2.1
Putian	1	—	—	142,154	142,154	1.3
Subtotal	**25**	**385,668**	**1,101,697**	**637,536**	**2,124,900**	**19.0**

	Number of Projects	Completed GFA Unsold/Rentable GFA	Planned GFA under Development	Estimated GFA for Future Development	Total Land Bank Attributable to Us(1)	% of Our Total Land Bank Attributable to Us(1)
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Beibu Gulf Region and Neighboring Cities						
Nanning	16	486,845	1,579,761	105,349	2,171,955	19.4
Liuzhou	2	—	362,079	—	362,079	3.2
Guigang	1	—	191,686	—	191,686	1.7
Subtotal	**19**	**486,845**	**2,133,526**	**105,349**	**2,725,720**	**24.4**
Beijing-Tianjin-Hebei Region						
Tianjin	9	43,972	944,503	38,659	1,027,134	9.2
Subtotal	**9**	**43,972**	**944,503**	**38,659**	**1,027,134**	**9.2**
Midstream Parts of the Yangtze River Region						
Changsha	4	48,357	351,323	10,120	409,800	3.7
Yueyang	2	—	157,399	652,801	810,200	7.2
Subtotal	**6**	**48,357**	**508,722**	**662,920**	**1,219,999**	**10.9**
Yangtze River Delta Region						
Nantong	1	—	97,778	—	97,778	0.9
Wuxi	1	—	—	130,325	130,325	1.2
Changzhou	1	—	—	140,205	140,205	1.3
Ningbo	2	—	113,391	39,882	153,273	1.4
Taizhou	1	—	—	41,620	41,620	0.4
Subtotal	**6**	**—**	**211,169**	**352,032**	**563,201**	**5.0**
Others						
Xi'an	2	—	—	82,961	82,961	0.7
Guiyang	1	14,323	—	—	14,323	0.1
Subtotal	**3**	**14,323**	**—**	**82,961**	**97,284**	**0.9**
Total	**68**	**979,165**	**4,899,617**	**1,879,457**	**7,758,238**	**69.4**
Property Projects Developed by Our Joint Ventures and Associates						
Western Taiwan Strait Economic Region						
Putian	1	—	88,383	—	88,383	0.8
Quanzhou	5	—	257,460	64,862	322,322	2.9
Zhangzhou	5	—	183,355	34,391	217,746	1.9
Fuzhou	1	—	123,094	—	123,094	1.1
Longyan	1	—	—	41,294	41,294	0.4
Sanming	1	—	—	49,439	49,439	0.4
Subtotal	**14**	**—**	**652,292**	**189,986**	**842,277**	**7.5**

	Number of Projects	Completed GFA Unsold/Rentable GFA	Planned GFA under Development	Estimated GFA for Future Development	Total Land Bank Attributable to Us[(1)]	% of Our Total Land Bank Attributable to Us[(1)]
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Beibu Gulf Region and Neighboring Cities						
Nanning	10	23,935	1,031,868	426,479	1,482,281	13.3
Liuzhou	1	—	105,425	38,357	143,782	1.3
Guigang	2	—	103,893	—	103,893	0.9
Beihai	2	5,324	—	—	5,324	0.0
Subtotal	**15**	**29,258**	**1,241,186**	**464,836**	**1,735,281**	**15.5**
Midstream Parts of the Yangtze River Region						
Changsha	1	—	—	296,942	296,942	2.7
Subtotal	**1**	**—**	**—**	**296,942**	**296,942**	**2.7**
Yangtze River Delta Region						
Ningbo	1	—	21,675	—	21,675	0.2
Taizhou	1	—	—	48,712	48,712	0.4
Subtotal	**2**	**—**	**21,675**	**48,712**	**70,387**	**0.6**
Chengdu-Chongqing Region						
Chongqing	4	—	221,206	—	221,206	2.0
Yibin	1	—	150,513	101,320	251,834	2.3
Subtotal	**5**	**—**	**371,720**	**101,320**	**473,040**	**4.2**
Attributable total	**37**	**29,258**	**2,286,873**	**1,101,797**	**3,417,928**	**30.6**
Total land bank attributable to us	**105**	**1,008,423**	**7,186,490**	**2,981,254**	**11,176,166**	**100.0**

Note:

(1) For projects held by our joint ventures and associates, the GFA will be adjusted by our Group's attributable interest in the respective project. Total land bank equals to the sum of (i) total GFA available for sale or lease by us 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, (iii) total estimated GFA for properties held for future development.

Based on our internal record and current plan, and subject to changes resulting from changes of market condition and our adjustment of the development plan of the projects, for all projects developed by our subsidiaries as of June 30, 2020, our total estimated future development costs of our property projects as of June 30, 2020 were RMB20,465.2 million, among which RMB8,137.4 million is expected to be incurred in the second half of 2020, and the rest is expected to be incurred in 2021 and thereafter. We plan to finance our property projects primarily by using our cash flow generated from pre-sales of property projects, bank loans and other borrowings, and funds raised from capital markets, such as the net proceeds to be received from the Global Offering.

The table below sets forth a summary of the numbers of our property projects by development stage as of August 31, 2020, respectively:

	Completed projects	Projects under development	Projects held for future development
As of August 31, 2020 (being the valuation date)	22	65	18

As of the date of the Latest Practicable Date, we had obtained land use rights certificates for all of our property projects we had as of August 31, 2020 except for three projects. For the three projects, we expect to obtain land use rights certificate for Yueyang Dynasty Royalty Phases IV & V (岳陽大唐世家四五期) in November 2020, and expect to obtain land use rights certificates for Taizhou Nanguan Impression (台州南官印象) and Shengshi Chunjiang (盛世春江) in December 2020. We had obtained land use rights certificates for all the other property projects we had as of August 31, 2020. Specifically, we obtained land use rights certificates for Pukou Dynasty Royalty (浦口大唐世家), Dynasty Shengshi Xuhui Mansion (大唐盛世旭輝府), Wuxi Lanyue Yayuan (無錫蘭樾雅院), Jinxia Road 30 Mu Residential Parcel (錦霞路30畝住宅地塊), Dynasty Sanmu Impression West Lake (大唐三木印象西湖), Longyan Royalty Wenyuan (龍岩世家文苑), Hantang Royalty (漢唐世家) and Chuangshi Mingdi (創世銘邸) in September 2020, and we obtained the land use rights certificate for Putian Yuhu Project (莆田玉湖項目) in October 2020.

Our Suppliers and Customers

We outsource part of our design work and all of our construction work to qualified design firms or construction contractors. We also source certain construction materials directly from external suppliers. The construction contractors were our primary suppliers during the Track Record Period. In 2017, 2018 and 2019 and the first half of 2020, our five largest suppliers accounted for approximately 30.5%, 39.3%, 41.6% and 41.3% of our total purchases in the same periods, respectively. Our single largest supplier accounted for approximately 11.3%, 11.4%, 12.0% and 19.8% of our total purchases in the same periods, respectively. See "Business — Suppliers and Customers — Suppliers" for more details.

Our five largest customers generally included local governments to whom we rendered construction services, and individual and corporate purchasers of our residential and commercial properties. In 2017, 2018 and 2019 and the first half of 2020, our five largest customers accounted for approximately 14.5%, 4.1%, 2.9% and 8.0% of our total revenue in the same periods, respectively. Our single largest customer accounted for approximately 12.2%, 1.2%, 0.8% and 3.9% of our total sales in the same periods, respectively. See "Business — Suppliers and Customers — Customers" for more details.

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed and will continue to contribute to our continued success:

- a property developer with a strong presence in selected regions in China;
- offering customer-oriented products with distinctive designs that enhance the value of residential properties under our "Datang" brand;
- established standardized property development process and efficient operating system to ensure rapid development and quality products;
- quality land bank and diversified land acquisition methods;
- prudent financial policies and proactive cost-control measures; and
- experienced, capable and visionary management team to support our long-term growth.

BUSINESS STRATEGIES

We intend to implement the following business strategies in order to achieve our goal of becoming a leading property development company in China, and providing quality products and services to our customers:

- continue our strategic expansion into selected city clusters and further solidify our position in the PRC market;
- continue to deliver quality properties using our standardized operating procedures to increase operational efficiency and further expand our business;
- further enhance our customer-oriented product offerings and increase customer loyalty and enhance brand value;
- continue to implement prudent financial policies, optimize our capital structure and actively explore business opportunities with other property developers; and
- enhance our human resource management and increase our talent reserves.

CONTROLLING SHAREHOLDERS

Immediately upon completion of the Capitalization Issue and the Global Offering, our ultimate Controlling Shareholder, Ms. Wong, will own approximately 58.34% of the enlarged issued share capital of our Company through companies held by her, namely, Good First BVI, Good First HK, Dynasty Cayman, Dynasty Cook and Fujia, without taking into account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option or Shares which may be issued upon the exercise of options granted under the Share Option Scheme. Hence, Ms. Wong, Good First BVI, Good First HK, Dynasty Cayman, Dynasty Cook and Fujia will be a group of Controlling Shareholders under the Listing Rules.

Save as disclosed in the section headed "Relationship with Controlling Shareholders", none of our Controlling Shareholders is interested in any business which is, whether directly or indirectly, in competition with our business. To ensure that competition will not exist in the future, Ms. Wong has entered into the Deed of Non-Competition in favor of our Company to the effect that she will not, and will procure each of 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. See "Relationship with Controlling Shareholders" for more details.

We have entered into a number of agreements with our connected persons which will constitute continuing connected transactions under Chapter 14A of the Listing Rules upon Listing. See "Connected Transactions" for more details.

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 Accountant's Report included in Appendix I to this Prospectus, as well as the information set forth in "Financial Information." Our financial information was prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS").

Summary Consolidated Statements of Comprehensive Income

	For the year ended December 31,			For the six months ended June 30,	
	2017	2018	2019	2019	2020
			(RMB' 000)		
				(unaudited)	
Revenue	**4,019,267**	**5,495,610**	**8,108,026**	**2,526,095**	**1,785,418**
Cost of sales	(3,052,884)	(3,970,317)	(5,922,653)	(1,580,002)	(1,368,970)
Gross profit	**966,383**	**1,525,293**	**2,185,373**	**946,093**	**416,448**
Profit before income tax	753,734	1,083,602	1,407,864	722,031	181,419
Profit for the year	**413,161**	**588,163**	**627,413**	**369,408**	**89,971**
Profit attributable to:					
Owners of the Company	424,056	683,632	710,256	399,068	72,987
Non-controlling interests	(10,895)	(95,469)	(82,843)	(29,660)	16,984

The following table sets forth a breakdown of our revenue and gross profit margin by business line for the periods indicated:

	For the year ended December 31,									For the six months ended June 30,					
	2017			2018			2019			2019			2020		
	(RMB' 000)	%	Gross profit margin %	(RMB' 000)	%	Gross profit margin %	(RMB' 000)	%	Gross profit margin %	(RMB' 000) *(unaudited)*	%	Gross profit margin %	(RMB' 000)	%	Gross profit margin %
Sales of properties	3,403,180	84.7	26.3	5,230,625	95.2	28.3	7,772,380	95.9	27.4	2,424,910	96.0	37.8	1,583,861	88.7	22.3
Provision of construction services	534,765	13.3	5.0	204,008	3.7	5.0	218,621	2.7	5.0	64,812	2.6	5.0	127,500	7.1	5.0
Rental income	42,036	1.0	99.2	35,227	0.6	99.0	40,622	0.5	99.1	9,013	0.4	99.1	21,764	1.2	99.1
Provision of hotel services	19,205	0.5	(0.7)	—	—	—	34,782	0.4	(0.6)	6,430	0.2	0.6	11,636	0.7	(3.2)
Others[(1)]	20,081	0.5	14.1	25,700	0.5	7.9	41,621	0.5	7.7	20,930	0.8	85.5	40,657	2.3	89.4
Total	**4,019,267**	**100.0**	**24.0**	**5,495,610**	**100.0**	**27.8**	**8,108,026**	**100.0**	**27.0**	**2,526,095**	**100.0**	**37.5**	**1,785,418**	**100.0**	**23.3**

Note:

(1) Others mainly consist of the provision of management services to our joint ventures, associates and/or third-party property developer, operation of a sports stadium and other services, which mainly include payment of utility fees paid in advance by us to utility providers on behalf of our tenants and general contractors.

The increase in our revenue from 2017 to 2019 was primarily attributable to the increases in the total GFA delivered during the same period, which was resulted from the increases in the number of property projects delivered during the relevant years and our continuous efforts on strengthening our market positions in China, particularly Zhangzhou, Nanning and Tianjin. Our revenue decreased from RMB2,526.1 million in the first half of 2019 to RMB1,785.4 million for the same period in 2020, primarily because of the decreases in both the total GFA delivered and the ASP per sq.m. during the first half of 2020. The decrease was primarily due to the facts that (i) the revenue we recognized depends on our delivery schedule of our property projects during the relevant period, which is different throughout the year; and (ii) we had brief suspension of construction and sales activities during February and March of 2020 as a result of the COVID-19 outbreak. In particular, the delivered GFA decreased from 217,729 sq.m. for the first half of 2019 to 148,469 sq.m. for the first half of 2020, primarily because certain relatively large-scale property projects, such as Zhangzhou Dynasty Impression (漳州大唐印象), were delivered in the first half of 2019, as compared to the same period of 2020. The recognized ASP per sq.m. of residential properties decreased from RMB11,632 in the first half of 2019 to RMB10,925 in the first half of 2020, primarily because a majority of the property projects delivered in the first half of 2019 were located in Zhangzhou, such as Zhangzhou Dynasty Impression (漳州大唐印象), where the ASP per sq.m. was relatively higher than that in the first half of

2020, a majority of which were located in Quanzhou. Primarily as a result of the decrease in revenue, our profit also decreased from RMB369.4 million for the first half of 2019 to RMB90.0 million for the same period in 2020. Our gross profit margin was 24.0%, 27.8%, 27.0% and 23.3% for the years ended December 31, 2017, 2018 and 2019 and for the first half of 2020, respectively. Our gross profit margin decreased from 37.5% for the first half of 2019 to 23.3% for the first half of 2020, primarily due to a decrease in the gross profit margin for sales of properties, which was because (i) we delivered certain properties such as Zhangzhou Dynasty Impression (漳州大唐印象) in the first half of 2019, a large-scale project with relatively high profit margin, and (ii) the fact that certain properties with larger GFA delivered in the first half of 2020 had relatively lower ASP per sq.m. as compared to the ASP per sq.m. in the first half of 2019, primarily due to the less prime locations of such properties, such as Luojiang Dynasty Royalty (洛江大唐世家). For discussions on our gross profit and gross profit margin, please refer to "Financial Information — Description of Certain Consolidated Statements of Comprehensive Income Items — Gross profit and gross profit margin" in this Prospectus.

We derived most of our revenue from sales of properties during the Track Record Period. The table below sets forth our certain key operating indicators for our sales of properties during the Track Record Period:

	For the year ended December 31,												For the six months ended June 30,							
	2017				2018				2019				2019				2020			
	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin
	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000 *(unaudited)*	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)
Residential																				
Properties	2,750,239	428,631	6,416	21.3	4,206,749	468,871	8,972	25.5	6,889,870	639,095	10,781	27.1	1,992,514	171,291	11,632	36.6	1,380,520	126,368	10,925	20.0
Commercial																				
Properties	592,340	47,977	12,234	50.4	893,063	85,586	10,435	43.4	592,771	50,922	11,641	39.3	292,653	24,039	12,174	49.1	178,780	15,512	11,525	39.2
Car Parks	60,601	18,728	3,236	18.6	130,813	40,722	3,212	12.5	289,739	71,347	4,061	11.8	139,743	22,399	6,239	30.4	24,561	6,589	3,727	25.6
Total / Overall	**3,403,180**	**495,336**	**6,870**	**26.3**	**5,230,625**	**595,179**	**8,788**	**28.3**	**7,772,380**	**761,363**	**10,209**	**27.4**	**2,424,910**	**217,729**	**11,137**	**37.8**	**1,583,861**	**148,469**	**10,668**	**22.3**

The following table sets forth a breakdown of our cost of sales by business line for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 *(unaudited)*	%	RMB'000	%
Cost of sales of properties	2,507,951	82.2	3,752,486	94.5	5,641,213	95.2	1,508,920	95.5	1,231,328	90.0
Cost of provision of construction services	508,027	16.6	193,808	4.9	207,690	3.5	61,571	3.9	121,125	8.8
Cost of rental income	319	0.0	349	0.0	362	0.0	80	0.0	194	0.0
Cost of hotel services	19,346	0.6	—	—	34,989	0.6	6,394	0.4	12,014	0.9
Cost of others	17,241	0.6	23,674	0.6	38,399	0.7	3,037	0.2	4,309	0.3
Total	**3,052,884**	**100.0**	**3,970,317**	**100.0**	**5,922,653**	**100.0**	**1,580,002**	**100.0**	**1,368,970**	**100.0**

The general increase in our cost of sales from 2017 to 2019 was primarily due to the increase in the cost of sales of properties, which was primarily attributable to the increases in cost of land use rights and construction costs, as a result of the increase in our total GFA delivered during the Track Record Period and in line with our business expansion. The decrease in our cost of sales from the first half of 2019 to the first half of 2020 was primarily due to the decrease in our cost of sales of properties, which was in line with the decrease in our total GFA delivered. See "Financial Information" for more details about our financial performance during the Track Record Period.

Summary Consolidated Balance Sheets

	As of December 31,			As of June 30,
	2017	2018	2019	2020
		(RMB' 000)		
Total non-current assets	3,557,989	3,365,927	4,726,351	5,699,296
Total current assets	22,868,085	27,790,300	32,312,610	34,929,086
Total assets	26,426,074	31,156,227	37,038,961	40,628,382
Equity attributable to owners of the Company	643,982	1,394,006	2,877,182	2,986,977
Non-controlling interests	3,333	11,485	207,111	875,082
Total equity	647,315	1,405,491	3,084,293	3,862,059
Total non-current liabilities	8,186,234	5,802,775	6,673,953	7,024,920
Total current liabilities	17,592,525	23,947,961	27,280,715	29,741,403
Total liabilities	25,778,759	29,750,736	33,954,668	36,766,323
Net current assets	5,275,560	3,842,339	5,031,895	5,187,683

Our net current assets decreased from December 31, 2017 to December 31, 2018, primarily due to (i) an increase in contract liabilities as a result of increased property sales and (ii) an increase of our borrowings for financing our property projects, which was partially offset by an increase in properties under development. Our net current assets increased from December 31, 2018 to December 31, 2019, primarily due to (i) increases in trade and other receivables, cash and bank deposits and our properties under development, which were in line with our business expansion and (ii) a decrease of borrowings primarily as we repaid certain short-term loans, which was partially offset by an increase in contract liabilities due to increased property sales. Our net current assets generally remained relatively stable from December 31, 2019 to June 30, 2020. See "Financial Information — Net Current Assets" for more details.

Summary Consolidated Cash Flow Statements

	For the year ended December 31,			For the six months ended June 30,	
	2017	2018	2019	2019	2020
			(RMB' 000)	*(unaudited)*	
Operating cash flows before movements in working capital	705,362	1,169,406	1,534,508	791,421	235,311
Changes in working capital	(713,157)	2,208,775	3,056,775	2,839,453	849,966
Interest paid	(826,158)	(879,098)	(729,154)	(381,365)	(359,392)
Income tax paid	(407,172)	(446,239)	(542,032)	(299,577)	(288,605)
Net cash (used in)/generated from operating activities	(1,241,125)	2,052,844	3,320,097	2,949,932	437,280
Net cash used in investing activities	(545,533)	(761,641)	(1,939,494)	(1,990,551)	(2,511,296)
Net cash generated from/(used in) financing activities	2,633,020	(893,767)	(1,032,523)	(883,331)	989,627
Net increase/(decrease) in cash and cash equivalents	846,362	397,436	348,080	76,050	(1,084,389)
Cash and cash equivalents at beginning of year	622,241	1,468,603	1,866,042	1,866,042	2,214,161
Exchange gain on cash and cash equivalents	—	3	39	(18)	35
Cash and cash equivalents at end of year	1,468,603	1,866,042	2,214,161	1,942,074	1,129,807

Our cash flows and results of operations were subject to timing of property development, selling prices and the GFA pre-sold/sold during the relevant periods. See "Financial Information — Key Factors Affecting Our Results of Operations — Timing of Property Development, Pre-sale and Delivery" for more details. During the Track Record Period, we mainly relied on cash generated from our operations, including proceeds from the pre-sale of our properties, and bank loans and trust financing to finance our business operations. We had negative net cash flow from operating activities in 2017, primarily because of significant net cash used in operations due to our continued expansion in property development. See "Risk Factors — Risks Relating to Our Business — We had negative net operating cash flow in 2017." Our net cash generated from operating activities was RMB2,052.8 million for 2018, primarily due to an increase in contract liabilities of RMB3,553.0 million as a result of our increased pre-sales of new property projects. Our net cash generated from operating activities was RMB3,320.1 million for 2019, primarily due to an increase in trade and other payables of RMB3,956.3 million due to our increased property development activities. In the first half of 2020, our net cash flows generated from operating activities were RMB437.3 million, primarily attributable to significant net cash used in operations due to our continued expansion in property development. Following our continuous expansion of property portfolio, we expect our saleable GFA will continue to increase. We believe we will be in a better position to control and manage our costs and expenses due to our increasing economies of scale. We will also manage and further improve our sales and pre-sale schedules to ensure adequate cash flow for our business operations. To achieve sufficient working capital, we will continue to improve our cash inflow associated with our sales by strengthening our cost-control efforts.

Key Financial Ratios

	As of/For the year ended December 31,			As of/For the six months ended June 30,
	2017	2018	2019	2020
Return on equity (%)(1)	98.0	67.1	33.3	5.0
Return on total assets (%)(2)	1.8	2.0	1.8	0.5
Interest coverage ratio (times)(3)	1.9	2.2	2.9	1.5
Net gearing ratio (%)(4)	1,087.9	408.8	119.2	128.5
Current ratio (times)(5)	1.3	1.2	1.2	1.2

Notes:

(1) Return on equity ratio is calculated by dividing net profit attributable to the owners of the Company for the year/period by the average balance of total equity attributable to owners of the Company at the beginning and end of the year/period and multiplied by 100% and arithmetically annualizing the result. It is not indicative of the actual results.

(2) Return on total assets ratio is calculated based on our profit from continuing operations for the year/period divided by the average balance of our total assets at the beginning and end of the year/period and multiplied by 100% and arithmetically annualizing the result. It is not indicative of the actual results.

(3) Interest coverage ratio is calculated by dividing our earnings before interest and income taxes by our interest expenses for the same year/period. Interest expenses refer to the finance costs added back capitalized interest for the respective year/period.

(4) Net gearing ratio is calculated based on net debt (the sum of long-term and short-term interest-bearing bank and other borrowings less cash and bank deposits) divided by total equity as of the respective dates and multiplied by 100%.

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

Our return on equity decreased from 98.0% in 2017 to 67.1% in 2018, and further to 33.3% as of December 31, 2019, primarily due to the increase in shareholders' equity resulting from the accumulated retained earnings and capital injection from shareholders. Our return on equity decreased from 33.3% as of December 31, 2019 to 5.0% as of June 30, 2020 primarily as a result of the decrease in our net profit.

Our return on total assets increased from 2017 to 2018, primarily due to the increase of our profit in 2018. Our return on total assets decreased from 2018 to 2019, primarily due to an increase of average total assets from 2018 to 2019, which was primarily due to an increase in properties under development and investment in our associates and joint ventures as a result of our increased property development activities. Our return on total assets decreased from 2019 to the first half of 2020, primarily due to the increase of average total assets, which is attributable to an increase in the balance of properties under development as of June 30, 2020, and the decrease of net profit.

Our interest coverage ratio increased from 2017 to 2019, primarily due to the increase of our profits before interests and taxes in the relevant years. Our interest coverage ratio decreased from 2019 to the first half of 2020 primarily because of the decrease of profit before interest and tax mainly resulting from a decrease in revenue from sales of properties.

Our net gearing ratio decreased significantly from 1,087.9% as of December 31, 2017 to 408.8% as of December 31, 2018 and further to 119.2% as of December 31, 2019 primarily due to (i) the continued increase in retained earnings from 2017 to 2019, (ii) an increase in capital injection from shareholders of our Company in 2019 and (iii) our repayment of borrowings with excess cash. Our net gearing ratio generally remained relatively stable from 119.2% as of December 31, 2019 to 128.5% as of June 30, 2020. We expect our net gearing ratio to further decrease upon Listing as we plan to use approximately 30.0% of the net proceeds of the Global Offering to repay a portion of certain existing interest-bearing bank borrowings. See "Future Plan and Use of Proceeds — Use of Proceeds."

Our current ratio remained relatively stable during the Track Record Period.

For more information, see "Financial Information — Summary of Key Financial Ratios."

Financial Ratios under the Proposed PBOC Standard

Recent news articles have begun to emerge which report that the PBOC 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. 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 cash to short-term borrowing ratio (calculated as cash and bank balances divided by short-term interest bearing liabilities) shall not be lower than 1.0. The PBOC standard as reported in the news articles 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 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.

As of June 30, 2020, using the above-mentioned calculation methods, our pro forma liability asset ratio would be 84.7%; net gearing ratio would be 128.5%; and cash to short-term borrowing ratio would be 1.34. See "Financial Information — Summary of Key Financial Ratios — Financial Ratios under the Proposed PBOC Standard."

PROPERTY VALUATION

Our independent property valuer, Jones Lang LaSalle, 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. They also assumed that the properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

In the valuation of property interests by using comparison method, Jones Lang LaSalle 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, environmental quality of the properties. The selected comparables are basically located in the area close to the subject properties or within the same development. They also assumed the sale of the property interests was in their existing state with the benefit of immediate vacant possession. Appropriate adjustments and analysis are considered with regard 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, Jones Lang LaSalle 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 been then 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, Jones Lang LaSalle has assumed that they will be developed and completed in accordance with the latest development proposals provided by us. In arriving at its opinion of values, Jones Lang LaSalle 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. Jones Lang LaSalle 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. Jones Lang LaSalle has valued our property interests and the total market value of our Group's properties as of August 31, 2020 at RMB58,396.2 million, and the value attributable to us was RMB35,433.7 million. For details about valuation of our properties, please refer to Appendix III in this Prospectus. For risks associated with assumptions made in the valuation of our properties, please refer to the paragraph headed "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" in this Prospectus.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that: (i) the Global Offering is completed and 333,400,000 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 have been or may be granted under the Share Option Scheme; and (iii) 1,333,400,000 Shares are issued and outstanding upon completion of the Global Offering.

	Based on an Offer Price of HK$3.24 per Offer Share, after a Downward Offer Price Adjustment of 10%	Based on an Offer Price of HK$3.60 per Offer Share	Based on an Offer Price of HK$4.60 per Offer Share
Market capitalization of our Shares	HK$4,320.22 million	HK$4,800.24 million	HK$6,133.64 million
Unaudited pro forma adjusted net tangible asset value per Share(1)	HK$3.41	HK$3.50	HK$3.75

Note:

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

DIVIDEND

We did not declare any dividend to our shareholders during the Track Record Period. Declaration of dividends is subject to 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. There can be no assurance that we will be able to declare any dividend in the amount set out in any plan of the Board or at all. We currently do not have any dividend policy or intention to declare or pay any dividends in the near future. For more details, see "Financial Information — Dividend and Distributable Reserve."

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$1,279.4 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$4.10 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 60.0%, or approximately HK$767.7 million, will be used for financing our existing projects, including the construction costs of property development projects, among which, (i) approximately 16.2%, or approximately HK$207.1 million, will be used for construction and development of Tangsheng Yayuan (唐晟雅苑) by the end of 2020; (ii) approximately 18.4%, or approximately HK$235.7 million, will be used for construction and development of Tangxi Yayuan (唐璽雅苑) by the end of 2020; (iii) approximately 10.7%, or approximately HK$136.3 million, will be used for construction and development of Tangyun Yayuan (唐韻雅苑) by the end of 2020; (iv) approximately 12.0%, or approximately HK$153.2 million, will be used for construction and development of Changsha Dynasty Impression — Yuxi (長沙大唐印象•御璽) by the end of 2020 and (v) approximately 2.8%, or approximately HK$35.4 million, will be used for construction and development of Changsha Dynasty Impression — Yuyuan (長沙大唐印象•御園) by the end of 2020;
- approximately 30.0%, or approximately HK$383.8 million, will be used for repayment of a portion of certain existing interest-bearing bank borrowings, which are loans for our property project development, including (i) a bank borrowing of HK$265.9 million with a fixed interest rate of 8.5025% per annum and maturing in August 2021; and (ii) a bank borrowing of HK$117.9 million with a fixed interest rate of 10.00% per annum and maturing in January 2021; and
- approximately 10.0%, or approximately HK$127.9 million, will be used for general business operations and working capital.

For more information, see “Future Plans and Use of Proceeds.” If the final Offer Price is set at HK$3.24 per Offer Share, the estimated net proceeds that we will receive from the Global Offering will be reduced to HK$992.7 million, assuming that the Over-allotment Option is not exercised and that such reduced proceeds will be used as described in “Future Plans and Use of Proceeds” on a pro rata basis.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Business Highlights

During the period from August 31, 2020 and up to the Latest Practicable Date, we had secured five land parcels through public tender, auction or listing-for-sale process either by ourselves or by our business partners with a total site area of approximately 194,814 sq.m. for an aggregate consideration of approximately RMB2,130.7 million. These land parcels are located in four cities, Putian in Fujian Province, Wenzhou in Zhejiang Province, Nanning in Guangxi Zhuang Autonomous Region and Suining in Sichuan Province.

During the period from August 31, 2020 to the Latest Practicable Date, seven of our property projects developed by our subsidiaries had changed the development status, including (i) five property projects, namely, Putian Yuhu Project (莆田玉湖項目), Dynasty Shengshi Xuhui Mansion (大唐盛世旭輝府), Wuxi Lanyue Yayuan (無錫蘭樾雅院), Changzhou Dynasty Zhongnan Shangyuecheng (常州大唐中南上悦城) and Taizhou Nanguan Impression (台州南官印象), which were held for future development as of August 31, 2020, were under development as of the Latest Practicable Date; and (ii) two property projects, namely, Yunxiao Dynasty Impression (雲霄大唐印象) and Dynasty Happy Lane (大唐幸福里) which were under development as of August 31, 2020, were completed as of the Latest Practicable Date.

As we recognize the revenue of sales of properties upon the delivery of our properties to the customers, our revenue recognized from sales of properties in a given period is primarily affected by the development and delivery schedule of our property projects during this period. Based on the development and delivery progress of our property projects from January 1, 2020 to the Latest Practicable Date, except for the temporary suspension of constructions and sales activities during February and March of 2020 due to the COVID-19 outbreak as mentioned below, there was no material adverse impact on our business operations and we have been able to follow the current development and delivery schedule for our property projects; and we do not expect any material delay in the development and delivery schedule of our property projects.

Based on unaudited management accounts and our recent records of sales and delivery schedule of properties, we expect an increase in our revenue and profit for 2020 as compared to 2019, primarily driven by development and sales of properties, and a decrease in profits attributable to owners of the Company for 2020 as compared to 2019. The increase in revenue and profit is primarily attributable to an expected increase of approximately 45% in total GFA of 1.1 million sq.m. to be delivered in 2020 as compared to the total GFA of 761,363 sq.m. delivered in 2019, which will be partially offset by an expected decrease of approximately 17% in the recognized ASP of approximately RMB8,500 per sq.m. in 2020 from RMB10,209 in 2019. Our total GFA delivered for the ten months ended October 31, 2020 was approximately 0.7 million sq.m. of the total GFA to be delivered in 2020, approximately 60% of the total GFA (representing approximately 90% of the total GFA delivered in 2019) had been delivered during the ten months ended October 31, 2020. For the remaining GFA to be delivered in the end of 2020, we have completed the construction works for all projects expected to be delivered by 2020 and received completion certificates in respect of Dynasty Happy Lane (大唐幸福里) and we expect to obtain completion certificates for all the other projects expected to be delivered by 2020 and then deliver also by the end of 2020 as scheduled. The expected decrease in ASP per sq.m. in 2020 was primarily caused by (i) the geographical differences in delivered properties in 2020 as compared to 2019; and (ii) the relatively high ASP per sq.m. in 2019 due to property projects in Zhangzhou delivered. We also expect an increase in our cost of sales in 2020 as compared to 2019, which is generally in line with the increase in GFA delivered/to be delivered in 2020 as aforementioned, partially offset by an approximately 14% expected decrease in average cost per sq.m. sold/to be sold from RMB7,409 in 2019 to approximately RMB6,350 in 2020. The expected decrease in average cost per sq.m. sold/to be sold was primarily due to the geographical differences in the delivered properties in 2020 as compared to 2019, which consequently led to differences in land acquisition costs.

The COVID-19 Outbreak

Impact of the COVID-19 Outbreak on Our Business Operations

An outbreak of respiratory illness caused by a novel coronavirus, COVID-19, emerged in late 2019 and spread across the PRC in early 2020, with the majority of the confirmed cases in Hubei Province of China. On January 23, 2020, the PRC government announced the lock-down of Wuhan in an attempt to curb the spread of COVID-19. Since then, a number of measures including travel restrictions have been imposed in other major cities in the PRC, as well as other countries and territories, in an effort to contain the COVID-19 outbreak. As of the Latest Practicable Date, the virus had infected over four million people globally. The pandemic has had and is likely to continue to have an adverse impact on the livelihood of the people in and the economy of the PRC and the world. However, the PRC government has taken various measures to manage cases, reduce potential spread and impact of infection. In addition, the PRC central and local governments have adopted various incentive policies to boost the economy. The PRC real estate market is under pressure in the short-term as the COVID-19 outbreak has curbed consumer demand and pre-sales.

In the long run, we are of the view that the COVID-19 outbreak will not have a significant and negative impact on our property development and sales due to the facts that: (i) we had property projects in 18 cities where there were confirmed infected cases, and none in Wuhan, Hubei Province as of the Latest Practicable Date, but to the best of our Directors' knowledge, as of the Latest Practicable Date, there had been no confirmed cases of COVID-19 infection of our employees; and (ii) while we suspended our construction and sales activities after the Lunar New Year holiday period as a result of the outbreak of COVID-19 as described below, our overall property development progress had largely caught up to the property development schedule prior to the outbreak of COVID-19. The construction of all of our property projects were suspended from February 9, 2020 (right after the Lunar New Year holiday period in the PRC), to March 10, 2020 at the latest. Excluding the normal Lunar New Year holiday period mentioned above, the Group only experienced approximately one month of suspension at most in term of construction activities for certain of our projects. The construction of all of our property projects had fully resumed as of the Latest Practicable Date.

The sales offices for all of our property projects were closed from February 9, 2020 (right after the Lunar New Year holiday period in the PRC) to March 2, 2020 at the latest. In order to minimize the impact on our sales activities to the extent possible, during the temporary closure of our sales offices, we launched online marketing and sales campaign for our property projects on February 10, 2020, which allowed potential homebuyers to, among others, view our property projects available for pre-sales virtually, gain relevant sales information and communicate with the sales staff regarding the properties via an online platform or telephone at all hours, and complete relevant forms and/or contracts for property purchase to the extent possible (as applicable). As a result of our efforts and the re-opening of the Group's sales offices, our contracted sales started to pick up in March 2020 as compared to that in March 2019, and we recorded an increase of approximately 11.3% in terms of contracted sales amount[(1)] from the ten months ended October 31, 2019 to the same period in 2020. Although we had fewer on-site visits by potential customers in relation to the closure of certain of our local sales office from early February to early March 2020 as a result of the local restrictions imposed in response to the COVID-19 pandemic, our contracted sales started to pick up in March 2020, and we had more pre-sale activities commenced in the July and August of 2020 as compared that in the same period of 2019, which schedule may vary from period to period, depending on the relevant construction and pre-sale schedules during the relevant period. As of October 31, 2020, our overall property development activities had largely caught up to the property development schedule prior to the COVID-19 outbreak except for three projects, namely, (i) Dynasty Shengshi Phases I & II (大唐盛世一和二期) and Xingning Dynasty Impression (興寧大唐印象), which experienced approximately six

Note:

(1) Calculated on the basis that we held the entire equity interests in all of the property projects we participated in, regardless of whether we owned the entire equity interests or a portion thereof through our joint ventures or associates.

months delay in completion of construction for parts of their ancillary and car parks as a result of the construction suspension due to the COVID-19 pandemic and our adjustment to the construction plans for these two large-scale property projects related thereto, while the delivery of residential units of the aforesaid two property project were or will still be on schedule; and (ii) part of Dynasty Zhenguan (大唐臻觀), which experienced one month delay in delivery, as a result of the COVID-19 pandemic. Taking into account that (i) the delay in completion of construction of Dynasty Shengshi Phases I & II (大唐盛世一和二期) and Xingning Dynasty Impression (興寧大唐印象) would not cause any delay in the relevant delivery of residential units; (ii) the part of Dynasty Zhenguan (大唐臻觀) which were delayed in delivery, accounted for less than 1% of the total land bank attributable to us as of June 30, 2020, and the one month delay in its delivery was within reasonable period considering the effect of the COVID-19 pandemic, we have not been subjected to any damage claims from any property purchasers, as we have notified them in a timely manner pursuant to the relevant force majeure provision, which covers the outbreak of pandemics, in the relevant property sales contracts, nor have we been penalized by any government authorities for the one-month delay in delivery. Accordingly, property purchasers are not entitled to claim any damages from us as a result of any delay in delivery due to the COVID-19 outbreak, and we do not expect such delay to have any material adverse impact on our business operations or financial results. For more discussions on the potential impact from the outbreak on us, see "Risk Factors — Risks Relating to the PRC — 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."

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. In the very unlikely event that we are forced to reduce or suspend part of our business operations, whether due to government policy or any other reason beyond our control, due to the COVID-19 pandemic, based on the result of the business assessment conducted (taking into account and subject to the assumptions including (i) we would suspend all pre-sales and sales of properties beginning from July 1, 2020, and would only receive pre-sale or sale proceeds from those property projects that had been pre-sold or sold as of June 30, 2020; (ii) we would suspend all property development activities and would suspend all expansion plans from July 1, 2020; (iii) we would incur expenses to maintain our operations at a minimum level, primarily including staff costs, repayment of bank borrowings, interest expenses and tax expenses; (iv) we would primarily only have the following financial resources for funding our operations: cash and cash equivalents, bank facilities and other financing arrangements available as of June 30, 2020 and proceeds from the Global Offering designated for general working capital; (v) we would not have any additional and significant expenses that have not been budgeted in our latest financial statements; (vi) we would not make any investment into any non wholly-owned subsidiaries, joint ventures or associates beginning from July 1, 2020; (vii) no further dividend will be declared and/or paid; and (viii) we would make prudent estimates of settlement of account receivables based on historical settlement pattern, and would settle account payables and bank borrowings when due), our Directors are of the view that our Group will remain financially viable for at least 12 months from the Listing Date.

The abovementioned extreme situation may or may not occur. The abovementioned analysis is for illustrative purpose only and our Directors currently assess that the likelihood of such situation is remote. The actual impact from the outbreak of COVID-19 will depend on its subsequent development; therefore, there is a possibility that such impact to our Group may be out of our Director's control and beyond our estimation and assessment.

Measures to the COVID-19 Outbreak

In response to the COVID-19 outbreak, we have implemented contingency plans and adopted enhanced hygiene and precautionary measures in our daily operations. Specifically, (i) we strictly implement local governments' requirements on orderly resumption of construction and sales activities; (ii) we require all of our employees to comply with local governments' quarantine requirements; (iii) we purchase protective materials, such as masks, ethanol hand wash and disinfectants, for our employees and conduct daily temperature check; (iv) after sales and construction activities were resumed, we regularly sanitize our sales offices, construction sites and other common areas; (v) we require all on-site personnel and visitors to wear masks and maintain necessary distancing; and (vi) we pay attention to the collection of receivables and payment of payables as well as actively explore external financing opportunities to ensure sufficient and healthy cash flow. We estimate that the additional costs for implementing these enhanced plans and measures to be approximately RMB320,000 for the year ending December 31, 2020. This mainly represent the material costs for masks, ethanol hand wash, disinfectants and infrared thermometers. Our Directors confirm that the additional costs associated with the enhanced measures would have no significant impact on our Group's financial position for the year ending December 31, 2020.

Based on the above, our Directors are of the view that no material adverse effect on our operations and financial performance is expected to result from the recent COVID-19 outbreak.

After due and careful consideration, our Directors confirmed that, there had been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects up to the date of this Prospectus.

NON-COMPLIANCE MATTERS

Except for the non-compliance incidents disclosed below, we are advised by our PRC Legal Advisors, Jingtian & Gongcheng, that, during the Track Record Period and up to the Latest Practicable Date, we had complied with relevant PRC laws and regulations in all material respects. Such non-compliance incidents include (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, and failure to maintain the required regulatory threshold levels of restricted cash balances; (ii) commencing construction works before obtaining the requisite work permits or approvals; (iii) carrying out construction works that did not adhere to the requirements or specifications set out in the relevant construction planning permits and/or other related planning approvals; (iv) delivering properties without completing the relevant construction completion procedures; and (v) publishing property advertisements that did not comply with the relevant requirements of the PRC Advertising Law.

For more information regarding the above non-compliance incidents, see "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations."

LISTING EXPENSES

The total amount of Listing expenses that will be borne by us in connection with the Global Offering, including underwriting commissions, is estimated to be approximately RMB74.2 million (approximately HK$87.5 million), among which, approximately RMB32.6 million (approximately HK$38.4 million) is directly attributable to the Global offering and will be capitalized, and approximately RMB41.6 million (approximately HK$49.1 million) has been or will be reflected in our consolidated statements of comprehensive income. During the Track Record Period, approximately RMB37.5 million (approximately HK$44.3 million) has been reflected in our consolidated statements of comprehensive income. The professional fees and/or other expenses related to the preparation of Listing subsequent to June 30, 2020 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. The total amount of Listing expenses are estimated to account for approximately 6.4% of our estimated gross proceeds, assuming an Offer Price of HK$4.10 per Offer Share (being the mid-point of the Offer Price range). 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 the real estate industry, (iii) risks relating to doing business in China, and (iv) risks relating to the Global Offering. Some of the risks generally associated with our business and industry include the following:

- we are susceptible to adverse movements in the PRC real estate market, particularly in regions and cities where we have property development projects.
- we are adverse to changes in economic, political and social conditions and government policies in China.
- we may not have adequate financing to fund our property development projects, and capital sources may not be available on favorable terms, or at all.
- we rely on contractors during the construction and development stages of our property development projects, who may not perform in accordance with our expectations.
- we may fail to protect our intellectual property rights, which may materially and adversely affect our brand value.

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 this Prospectus in deciding whether to invest in our Shares.

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set forth below. Certain technical terms are explained in "Glossary" in this prospectus.

"Accountant's Report"	the accountant's report of our Company prepared by our reporting accountant as set out in Appendix I to this Prospectus
"Application Form(s)"	**WHITE** Application Form(s), **YELLOW** Application Form(s) and **GREEN** Application Form(s), or where the context requires, any of them in relation to the Hong Kong Public Offering
"Articles of Association" or "Articles"	the amended and restated articles of association of our Company, conditionally adopted on November 20, 2020, which will become effective upon Listing, as amended, supplemented or otherwise modified from time to time a summary of which is set out in Appendix IV to this Prospectus
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"business day"	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands
"CAGR"	compound annual growth rate
"Capitalization Issue"	the issue of 999,000,000 Shares to be made upon capitalization of certain sums standing to the credit of the share premium account of our Company as referred to in "Statutory and General Information — A. Further Information about Our Company — 3. Written resolutions of our Shareholders passed on November 20, 2020" in Appendix V to this Prospectus
"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 Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operation and functions of CCASS as from time to time in force
"CCASS Participant"	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
"China" or "PRC"	the People's Republic of China, but for the purpose of this Prospectus and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region and Taiwan
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Law"	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) 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
"Company" or "our Company"	Datang Group Holdings Limited (大唐集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on December 14, 2018
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"contracted sales amount"	the purchase price of formal purchase contracts that we entered into with customers of our properties. The contracted sales information is compiled through our internal records, and such information has not been audited or reviewed by our auditor and reporting accountant, PricewaterhouseCoopers. As these sales and purchase contracts are subject to termination or variation under certain circumstances pursuant to their contractual terms, or subject to default by purchasers, they are not a guarantee of current or future contracted sales. Therefore, such contracted sales information should not be treated as in indication of our current or future revenue or profitability
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules, and unless the context requires otherwise, refers to Ms. Wong,

	Good First BVI, Good First HK, Dynasty Cayman, Dynasty Cook and Fujia, which constitute a group of Controlling Shareholders
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"CRIC"	a PRC property market database, commonly known as "克而瑞"
"Datang Investment"	Datang Investment Limited (大唐投資(香港)有限公司), a limited liability company incorporated in Hong Kong on January 30, 2019 and a directly wholly-owned subsidiary of our Company
"Deed of Indemnity"	the deed of indemnity dated November 20, 2020 and executed by our Controlling Shareholders in favor of our Company (for ourselves and as trustee for our subsidiaries), see "Statutory and General Information — D. Other Information — 2. Tax and other indemnities" in Appendix V to this Prospectus for more details
"Deed of Non-Competition"	the deed of non-competition dated November 20, 2020 and executed by Ms. Wong in favor of our Company (for ourselves and as trustee of our subsidiaries), see "Relationship with Controlling Shareholders — Deed of Non-Competition" for details
"Director(s)" or "our Director(s)"	the director(s) of our Company
"Downward Offer Price Adjustment"	an adjustment that has the effect of setting the final Offer Price up to 10% below the low end of the indicative Offer Price range
"Dynasty Cayman"	Dynasty International Holding Co., Ltd., an exempted company incorporated in the Cayman Islands with limited liability on July 23, 2007, which is owned as to 70% by Good First HK and 30% by Good First BVI and is one of our Controlling Shareholders
"Dynasty Cook"	Dynasty International Co. Ltd. (大唐國際有限公司), a limited liability company incorporated in the Cook Islands on April 24, 1998, which is owned as to approximately 58.33% by Good First HK and 41.67% by Dynasty Cayman and is one of our Controlling Shareholders
"Dynasty Development"	Dynasty Development International Limited (大唐發展國際有限公司), a limited liability company incorporated in Hong Kong on June 27, 2019 and an indirect wholly-owned subsidiary of our Company

"Dynasty Management"	Dynasty Management International Limited (大唐管理國際有限公司), a limited liability company incorporated in the BVI on June 19, 2019 and a direct wholly-owned subsidiary of our Company
"EIT"	Enterprise Income Tax
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"Fujia"	Fujia Group Holdings Limited (福嘉集團控股有限公司), (formerly known as XinDi Group Holdings Limited (信地集團控股有限公司)), an exempted company incorporated in the Cayman Islands with limited liability on July 24, 2019, which is indirectly wholly-owned by Ms. Wong and is one of our Controlling Shareholders
"Fuxin Group"	Fuxin Group Co., Ltd.* (福信集團有限公司), a limited liability company established in the PRC on May 2, 1995 and is controlled by Ms. Wong, one of our Controlling Shareholders
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Gold Faith"	Gold Faith Holdings Limited (金信控股有限公司), a limited liability company incorporated in the BVI on December 7, 2009, which is owned as to approximately 66.6% by Mr. Sung Wei-Chien (宋為騫), 16.7% by Mr. Yu Ching-Mai (余青麥) and 16.7% by Mr. Shih Jui-Chieh (史瑞傑)
"Good First BVI"	Good First Holding Limited, a limited liability company incorporated in the BVI on October 13, 2014, which is wholly owned by Ms. Wong and is one of our Controlling Shareholders
"Good First Group"	Good First Group Co., Ltd. (福信集團有限公司), a limited liability company incorporated in Hong Kong on March 7, 2003, which is owned as to 90% by Ms. Wong and 10% by Mr. Wu Di, our executive Director
"Good First HK"	Good First International Holding Limited (福信國際控股有限公司), a limited liability company incorporated in Hong Kong on June 11, 2004, which is wholly owned by Good First BVI 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", "our", "we" or "us"	our Company and our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be)
"Guangxi Datang Shijia"	Guangxi Datang Shijia Investment Co., Ltd.* (廣西大唐世家投資有限公司), a limited liability company established in the PRC on December 4, 2013 and an indirect wholly-owned subsidiary of our Company
"Guangxi Tangmei"	Guangxi Tangmei Investment Co., Ltd. * (廣西唐美投資有限公司), a limited liability company established in the PRC on July 30, 2015 and an indirect non wholly-owned subsidiary of our Company
"Guangxi Xindi"	Guangxi Xindi Investment Co., Ltd.* (廣西信地投資有限公司), a limited liability company established in the PRC on October 28, 2009 and an indirect wholly-owned subsidiary of our Company
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be registered 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** and on the designated website at **www.hkeipo.hk**
"Hong Kong"	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 33,340,000 Offer Shares being initially offered by our Company for subscription pursuant to the Hong Kong Public Offering, subject to reallocation as described in "Structure of the Global Offering" in this Prospectus
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), on and subject to the terms and conditions of this Prospectus and the Application Forms, as further described in "Structure of the Global Offering" in this Prospectus
"Hong Kong Share Registrar"	Tricor Investor Services Limited

"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed on "Underwriting — Hong Kong Underwriters" in this Prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated November 26, 2020 relating to the Hong Kong Public Offering and entered into by, among others, our Company, our Controlling Shareholders, the Sole Global Coordinator and the Hong Kong Underwriters, as further described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement" in this Prospectus
"Independent Third Party(ies)"	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not connected with our Company or our connected persons as defined in the Listing Rules
"International Offer Shares"	the 300,060,000 Offer Shares being initially offered by our 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, subject to reallocation as described in "Structure of the Global Offering" in this Prospectus
"International Offering"	the offer of the International Offer Shares by the International Underwriters outside the United States in offshore transactions in reliance on Regulation S, as further described in "Structure of the Global Offering" in this Prospectus
"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, our Company, our Controlling Shareholders, the Sole Global Coordinator and the International Underwriters on or about the Price Determination Date, as further described in "Underwriting — Underwriting Arrangements and Expenses — International Offering — International Underwriting Agreement" in this Prospectus
"**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**
"Joint Bookrunners"	ICBC International Capital Limited, ABCI Capital Limited, BOCOM International Securities Limited, CCB International Capital Limited, CMB International Capital Limited, Essence International Securities (Hong Kong) Limited, Guodu Securities (Hong Kong) Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited and Vision Capital International Holdings Limited
"Jones Lang LaSalle"	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, our independent property valuer and our industry consultant
"Joint Lead Managers"	ICBC International Securities Limited, ABCI Securities Company Limited, BOCOM International Securities Limited, CCB International Capital Limited, CMB International Capital Limited, CRIC Securities Company Limited, Essence International Securities (Hong Kong) Limited, GLAM Capital Limited, Guodu Securities (Hong Kong) Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, Hongkong Rich & Fortune Securities Co., Limited, HTF Securities Limited, Huajin Securities (International) Limited, Livermore Holdings Limited and Vision Capital International Holdings Limited
"Latest Practicable Date"	November 20, 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 in the Main Board
"Listing Committee"	the listing sub-committee of the board of directors of the Stock Exchange
"Listing Date"	the date on which dealings in the Shares on the Main Board first commence
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange

"MeiDi"	MeiDi Investment Holding Limited (美地投資控股有限公司), a limited liability company incorporated in the BVI on April 20, 2018, which is wholly owned by Mr. Wu Di (吳迪), our executive Director
"Memorandum of Association" or "Memorandum"	the amended and restated memorandum of association of our Company, conditionally adopted on November 20, 2020, which will become effective upon Listing, as amended, supplemented or otherwise modified from time to time, a summary of which is set out in Appendix IV to this Prospectus
"MOFCOM"	the Ministry of Commerce of the People's Republic of China
"Ms. Wong"	Ms. Wong Hei (黃晞), one of our Controlling Shareholders
"NDRC"	the National Development and Reform Commission
"Offer Price"	the final Hong Kong dollar price per Offer Share (exclusive of brokerage fee of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.0027%) at which the Offer Shares are to be subscribed for pursuant to the Global Offering (subject to any Downward Offer Price Adjustment)
"Offer Shares"	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 us to the International Underwriters exercisable by ICBC International Capital (for itself and on behalf of the International Underwriters), pursuant to which our Company may be required to issue up to an aggregate of 50,010,000 new Shares (representing in aggregate 15% of the Shares initially offered under the Global Offering), at the final Offer Price, to cover over-allocations in the International Offering, if any, see the section headed "Structure of the Global Offering" for more details
"PBOC"	the People's Bank of China
"PRC Advertising Law"	the Advertising Law of the People's Republic of China (中華人民共和國廣告法)
"PRC Company Law"	the PRC Company Law (中華人民共和國公司法)

"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 our Company on PRC laws in connection with the Global Offering
"Price Determination Date"	the date, expected to be on or around December 4, 2020 but no later than 12:00 noon on December 9, 2020, on which the Offer Price is to be fixed by our Company and ICBC International Capital (for itself and on behalf of the Underwriters) for the purposes of the Global Offering
"Principal Share Registrar"	Appleby Global Services (Cayman) Limited
"Property Valuation Report"	a report in respect of property valuation commissioned by our Company and issued by Jones Lang LaSalle
"Prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering
"Regulation S"	Regulation S under the U.S. Securities Act
"Reorganization"	the reorganization of the Group in preparation of the Listing, see "History, Reorganization and Corporate Structure" for details
"RMB"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange
"SAIC"	the State Administration of Market Regulation
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) with a nominal value of US$0.01 each in the share capital of our Company
"Shareholder(s)"	holder(s) of the Share(s)
"Share Option Scheme"	the share option scheme conditionally approved and adopted by our Company on November 20, 2020, a summary of its principal terms is set forth in the section headed "Statutory and General Information — D. Other Information — 1. Share Option Scheme" in Appendix V to this Prospectus
"Sole Global Coordinator"	ICBC International Capital Limited

"Sole Sponsor" or "ICBC International Capital"	ICBC International Capital Limited
"Stabilizing Manager"	ICBC International Securities Limited
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"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
"Tangjia"	Tangjia Real Estate Management Co., Limited (唐嘉房地產管理有限公司), a limited liability company incorporated in the BVI on April 23, 2018, which is wholly owned by a group of our Directors and senior management of our Group
"Tianjin Haihui"	Tianjin Haihui Real Estate Development Co., Ltd.* (天津海匯房地產開發有限公司) (formerly known as Tianjin Haier Real Estate Development Co., Ltd.* (天津海爾房地產開發有限公司)), a limited liability company established in the PRC on January 18, 2010 and an indirect wholly-owned subsidiary of our Company
"Tianjin Xinghuafu"	Tianjin Xinghuafu Properties Co., Ltd.* (天津星華府置業有限公司), a limited liability company established in the PRC on August 24, 2010 and an indirect wholly-owned subsidiary of our Company
"Track Record Period"	the period comprising the three years ended December 31, 2019 and the six months ended June 30, 2020
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"US" or "United States"	United States of America
"US$", "USD" or "US dollars"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time
"**WHITE** Application Form(s)"	the application form(s) for the Hong Kong Offer Shares for use by members of the public who require such Hong Kong Offer Shares to be issued in an applicant's own name

"Withdrawal Mechanism"	a mechanism which requires the Company, among other things, to (a) issue a supplemental prospectus as a result of material changes in the information (such as the Offer Price) in the Prospectus; (b) extend the offer period and to allow potential investors, if they so desire, to confirm their applications using an opt-in approach, (i.e. requiring investors to positively confirm their applications for Shares despite the changes)
"Xiamen Datang"	Xiamen Datang Real Estate Group Co., Ltd.* (廈門大唐房地產集團有限公司), a limited liability company established in the PRC on August 29, 1997 and an indirect wholly-owned subsidiary of our Company
"Xiamen Fuxin"	Xiamen Fuxin Real Estate Co., Ltd.* (廈門福信房地產有限公司), a limited liability company established in the PRC on January 18, 1993 and is owned as to approximately 51.26% by Xiamen Xindi and 48.74% by Good First Group
"Xiamen Tangjia"	Xiamen Tangjia Business Management Co., Ltd.* (廈門唐嘉企業管理有限公司), a limited liability company established in the PRC on May 9, 2019 and an indirect wholly-owned subsidiary of our Company
"Xiamen Xindi"	Xiamen Xindi Group Co., Ltd.* (廈門信地集團有限公司), a limited liability company established in the PRC on July 10, 1998 and is owned as to 95.5% by Fuxin Group and 4.5% by Mr. Wu Di, our executive Director
"**YELLOW** Application Form(s)"	the application form(s) for the Hong Kong Offer Shares for use by members of the public who require such Hong Kong Offer Shares to be deposited directly into CCASS
"Zhangzhou Datang"	Zhangzhou Datang Real Estate Co., Ltd.* (漳州大唐房地產有限公司), a limited liability company established in the PRC on February 27, 2012 and an indirect wholly-owned subsidiary of our Company
"Zhangzhou Tangmen"	Zhangzhou Tangmen Real Estate Co., Ltd.* (漳州唐門房地產有限公司), a limited liability company established in the PRC on July 31, 2013 and an indirect wholly-owned subsidiary of our Company
"Zhangzhou Tangsheng"	Zhangzhou Tangsheng Real Estate Co., Ltd.* (漳州唐盛房地產有限公司), a limited liability company established in the PRC on June 21, 2016 and an indirect wholly-owned subsidiary of our Company

"Zhangzhou Tangzhuang"	Zhangzhou Tangzhuang Real Estate Co., Ltd.* (漳州唐莊房地產有限公司), a limited liability company established in the PRC on January 29, 2014 and an indirect wholly-owned subsidiary of our Company
"Zhangzhou Xindi"	Zhangzhou Xindi Real Estate Co., Ltd.* (漳州信地房地產有限公司), a limited liability company established in the PRC on December 16, 2005 and an indirect wholly-owned subsidiary of our Company

Unless the content otherwise requires, references to "2016", "2017" and "2018" in this Prospectus refer to our financial year ended December 31 of such year.

Certain amounts and percentage figures included in this Prospectus were subjected to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

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.

* *For identification purposes only*

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.

"ASP"	average selling price
"Beibu Gulf Region and Neighboring Cities (北部灣經濟區及周邊城市)"	the economic region close to Beibu Gulf, which includes Guangxi Zhuang Autonomous Region and cites in the nearby regions, including, among others, Nanning, Liuzhou and Guigang
"Beijing-Tianjin-Hebei Region (京津冀經濟區)"	the economic region covering municipalities of Beijing and Tianjin, and Hebei province
"building ownership certificate"	building ownership certificate (房屋所有權證), a certificate issued by relevant authorities with respect to building ownership rights
"Chengdu-Chongqing Region (成渝經濟區)"	the economic region covering Chengdu, Chongqing and the surrounding cities
"city clusters"	generally refers to a grouping of cities that are relatively close in distance, and can be connected through transportation and communication means and promoted together for economic growth
"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 works commencement permit"	the construction works 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 works
"construction works planning permit"	the construction works 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 works
"GFA"	gross floor area

"land grant contract"	the state-owned land use rights 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 rights certificate"	the state-owned land use rights certificate (國有土地使用權證), a certificate (or certificates, as the case may be) concerning one's right to use a parcel of land
"leasable GFA"	(i) in relation to completed property projects, the total GFA as shown in the relevant completion documents, survey documents and/or building ownership certificates for leasing purposes; or (ii) in relation to projects for which we have obtained pre-sales permits, the GFA as shown in the pre-sales permits, completion documents, survey documents and/or building ownership certificates for leasing purposes
"Midstream Parts of the Yangtze River Region (長江中游經濟區)"	the economic region covering parts of Jiangxi province, Hunan province, Hubei province, which includes the cities of, among others, Changsha and Wuhan
"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
"sq.m."	square meter(s)
"Western Taiwan Strait Economic Region (海西經濟區)"	the economic region that is located west of the Taiwan Strait, which covers Fujian province and parts of the surrounding provinces, including, among others, Xiamen, Quanzhou, Zhangzhou and Fuzhou
"Yangtze River Delta Region (長三角經濟區)"	the economic region covering Shanghai, Anhui province, Jiangsu province and Zhejiang province
"%"	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 "aim," "anticipate," "believe," "can," "continue," "could," "forecast," "expect," "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 our Group 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;
- our dividend policy;
- 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.

FORWARD-LOOKING STATEMENTS

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 Accountant's 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 is located in a legal and regulatory environment that in some respects differ 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.

RISKS RELATING TO OUR BUSINESS

We are susceptible to adverse movements in the PRC real estate market, particularly in regions and cities where we have property development projects.

As of June 30, 2020, we had property development projects in mainly six economic regions in China, namely, the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region. See "Business — Overview" for more details on our geographic coverage. We intend to continue growing our market share, which may involve undertaking property development projects in provinces and cities where we have no existing or limited business operations. For more information, see "Business — Our Business Strategies." Our profitability is correlated to the performance of the PRC real estate market, which is sensitive to economic fluctuations and closely monitored by the PRC government. Any adverse movements in the prices, supply of or demand for properties in the PRC may have a material adverse effect on our business, financial condition and results of operations.

The real estate market may be affected by local, regional, national and global factors beyond our control, such as speculative activities, financial conditions, government policies, protests or political unrest, natural disasters, epidemics and hostilities, among others. Although demand for residential and commercial properties in China generally grew in recent years, we cannot guarantee that the real estate market in regions and cities where we have undertaken, or will undertake, property development projects will continue to grow or that market downturns will not occur. According to Jones Lang LaSalle, the rising demand for residential and commercial properties in China was also accompanied by fluctuations in property prices, raising concerns over the affordability of housing and the sustainability of the growth of the real estate market. The PRC government has sought to stabilize the real estate market by promulgating various control measures. As they are designed to curb excessive interest in real estate investment, there can be no assurance that such measures will not materially and adversely affect our ability to conduct business in the PRC.

We generated a majority of our revenue from our businesses in the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities and Beijing-Tianjin-Hebei Region during the Track Record Period, and any significant decline in the economic conditions of the property markets of these three regions could have a material adverse effect on our results of operations, financial condition and business prospects.

We generated a majority of our revenue from our business in the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities and Beijing-Tianjin-Hebei Region, particularly in cities such as Zhangzhou, Nanning and Tianjin in these regions, during the Track

Record Period. For 2017, 2018, 2019 and the first half of 2020, our revenue generated from sale of properties in the Western Taiwan Strait Economic Region was approximately RMB1,193.6 million, RMB933.9 million, RMB3,264.0 million and RMB1,038.7 million, respectively, accounting for approximately 35.1%, 17.9%, 42.0% and 65.6% of our total revenue from sale of properties for the same periods, respectively. For 2017, 2018, 2019 and the first half of 2020, our revenue generated from sale of properties in the Beibu Gulf Region and Neighboring Cities was approximately RMB1,657.9 million, RMB2,204.5 million, RMB1,648.8 million and RMB395.7 million, respectively, accounting for approximately 48.7%, 42.1%, 21.2% and 25.0% of our total revenue from sale of properties for the same periods, respectively. For 2017, 2018, 2019 and the first half of 2020, our revenue generated from sale of properties in the Beijing-Tianjin-Hebei Region was approximately RMB524.6 million, RMB2,033.2 million, RMB2,676.1 million, RMB149.5 million, respectively, accounting for approximately 15.4% 38.9%, 34.4% and 9.4% of our total revenue from sale of properties for the same periods, respectively. We expect to continue to derive a major portion of our revenue from these markets. As a result, we are exposed to a greater geographical concentration risk than some of our competitors in the PRC whose operations are more geographically diversified.

The demand for residential properties in the PRC, particularly cities such as Zhangzhou, Nanning and Tianjin, has, to a certain extent, fluctuated in recent years. Such fluctuation is often due to changes in market conditions and government policies. See "Industry Overview — Real Estate Market of Selected Cities in the PRC" for more information on the selected economic and market information of selected cities. In addition, demand for residential properties has been affected and will continue to be affected by the macro-economic control measures implemented by the PRC government from time to time. In recent years, the PRC government has announced a series of measures designed to stabilize the growth of the PRC economy and to stabilize the growth of specific sectors, including the property market, to a more sustainable level.

For as long as the majority of our businesses remain concentrated in the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities and Beijing-Tianjin-Hebei Region, if the three regions in general experience any significant economic downturn due to imbalances in the respective local economy, disturbances in local financial markets, protests or political unrest, natural disasters, epidemic, hostilities or any other reason, or if more restrictive government policies on the real estate industry are imposed, or if the property market conditions of these three regions otherwise decline, our business, results of operations and financial condition may be materially and adversely affected.

We may fail to identify desirable locations and acquire land use rights for future property development projects on favorable terms, or at all.

We believe that our ability to identify desirable locations and acquire necessary land use rights is key to the sustainable growth of our business. However, our success in carrying out these business operations may be subject to factors beyond our control, such as economic conditions and changes in the PRC regulatory landscape. 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. For more information, see "— Risks Relating to the Real Estate Industry — We may fail to compete effectively against other property developers."

Moreover, there is no assurance that we will be able to consistently capitalize on our knowledge of and experience in the PRC real estate market to identify desirable locations. To the extent that we are unable to obtain land use rights on favorable terms or at all, we may fail to achieve higher returns on the sale and lease of our properties, and thereby experience material adverse effects on our business, financial condition and results of operations.

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

We intend to continue growing our market share, possibly expanding property development projects into new regions and cities where we have no existing business operations. For more information regarding our growth strategies, see "Business — Our Business Strategies." However, expanding into new regions and cities involve uncertainties and challenges, as we may be less familiar with local regulatory practices and customs, customer preferences and behaviors, 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, greater access to local labors, or more in-depth 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 guarantee that we will be able to pass any additional costs onto our customers. Furthermore, the construction, market and tax-related regulations in the new regions and cities may be different from each other and we may face additional expenses or difficulties in complying with new procedures and adapting to new environments. Certain cities may also subject us to higher land acquisition costs.

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 regions and cities. For example, we may have difficulty in accurately predicting market demand for our properties in the regions and cities into which we expand. We may also have difficulty in promoting and maintaining occupancy rates and/or rental rates in the investment properties that we are currently developing 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 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 guarantee that we will be able to hire, train or retain sufficient talent to successfully implement our expansion plans. Any of these issues could have a material adverse effect on our business, financial conditions, results of operations and prospects.

The timing of our property sales and progress of our property development projects may cause our results of operations to fluctuate from period to period, making it difficult to predict our future financial performance.

During the Track Record Period, we derived a major portion of our revenue from sales of our properties. In 2017, 2018, 2019 and the first half of 2020, our revenue generated from sale of properties amounted to approximately RMB3,403.2 million, RMB5,230.6 million, RMB7,772.4 million and RMB1,583.9 million, respectively, contributing to approximately 84.7%, 95.2%, 95.9% and 88.7% of our total revenue in the same periods, respectively. We recognize revenue when the control of property is transferred to the customer. Depending on the terms of the purchase contract and the applicable laws and regulations, the transfer of control may take place at a point in time. Our revenue is recognized at a point in time when the customer obtains control of the property. Accordingly, our revenue may fluctuate depending on the timing of completion and delivery of our properties. Periods in which we make a significant number of pre-sales may not be the periods during which we generate corresponding levels of revenue.

The combination of the above signifies that our results of operations may vary from period to period depending on the number of properties being delivered in the relevant period. Our results of operations of any given period may not be indicative of our future financial performance although they may influence our share prices from time to time. The effect of timing on our results of operations is accentuated by the fact that, given the capital-intensive nature of our business, the number of projects we can take on at a time is limited, and the delivery timing of a limited number of projects could have a potentially significant impact on our financial performance. Moreover, our construction timetables are always subject to change due to factors beyond our control, such as market or economic conditions, natural disasters, adverse weather conditions and delays in obtaining the requisite permits, licenses and certificates from the relevant government authorities. If our results of operations do not meet market expectations, we may experience material adverse effects on our share prices, particularly as it may be difficult for investors to predict our future financial performance.

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, in particular, in cities where our property development projects are located. Certain factors beyond our control may adversely affect the economy, infrastructure and livelihood of people in the regions where we conduct our business operations. Some regions in China may be susceptible to the threat of natural disasters, potential wars, terrorist attacks, epidemics or pandemics such as Ebola, Severe Acute Respiratory Syndrome (SARS), H1N1 influenza, H5N1 influenza, H7N9 influenza, H3N2 influenza and most recently, a highly infectious and novel virus named the COVID-19 named by the WHO. Serious natural disasters and acts of war or terrorism may result in, among others, power shortages or failures, loss of life, injuries, destruction of assets and disruption of our business operations.

Severe communicable disease outbreaks may cause a widespread health crisis that materially and adversely affects economic systems and financial markets. COVID-19 was detected toward the end of 2019 and quickly spread across China in early 2020. On March 11, 2020, the WHO declared COVID-19 outbreak a pandemic. In response to the COVID-19 pandemic, government around the world have imposed travel restrictions and/or lockdown to contain its spread. For example, China imposed lockdown on Hubei Province on January 23, 2020, the United States imposed lockdown in a vast number of states in March and April 2020, Italy imposed on March 9, 2020, and Spain imposed on March 14, 2020. There is no assurance that more countries will not impose similar travel restrictions or lockdowns in response to the pandemic. There is also no assurance that the current containment measures will be effective in halting the pandemic. The governments of certain cities where we have several land bank and business operations, for instance, Quanzhou and Nanning, implemented travel and other restrictions in efforts to curb the spread of COVID-19. As a result, sales offices and construction of certain of our property projects were temporarily shut down for a short period. For details, please refer to "Summary — Recent Developments and No Material Adverse Change — The COVID-19 Outbreak". Therefore, the completion of our property development projects may be delayed and sales might be lower than expected which may, in turn, lead to material increases in property development costs, late delivery charges that result in an adverse effect on our business operations, profitability and cash flows. Moreover, it is possible for the local authorities to impose additional restrictions and/or measures to further contain the spread of COVID-19, which may have further adverse impact on the abovementioned consequences and result in the worsening of the general economic and social conditions of relevant regions or cities. It is possible that customers who have entered into sales contracts with us to purchase properties could default on their mortgage or payments if the general economic situation further deteriorates as a result of the pandemic. A recurrence of SARS or an outbreak of any other epidemics or pandemics in China, such as the H5N1 or H7N9 avian flu, Ebola, the human swine flu or the ongoing pandemic especially in or close to the cities where we have operations, may result in material disruptions to our property development and our sales, which in turn may adversely affect our business, financial condition and results of operations.

In addition, the outbreak of communicable diseases, such as the pandemic, on a global scale may affect investment sentiment and result in sporadic volatility in global capital markets. The ongoing pandemic and containment measures may adversely and materially affect the manufacturing, exports and imports and consumption of goods and services globally. The Caixin/Markit Manufacturing Purchasing Managers' Index ("PMI") recorded a reading of 40.3 in February 2020, indicating that China's factory activity contracted in that month. Further, the Caixin/Markit Service PMI also indicated that services sectors contracted in China in February 2020. According to IHS Markit, the services sector in the U.S. also contracted in February 2020. There is no assurance that manufacturing and services sectors will not contract in other countries. The development of pandemic may adversely and materially affect economic growth globally due to reduce in demand and supply. On March 2, 2020 the Organization for Economic Co-operation and Development reduced 2020 GDP growth projects for almost all economies. Further, the pandemic may adversely and materially affect the stability of global financial markets. On March 9, 12 and 16, 2020, trading on the New York Stock Exchange were halted for 15 minutes because S&P 500 trading price reached 7% below prior day's S&P 500 closing price. The unfolding pandemic may significantly reduce global market liquidity and depress economic activities. The pandemic has resulted in travel restrictions and prolonged closures of relevant workplaces at a global scale, which may have a material adverse effect on the global economy and financial markets.

We may fail to complete our property development projects on time, or at all.

Property development projects typically require 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, among others:

- changes in market conditions, economic downturns and/or decline in customer interest;
- availability and cost of financing;
- delays in or failure to obtain the requisite permits, licenses and certificates from relevant government authorities;
- changes in government policies, rules or regulations;
- increases in the prices of our raw materials;
- shortages of materials, equipment, contractors and skilled labor;
- latent geographical or environmental conditions giving rise to the need to modify initial plans for our property development projects;

- unforeseen problems related to engineering and design;
- construction accidents, labor disputes and strikes; and
- natural disasters or adverse weather conditions.

Before we are affected by one or more of the above factors and must modify our plans, 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. Consequently, any failure to complete property development projects on time or at all may adversely affect our business and results of operations.

In addition, our customers may be entitled to claim compensation for late delivery or terminate pre-sale agreements. See "— We are exposed to contractual and legal risks related to pre-sales" below. We may suffer material 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 claims, disputes, legal proceedings and negative publicity, which may adversely affect our financial condition, divert management attention and harm our reputation" below.

We are exposed to contractual and legal risks related to pre-sales.

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 deliver the properties which we have pre-sold, we will be liable to purchasers to their losses. Also, should we fail to complete pre-sold properties on time, we may be liable to our customers for damages for late delivery. Our customers may opt to claim damages should our delay extend beyond a specified period or terminate pre-sale contracts. We have, in the past paid compensation to purchasers for late delivery of properties. In addition, we may face claims from or disputes with customers in the event where the pre-sold properties are not delivered in the conditions or according to the specifications set out in the pre-sale contracts, including, for example, if the GFA of the relevant property unit as delivered deviates from by more than a certain percentage from the GFA of that unit as set out in the pre-sales contract. As a result, we may need to pay compensation to customers. Although we may be entitled to claim compensation from our contractors pursuant to the terms of our contracts with them if such breach is caused by our contractors, we also cannot assure you that we will successfully recoup full compensation from our contractors. We cannot guarantee that such instance will not occur in the future, or that we will not breach the terms of our pre-sale contracts at all, particularly as they may be due to factors beyond our control. In the event that multiple or major projects are delayed or involved in disputes with customers at a time, we may experience material adverse effects on our business and results of operations.

Additionally, we make certain warranties as to the quality of our properties in accordance with the Regulations on the Administration of Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》) which was implemented on July 20, 1998 and last amended on March 24, 2019. For more information, see "Regulatory Overview — Establishment of Real Estate Development Enterprises — General Provisions." The Regulations on the Administration of Quality of Construction Works (《建設工程質量管理條例》) which became effective on January 30, 2000 and amended on October 7, 2017 and April 23, 2019. Customers in our pre-sales may allege that we did not fulfill our representations and warranties in the subsequent planning and development of our property development projects. In dealing with such occurrences, we may suffer damage to our brand value as well as monetary losses.

In addition, 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 Ministry of Housing and Urban-Rural Development 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 fully 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. Local regulations governing the domestic Subsidiaries further regulate the supervision of pre-sale proceeds. See "Business — Our Property Development Management — Sales and Marketing — Pre-sale" for more details on our pre-sale activities and compliance with the relevant pre-sale laws and regulations during the Track Record Period. During the Track Record Period, certain of our property projects were involved in incidents relating to pre-sale proceeds. In particular, in 2017, 2018, 2019 and the first half of 2020, 10, 18, 21 and 24 of our property projects, respectively, failed to fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts. In addition, as of December 31, 2017, 2018, 2019 and June 30, 2020, seven, 11, seven and nil of our property projects, respectively, failed to maintain the required regulatory threshold levels of restricted cash balances and had shortfalls in the designated escrow accounts. As of the Latest Practicable Date, there were limited situations where we had to indirectly deposit the pre-sale proceeds into the designated escrow accounts due to internal policies of mortgage banks by manually transferring the relevant pre-sale proceeds, which are not in compliance with the relevant PRC laws and regulations in relation to pre-sale proceeds. See "Business — Legal Proceedings and Compliance — Pre-sale Incidents" for details. As of the Latest Practicable Date, we had not been subject to any penalty by the relevant governmental authorities in relation to our pre-sales proceeds during the Track Record Period. However, there can be no assurance that that the PRC government and local authorities will not ban or impose further restrictions on pre-sales. 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 conditions and results of operations.

We may not have adequate financing to fund our 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 made during stages such as land acquisition and construction. During the Track Record Period, we funded our property development projects primarily through pre-sales, sales, retained revenues, bank loans, fund arrangements with trust companies and assets management companies. However, we cannot guarantee 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, among others, general economic conditions, changes to regulations, our financial performance and credit availability. For more information, see "Regulatory Overview — Real Estate Financing." Additionally, 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 capital resources or external financing on favorable terms, or at all, may hinder our ability to implement and complete our property development projects. We may thus experience material adverse effects on our business and results of operations.

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

We are required to obtain various permits, approvals, licenses and certificates or complete necessary procedures throughout multiple stages of our property development projects, including but not limited to, obtaining land use rights certificates, planning permits or approvals, construction work commencement permits and pre-sales permits (and renewal of the relevant approvals, licenses or permits for on-going operations) and completing relevant construction completion procedures prior to delivery. Generally, such approvals, licenses, permits or certificates are only issued or renewed and procedures are only completed 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, or complete the necessary procedures. During the Track Record Period, we experienced certain incidents, where we failed to (i) obtain the construction work permit or planning approval, (ii) comply with the requirements or specifications set out in the relevant construction planning permits and/or other planning approvals, and (iii) deliver properties without completing the relevant construction completion procedures. See "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations" for more details. If we fail to obtain, renew, complete or encounter significant delays in obtaining, renewing the necessary approvals, licenses, permits or procedures for our property projects, we will not be able to follow our property development plans, our business, financial condition and results of operations may be materially and adversely affected.

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 of such approvals, licenses or permits or completion of such procedures. We cannot guarantee that such new policies will not present unexpected obstacles toward our ability to obtain or renew the required permits, licenses, certificates and procedures or that we will be able to overcome these obstacles in a timely manner, or at all. Loss of or failure to renew our permits, licenses and certificates or complete the necessary procedures may stall the progress of our property development projects. For more information, see "— We may fail to complete our property development projects on time, or at all."

We have indebtedness and may incur additional indebtedness in the future, which may materially and adversely affect our financial condition and results of operations.

We maintain a substantial level of borrowings to finance our operations during the Track Record Period. As of December 31, 2017, 2018 and 2019 and June 30, 2020, our total borrowings amounted to approximately RMB9,144.7 million, RMB8,460.5 million, RMB7,770.4 million and RMB8,191.2 million, respectively. Our net gearing ratio, as calculated by total bank and other borrowings less cash and bank deposits divided by total equity as of the end of the respective period, was approximately 1,087.9%, 408.8%, 119.2% and 128.5%, as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively.

In addition, Mr. Wu Di, our executive Director, has provided personal guarantees in favor of our Group in respect of all of our loans with China Minsheng Bank. As of June 30, 2020, the total outstanding principal balance of these loans was approximately RMB2,376.3 million, accounting for approximately 29.0% of our total borrowings as of the same date. Our related party, Fuxin Group, is a shareholder of China Minsheng Bank as of the Latest Practicable Date. Mr. Wu was nominated by Fuxin Group to be a director of China Minsheng Bank. According to China Minsheng Bank's internal requirement, any loan to its shareholder's related party (which is us in this case) requires a personal guarantee from the director nominated by that shareholder (which is Mr. Wu). Accordingly, the loans from China Minsheng Bank to us required the personal guarantees of Mr. Wu for the duration of such loans. For more details regarding the personal guarantees of Mr. Wu in respect of these loans, see "Connected Transactions — (A) Continuing Connected Transactions Which Are Fully Exempted from Reporting, Annual Review, Announcement and Independent Shareholders' Approval Requirements — 1. Personal guarantees provided by Mr. Wu" in this Prospectus. In the event where Mr. Wu no longer serves as a director of China Minsheng Bank, Fuxin Group may be required to nominate someone else for the director's position of China Minsheng Bank, who would be required to provide the same personal guarantees for our loans in accordance with China Minsheng Bank's internal requirement. However, if the new director nominated by Fuxin Group is not willing to provide the required personal guarantees for any reason, then we may prevented from obtaining any additional loans from China Minsheng or subject to further requirements of China Minsheng Bank with respect to the existing loans, which could materially and adversely affect the availability of our financing and reduce our working capital. Even if Fuxin Group can find an alternative person who is willing to provide personal guarantees, the selection and approval process may take time and divert our management's attention.

Our indebtedness could have an adverse effect on us, for example, by increasing our vulnerability to adverse developments in general economic or industry conditions, such as significant increases in interest rates; and limiting our flexibility in the planning for, or reacting to, changes in our business or the industry in which we operate. We have indebtedness and may incur additional indebtedness in the future, and we may not be able to generate sufficient cash to satisfy our existing and future debt obligations.

In the future, we expect to incur additional indebtedness to complete our properties under development and properties 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, among other things, 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 and other 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 loan. 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, cash available for distributions, financial condition and results of operations may be materially and adversely affected.

We may not be able to obtain additional financing.

Our business operations are highly capital intensive and require a significant amount of liquidity. To that end, we maintained a substantial level of borrowings to finance our operations during the Track Record Period, and expect to incur additional indebtedness. However, we cannot guarantee that the PRC Government will not introduce new laws or regulations on certain financing related financial ratios, which could materially adversely affect our ability to incur additional indebtedness. For example, recent news articles have begun to emerge which report that the PBOC 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. 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 cash to short-term borrowing ratio (calculated as cash and bank balances divided by short-term interest bearing liabilities) shall not be lower than 1.0. The PBOC standard as reported in the news articles 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 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.

As of June 30, 2020, using the above-mentioned calculation methods, our pro forma liability asset ratio would be 84.7%; net gearing ratio would be 128.5%; and cash to short-term borrowing ratio would be 1.34. As such, in the event that the above-mentioned standard mentioned in the news articles comes into effect, we may only comply with one of the above-mentioned three limits and our ability to obtain additional financing may be materially adversely affected. Failure to secure sufficient external financing may hinder our ability to implement our business strategies, acquire land parcels and complete the development of our property projects. In addition, if 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. As such, our business, financial condition and results of operations may be materially adversely affected.

We had negative net operating cash flow in 2017.

We had negative net cash flow from operating activities of approximately RMB1,241.1 million in 2017, respectively, primarily because of significant net cash used in operations due to our continued increase in property development activities. Such cash outflows may not always be completely offset by proceeds received from our pre-sales and sale of the properties for the respective period. As a result, there could be a period during which we experience net operating cash outflow. Although we seek to effectively manage our working capital, we cannot assure you that we will be able to match the timing and amounts of our cash inflows with the timing and amounts of our payment obligations and other cash outflows.

We may not be able to fulfil our obligation in respect of contract liabilities.

We depend on cash flows from pre-sales of properties as an important source of funding for our property developments. Proceeds from customers of pre-sold properties are recorded as contract liabilities under current liabilities before relevant sales revenue is recognized. Since the revenue from property development and sales is only recognized upon the delivery of properties, the timing of such delivery may affect the amount and growth rate of our revenue from sales of properties. Moreover, we make certain undertakings in our pre-sale contracts, and our pre-sale contracts and the PRC laws and regulations provide for remedies for breach of these undertakings. For example, if we fail to complete delivery of a pre-sold property on time, we may be liable to the relevant customers for such late delivery under the relevant pre-sale contracts or pursuant to relevant PRC laws and regulations. If our delay extends beyond a specified period, the purchasers may terminate their pre-sale contracts and claim for compensation. A customer may also terminate his or her contract with us and/or bring claims for compensation for certain other contractual disputes, including, for example, if the customer fails to receive the individual property ownership certificate within a statutory period due to our fault. Any of such factors could have a material adverse effect on our business, financial condition and results of operations.

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 RMB484.9 million, RMB513.3 million, RMB656.9 million and RMB668.6 million, respectively, as of December 31, 2017, 2018 and 2019 and June 30, 2020. 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. See "Financial Information — Description of Certain Consolidated Balance Sheet Items — Deferred Tax Assets and Deferred Tax Liabilities" for details. We periodically assess the probability of the realization of deferred tax assets, using significant judgments and estimates with respect to, among other things, 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 could 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.

We may be adversely affected by material issues that affect our relationships or business ventures with our joint venture and associates, and our investments in joint ventures and associates are subject to liquidity risk.

We have established a number of joint ventures and associates to jointly develop property projects. The performance of such joint ventures and associates may affect our results of operations and financial position. In 2018 and the first half of 2020, our share of losses of joint ventures and associates was RMB17.3 million and RMB31.8 million, respectively. In 2017 and 2019, our share of gains of joint ventures and associates were RMB45.1 million and RMB8.9 million, respectively.

The success of a joint venture or an associate depends on a number of factors, some of which are beyond our control. We may not be able to force our partners to fully perform their obligations to us pursuant to our cooperation agreements. As a result, we may not be able to realize the anticipated economic and other benefits from our joint ventures and associates or even suffer losses. In addition, since we may not have full control over the business and operations of our joint ventures and associates, we cannot assure you that they 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 PRC laws and regulations, which may have an adverse effect on our business, results of operation and financial condition.

In addition, 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 investment products as there is no cash flow until dividends are received even if our joint ventures and associates reported profits under the equity accounting. Furthermore, our ability to promptly sell one or more of our interests in the associates or joint ventures 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 associates or joint ventures 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 associates or joint ventures may significantly limit our ability to respond to adverse changes in the performance of our joint ventures and associates. In addition, if there is no share of results or dividends from our associates or joint ventures, we will also be subjected to liquidity risk and our financial condition or result of operations could be materially affected.

Our Company is a holding company and rely primarily on dividends paid by its subsidiaries, joint venture and associates to fund any cash and financing requirements. Our Company's ability to pay dividends and utilize cash resources in our subsidiaries, joint ventures and associates therefore depend on their earnings and distributions.

Our Company is a holding company and we conduct our business operations primarily through our Company's subsidiaries, joint ventures and associates in the PRC. Our Company's ability to make dividend payments and other distributions in cash, to pay expenses and finance other subsidiaries depends upon the receipt of dividends, distributions or advances from its subsidiaries, joint ventures and associates. The ability of the subsidiaries, joint ventures and associates to pay dividends or other distributions may in turn be subject to their earnings, financial position, cash requirements and availability of cash. Under the equity accounting, we may not receive any dividend payment even though the joint ventures and/or associates report profits, and therefore our investments in joint ventures and associates are not as liquid as other investment products. If any of our joint ventures or associates incurs indebtedness in its own name, relevant instruments may restrict dividends or other distributions to us. These restrictions could reduce the amount of dividends or other distributions that our Company receives, which could in turn restrict our Company's ability to fund our business operations and to pay dividends to our shareholders.

In addition, declaration of dividends by our subsidiaries, joint ventures and associates is at the discretion of the shareholders of such subsidiaries, joint ventures and associates in accordance with their respective articles of association. Payments of dividends by its subsidiaries joint ventures and associates are also subject to restrictions under the PRC laws. In addition, if the subsidiaries, joint ventures or associates obtained loan from banks, they may be restricted from making distributions to us due to restrictive financial covenants contained in relevant loan and banking facilities agreements. Any of the above factors may affect our cash inflow and ability to pay dividends. As we expect to continue to invest in subsidiaries, joint ventures and associates for our property development projects, our liquidity may be further restricted if we are not able to receive dividends from our existing or future subsidiaries, joint ventures or associate companies, which may in turn could materially and adversely affect our ability to conduct our business.

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. In the wake of the financial crisis, the PBOC began reducing benchmark interest rates from June 2012 onwards. For example, China's benchmark one-year lending and deposit rate was lowered to 6.31% from 6.56% on June 8, 2012. It was lowered subsequently several more times until it reached 4.25% on August 20, 2019. While the PRC economy grows and the U.S. Federal Reserve increases its own benchmark interest rates, we anticipate that the PBOC may adjust benchmark interest rates upward. Any hike in benchmark interest rates is likely to increase our customer's mortgage rates and our financing costs. Increases in mortgage rates may slow down the growth of the real estate market, while increases in our financing costs may materially and adversely affect our results of operations.

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

We rely on contractors during the construction and development stage of our property development projects, selecting them based on factors such as market reputation, qualifications, prices and track record. However, we cannot guarantee that the services rendered or construction materials provided will always meet our expectations. For example, in the event that our contractors fail to deliver properties that are safe for habitation or use on schedule, this may affect our own timelines for delivery to our customers. There can also be no assurance that our contractors will not encounter financial or other difficulties that cause delays, create quality defects or force them to stop working altogether. We may also be sued in the event where our contracted construction contractor is sued by contractor or sub-contractors engaged by them, if there are any disputes, such as missed payments, between our contracted construction contractor and the contractor or sub-contractor engaged by them. For more information, see "— We may fail to complete our property development projects on time, or at all" above. Additionally, it is possible that we do not discover quality defects until after delivery and there is resulting damage to person or property. We may incur additional costs while taking remedial measures such as replacing contractors, purchasing new construction materials and paying compensation. Any or all of them may materially and adversely affect our business, results of operations, market reputation and access to future business opportunities.

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

Our suppliers are mainly construction contractors, construction material suppliers and design firms. During the Track Record Period, we maintained a number of suppliers for the operation of our businesses. In 2017, 2018, 2019 and the first half of 2020, our five largest suppliers accounted for approximately 30.5%, 39.3%, 41.6% and 41.3% of our total purchases in the same periods, respectively. Our single largest supplier accounted for approximately 11.3%, 11.4%, 12.0% and 19.8% of our total purchases in the same periods, respectively. In general, we have maintained relationships ranging from two to eight years with our five largest suppliers. See "Business — Suppliers and Customers — Suppliers" for more details.

If a large number of our current major suppliers decide to terminate business relationships with us or, if the services or construction materials supplied by our current suppliers fail to meet our standards, or if our current service or construction materials supplies are interrupted for any reasons, then we may not be able to easily switch to other qualified suppliers in a timely fashion. In such events, our business, financial condition and results of operations may be materially and adversely affected.

Actual development costs for our property development projects may deviate from our initial estimates.

We prepare a budget prior to commencing our property development projects, taking into account costs of land acquisition, construction and borrowing, among others. While we have internal procedures to monitor our property development projects, factors beyond our control may force us to deviate from our plans. For example, we expect that our construction costs will increase and that interest rates may rise. For more information, see "— We may experience fluctuations in our construction costs" and "— We are susceptible to the effects that interest rate hikes may have on our customers' mortgage rates and our financing costs" above. Additionally, the PRC government closely monitors the PRC real estate industry and modifies the regulatory landscape from time to time. For example, it may impose additional conditions for issuance or renewal of certain permits, licenses and certificates required at various stages of our property development projects. We may experience delays and cost increases while seeking to meet the new conditions in a timely and effective manner. As we cannot anticipate when or what new policies will be promulgated, our ability to make appropriate provision beforehand is limited. Substantial increases in our development costs may lead to lower profit margins and therefore materially and adversely affect our 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 Jones Lang LaSalle based on multiple assumptions with subjective and uncertain elements, which include, among others, 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 with the customer, which could serve to affect the values of the properties;
- no allowance has been made for any charges, mortgages or amounts owing on any of the property valued or for any expenses or taxation which may be incurred in effecting a sale;
- we have paid all land premium payments and other costs such as resettlement and ancillary utilities services in full according to the relevant land grant contracts and there is no requirement for payment of any further land premium or other onerous payments to the government; and
- our properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their respective values.

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 was experiencing a downturn. For more information, see "— We 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, we may experience material adverse effects on our business, financial condition and results of operations.

We may experience fluctuations in our construction costs.

We believe that our ability to control construction costs is key to our continued success. Our construction costs primarily relate to the costs of employing our contractors and the prices for our construction materials. As living standards in China improve and the PRC government seeks to increase the wages of workers, we expect that the costs of employing our contractors will continue to grow going forward. Furthermore, we rely on our contractors to procure construction materials such as steel and cement, and are generally obliged to increase payments to them in the event that the market prices of construction materials fluctuate beyond a pre-determined range. There can be no assurance that we will be able to obtain construction materials on favorable terms or at all, or that shortages or disruptions in supply will not occur in the future. The price of construction materials has generally increased over the past three years based on the construction materials price index from the China Iron and Steel Association and China Cement Association. See "Industry Overview — The Residential Market in the PRC — Historical Price Trend of Production Factor — Construction Materials" for more information. Significant price increases lead to higher cost of sales, and there is no guarantee that we will be able to obtain alternative supplies of construction materials of similar quantity or quality in a timely manner, or at all. We cannot guarantee that we will be able to limit our exposure to price fluctuations or pass on additional costs to our customers. Our ability to pass on additional costs to our customers is limited as our costs may increase after we have dealt with customers in pre-sales of properties before their completion. Failure to manage our construction costs may materially and adversely affect our business and results of operations.

Constructing resettlement housing may continue to be a prerequisite for us to acquiring certain land parcels, which may adversely affect our profitability.

During the Track Record Period, in connection with our development of certain projects, as specified in the relevant land grant contracts or related agreements, we cooperated or agreed to cooperate with the local governments in constructing resettlement housing in Nanning, Guiyang, Fuzhou and Zhangzhou. The construction of such resettlement housing was set as a prerequisite for acquiring related parcels of land by property developers. During the Track Record Period, our revenue derived from provision of construction services accounted for 13.3%, 3.7%, 2.7% and 7.1% of our total revenue in 2017, 2018 and 2019 and the first half of 2020, respectively, and our profit margin of provision of construction service remained stable at 5.0%, which was relatively low as compared to that of our other business lines such as sale of properties. As a result, our overall gross profit margin was 24.0%, 27.8%, 27.0% and 23.3% in 2017, 2018, 2019 and the first half of 2020, respectively. As such arrangements are common in certain regions where we operated, we expect that we may continue to be required by certain local governments to construct resettlement housing in order to acquire relevant land parcels. If the proportion of our revenue derived from provision of construction services increases while the profit margin of provision of construction services remains stable, our overall profitability may be adversely affected.

Our Results of operations, financial condition and prospects may be adversely affected by 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 and 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. We cannot assure you that we may 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. For 2017, 2018, 2019 and the first half of 2020, we made provision of write-down for properties under development and completed properties held for sale in an amount RMB40.7 million, RMB156.0 million, RMB131.1 million and nil, respectively. If we make additional provision of impairment and incur such impairment losses, our results of operations, financial condition and prospects may be adversely affected.

Our financial condition and results of operations may be materially impacted by gains or losses arising from changes in the fair value of our investment properties.

We are required to reassess the fair value of any investment properties that we hold. After initial recognition, investment properties are carried at fair value, representing market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary for any difference in the nature, location or condition of the specific asset. Accordingly, the valuation techniques adopted by the external valuers involve uncertainties relating to the use of unobservable inputs. See "Financial Information — Key Factors Affecting Our Results of Operations — Fair Value of Our Investment Properties" for more details and discussions on the valuation of our investment properties, including the use of unobservable inputs. Gains or losses arising from changes in the fair value of any such investment properties will affect our results of operations in the periods in which they arise and the impact may be significant.

We are required to reassess the fair value of our investment properties at the end of each reporting period. Our investment properties were valued by Jones Lang LaSalle, an independent property valuer, as of December 31, 2017, 2018 and 2019 and June 30, 2020, on an open market and existing use basis, which reflected the market conditions on the respective dates. Based on such valuation, we recognized the aggregate fair value of our investment properties in our consolidated statements of comprehensive income. We recorded the value of investment properties of RMB1,463.6 million, RMB1,413.0 million, RMB1,550.5 million and RMB1,626.3 million, respectively, as of December 31, 2017, 2018 and 2019 and June 30, 2020. We recorded fair value gains on our investment properties in 2017, 2018 and 2019 and June 30, 2020 of RMB99.9 million, RMB101.3 million, RMB42.2 million and RMB31.8 million, respectively. We cannot assure you that we can recognize comparable fair value gains in investment properties in the future and we may also recognize fair value losses, which would impact our results of operations for future periods. Fair value gains in investment properties would not change our cash position as long as these properties are held by us, and thus would not increase our liquidity in spite of the increased profit. Nevertheless, fair value losses in investment properties would have a negative effect on our results of operations, even though such losses would not change our cash position as long as these properties are held by us.

Net changes in fair value of financial assets are linked to performance of invested companies or projects and market and therefore subject to uncertainties of accounting estimates in the fair value measurement and the use of material unobservable inputs in the valuation techniques.

We made investment in a project company in Zhangzhou in 2016. Such investment is recorded as non-current assets in our consolidated balance sheets and measured at fair value as of each balance sheet date as determined by independent valuations. As of December 31, 2017, 2018 and 2019 and June 30, 2020, the value of such financial assets, based on the fair value appraised by an independent third party valuer, Jones Lang LaSalle, was RMB153.2 million, RMB176.6 million, RMB200.8 million and RMB207.9 million, respectively. Accordingly, we recorded fair value gains of financial assets at fair value through profit or loss (FVTPL) of RMB14.6 million, RMB23.4 million, RMB24.2 million and RMB7.1 million in the corresponding periods, respectively. See "Financial Information — Description of Certain Consolidated Balance Sheet — Financial Assets at FVTPL" for more details. Such financial assets are measured at fair value with material unobservable inputs used in the valuation techniques and the changes in their fair value are recorded in our consolidated statements of comprehensive income, therefore directly affecting our results of operations. There is no assurance that we will not incur any fair value losses in the future. If we incur significant fair value net changes, our results of operations, financial condition and prospects may be 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. During the Track Record Period, we leased certain properties from independent third-party landlords mainly for our office premises. As of the Latest Practicable Date, we failed to register 63 lease agreements under which we are the 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. The imposition of the above fines could require us to make additional efforts and/or incur additional expenses, any of which could materially and adversely impact 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 and 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 for Self-Use" for more details.

The hotel industry is dependent on the levels of business and leisure travel, demand for and supply of hotel rooms and other factors.

A number of factors, many of which are common to the hotel industry and are beyond our control, could affect our business, including the following:

- adverse development in general economic conditions;
- dependence on business, commercial and leisure travelers and tourism;
- dependence on meeting and conference business;

- the impact of acts of war or increased tensions between certain countries, increased terrorism threats, terrorist events, impediments to means of transportation (including airline strikes, road closures and border closures), extreme weather conditions, natural disasters, outbreaks of diseases and health concerns, rising fuel costs or other factors that may affect travel patterns and reduce the number of business and leisure travelers;
- adverse effects of general market conditions, which may diminish the demand for first class and luxury leisure travel or the need for business travel, as well as national, regional and local political, economic and market conditions where our hotels operate and where our customers live;
- increased competition and periodic local oversupply of guest accommodation, which may adversely affect occupancy rates and room rates;
- increases in operating costs due to inflation, labor costs (including the impact of unionization), workers' compensation and health-care related costs, utility costs (including energy costs), increased taxes and insurance costs, as well as unanticipated costs such as acts of nature and their consequences and other factors that may not be offset by increased room rates;
- seasonality in travel patterns;
- changes in interest rates and in the availability, cost and terms of debt financing;
- changes in tax and governmental regulations that influence wages, prices, interest rates or construction and maintenance procedures and costs;
- the ability of third-party internet and other travel intermediaries to attract and retain customers; and
- changes in governmental laws and regulations (including trade restrictions), fiscal policies and zoning ordinances and the related costs of compliance.

These factors could have a material adverse effect on our hotel operations, which in turn will affect our financial condition and results of operations.

Our hotel operations may be subject to seasonal and cyclical volatility, which may contribute to fluctuations in our results of operations and financial condition.

Our hotel business is seasonal in nature. The periods during which our hotel properties experience higher revenues vary from property to property, depending principally upon location and the customer base served. In addition, the hotel business is cyclical and demand generally follows, on a lagged basis, the general economy of the region or city. The seasonality and cyclicality of our hotel operations may, to a certain extent, contribute to fluctuations in our results of operations and financial condition.

We may be liable for losses and damages suffered on our premises or at our hotels.

There are inherent risks of accidents, injuries or prohibited activities (such as illegal drug use, gambling, violence or prostitution by guests and infringement of third parties' intellectual property or other rights by our tenants) taking place in public places of our commercial properties, such as hotels. The occurrence of one or more accidents, injuries or prohibited activities at any of our investment properties could adversely affect our reputation among customers and guests, harm our brand, decrease our overall rents and occupancy rates and increase our costs by requiring us to implement additional safeguard measures. In addition, if accidents, injuries or prohibited activities occur at any of our investment properties, we may be held liable for costs, damages and fines. Our current insurance policies may not provide adequate or any coverage for such losses and we may be unable to renew our insurance policies or obtain new insurance policies without increases in premiums and deductibles or decreases in coverage levels, or at all.

Certain portions of our property development projects and investment properties are designated as civil air defense properties.

Certain portions of our property development projects and investment properties are designated as civil air defense properties. As of August 31, 2020, such properties designated as civil air defense properties accounted for less than 5% of the aggregate GFA attributable to the Group of properties under development and completed properties as of the same date. 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 1, 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 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. The civil air defense areas of our projects are primarily used or to be used for car parks, representing an insignificant portion of our property portfolio.

The illiquid nature of property limits our ability to respond to any adverse movements in the performance of our investment portfolio.

We hold certain properties for investment purposes, strategically selecting them based on their potential for appreciation in value and rental income. However, the performance of the real estate market is affected by several factors, many of which are beyond our control. For more information, see "— We are susceptible to adverse movements in the PRC real estate market, particularly in provinces and cities where we have property development projects" above. As property investments are inherently illiquid, our ability to sell our properties in response to global, national, regional and/or local conditions, financial or otherwise, is limited. In such circumstances we cannot guarantee that we will be able to divest of properties in our investment portfolio on favorable terms or at all. We may suffer material adverse effects on our business and financial condition, particularly as we may have expended significant capital resources in building up our investment portfolio.

There is uncertainty about the recoverability of our amounts due from related parties and amounts due from non-controlling interests, which may affect our financial position and results of operations in the future.

We had amounts due from related parties of RMB1,188.0 million, RMB908.7 million, RMB1,819.2 million and RMB1,752.3 million as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. We also had amounts due from non-controlling interests of RMB127.1 million, RMB127.9 million, RMB702.2 million and RMB1,071.0 million as of the same dates, respectively. Amounts due from related parties mainly represent current accounts with certain entities controlled by our ultimate Controlling Shareholders and our joint ventures and associates, and the amounts due from non-controlling interests mainly represent current accounts with the non-controlling interests of certain of our subsidiaries. See "Financial Information — Related Party Transactions" and Notes 28 and 43 in the Accountant's Report included in Appendix I to this Prospectus. We conduct assessments on the recoverability of amounts due from related parties and non-controlling interests 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 holders of the non-controlling interests operate, which involve the use of various judgements, assumptions and estimates by our management. However, there is no guarantee 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 interests. Accordingly, there is uncertainty about the recoverability of our amounts due from related parties and amounts due from non-controlling interests. Therefore, if we are not able to recover the amounts due from related parties and/or amounts due from non-controlling interests, we may experience an adverse effect on our financial position and results of operations.

We guarantee the mortgage loans provided by financial institutions to our customers and consequently, we are liable to the mortgagees if our customers default.

Our customers may apply for mortgages to purchase our properties. As consistent with market practice, we guarantee these mortgages for up to and until the issuance of the relevant property ownership certificates or equivalent and the registration of the mortgage in favor of the mortgage bank. The guarantee period generally range from one to three years, and we normally deposit with the mortgage bank a sum equal to or less than five percent of the mortgage amount. In the event that a customer defaults on the mortgage payment, the mortgage bank may deduct the deposited sum from the payment due 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 guarantee that they will be sufficient. Yet even if we were to conduct our own, we cannot guarantee that one or more of our customers will not default on us going forward, particularly as there is limited financial or public information on many of them. See "Business — Our Property Development Management — Sales and Marketing — Payment arrangement" for more details. 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. During the Track Record Period, we paid an aggregate amount of approximately RMB15.3 million for certain customers' defaults under such mortgages loans in relation to their purchases of our properties. In the event that a substantial number of guarantee payment obligations arise at a time, we may experience material adverse effects on our business, financial condition and results of operations, especially if the market value of our properties depreciates substantially or the prevailing conditions prevent us from reselling our properties on favorable terms.

The LAT calculated by the relevant PRC tax authorities may be different from our calculation of LAT liabilities for provision purposes, which may have a material adverse effect on our financial condition.

Properties that we develop for sale are subject to a Land Appreciation Tax ("LAT"). Under PRC tax laws and regulations, all income derived from the sale or transfer of land use rights, buildings and their ancillary facilities in China are subject to LAT at rates ranging from 30% to 60% on the appreciated value of the properties. LAT is calculated based on the proceeds received from the sale of properties less deductible expenditures. 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, among other factors, 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 not had any disagreements with the relevant authorities respecting our LAT calculations. However, we cannot assure you that this will always be the case going forward. The relevant authorities may conclude that we are liable for more substantial LAT payments with respect to past liabilities and present obligations. Furthermore, as we expand into provinces and cities in which we have no existing business operations, we may find that our original provisions for LAT will be insufficient to cover our actual LAT obligations due to lack of experience in and knowledge of our new markets. We may experience material adverse effects on our cash flow, financial condition and results of operations while seeking to pay the shortfall amount to relevant authorities, which may in turn lead to restrictions on our ability to implement our business strategies.

Future investments or acquisitions may have a material adverse effect on our ability to manage our business.

We make strategic investments or acquisitions from time to time. However, our success in such ventures depend on our ability to identify suitable acquisition targets, obtain financing on favorable terms and acquire the necessary regulatory approvals. In the event that we are unable to make, or are restricted from making, such strategic investments or acquisitions due to regulatory, financial or other constraints, we may not be able to effectively implement our investment or expansion strategies.

Acquisitions typically involve a number of risks that may lead to material adverse effects on our business, financial condition and results of operations. These may include, among others:

- failure to identify suitable targets;
- difficulties with integrating the operations and personnel of the target corporation with our own;
- potential disruption to our business operations and the diversion of management attention;
- dilution of our shareholders, in the event that we seek and obtain additional equity financing;
- failures to detect non-compliance incidents and financial or other issues during our due diligence procedures; and

- failures to reap the expected benefits of the acquisition and take advantage of potential synergies, to the detriment of our own financial well-being.

We have completed a number of acquisitions in the past and during the Track Record Period. Various factors affect the chance of a successful integration and continuous management of the acquired businesses. These include, but are not limited to, complexity and size of the acquired business, risk of operating in a new market or environment, difficulties in navigating new regulatory regimes, overcoming differences in corporate cultures, and inability to retain the personnel from the acquired business, in addition to additional costs, resources and penalties that may incur with the acquired businesses. We completed the acquisition of the entire equity interest of Nanning Huadu Real Estate Development Co., Ltd. (南寧華都房地產有限公司) ("Nanning Huadu") in 2015. In 2017, we received a notice from the local tax bureau of Guangxi Automatous Region to pay a fine of approximately RMB1.4 million for Nanning Huadu's underpayment of EIT, business tax and other relevant taxes in the years of 2010 and 2011, which took place before the time of our acquisition. We paid the fine in full in 2017. There can be no assurance that the acquisitions that are already made or will be undertaken by us would achieve the desired strategic objectives, business integration goals or expected return on investments without negative side effects or unexpected penalties. It follows that, if the results of operations of the acquired businesses do not meet our expectations or we incur unexpected negative results, we may be required to recognize an operating loss in our consolidated financial statements and impairment changes on goodwill or other assets. Further, we cannot assure you that we will be able to make acquisitions or investments on favorable terms or within a desired time frame. There is also no assurance that such acquisitions or investment would yield the expected level of return. In addition, we may require additional financing in order to make such acquisitions and investments, which may result in an increase in the level of our indebtedness while equity financing may result in dilution of ownership of existing Shareholders. Any of these factors could have a material adverse effect on our business, results of operations, financial condition and prospects.

Failure to protect our intellectual property rights may materially and adversely affect our brand value.

We rely on our trade name and trademarks to build brand value and recognition, which we believe are integral to consolidating and building our market presence. However, brand value is based largely on public perception. It may diminish in the event that we fail to deliver properties that are safe for habitation or in accordance with the relevant pre-sale contracts or applicable PRC laws and regulation, are subjected to negative publicity, offer consistently negative experiences to third parties that deal with us or are perceived as unethical or socially irresponsible. Even isolated incidents may lower market trust and reduce demand for our properties in the long term.

In particular, unauthorized use or infringement of our trade name or trademarks by third parties may impair our brand value or recognition. Third parties may use our intellectual property in ways that damage our brand name and 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. For more information, see "Business — Intellectual Property." In addition, we and certain other companies may use certain common terms in the company names, including but not limited to "Datang." Although we have obtained the relevant intellectual property rights for the use of such terms or names as set out in "Statutory and General Information — 2. Intellectual property rights of our Group" in Appendix V to this prospectus, and that the other companies sharing such term in their names may belong in industries that are entirely different from us, we cannot guarantee that there will not be any potential intellectual property issues in the future as we are not in a position to control or influence the conduct of the other parties that share such name with us. 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 and/or relevant legal process needed to protect our intellectual property may be very time-consuming, costly and divert our resources and management attention from our operations. We may experience material adverse effects on our business, financial condition and results of operation in the short term, while failures to protect our intellectual property rights may diminish our competitiveness and market share in the long term.

We rely on external real estate agents to sell and market some of our property development projects, who may not perform in accordance with our expectations.

During the Track Record Period, we relied on external real estate agents to sell and market some of our property development projects. We selected and employed property agents based on factors such as market reputation, qualifications of the agents, proposed sales and marketing plans prices and track record. As the external real estate agents we employ are independent third parties, we cannot assure you that they have complied in all material respects with PRC laws and regulations relevant to property sales. In the event that our property agents fail to comply with such PRC laws and regulations, particularly in relation to representations and warranties or sales and marketing campaigns, we may suffer material adverse effects on our brand value. We may also lose a portion of our customers and therefore our market share in the long term. Additionally, there is no guarantee that our property agents will perform up to our standards of professionalism and effectiveness. We may suffer material adverse effects on our business and results of operations, as well as incur additional costs while seeking to replace property agents unsuited to the task of selling and marketing our properties.

Inappropriate 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. During the Track Record Period, there were certain non-compliance incidents relating to the failure to comply with certain requirements of the PRC Advertising Law. See "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations — 4. Violation of the PRC Advertising Law" for more details. Any inappropriate or false advertising may cast doubt on our other disclosure, advertisements, filings and publications; may deteriorate our brand name and reputation and consequently materially and adversely affect our business, financial condition and results of operations. In addition, if any of our advertisements are considered to be untruthful, we will be subject to penalties and will be required to cease publishing the advertisements, correct the previous false advertisements and clarify the truth.

We may be subject to fines or forfeit land to the PRC government if we fail to pay land grant premium 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 payment of land premium, 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 government. If we fail to commence development within 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 of up to 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, unless the delay in the development is caused by government action or is due to a force majeure. Moreover, if a property developer commences development of the property in accordance with the timeframe stipulated in then the land grant contract but, 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.

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 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. See "Regulatory Overview — Development of Real Estate Projects — Commencement of Real Estate Development Projects" for more details on the relevant PRC laws and regulations.

Based on the confirmation letters we received and consultations conducted with relevant government authorities, we did not have any idle land as identified by government authorities nor have we received any notice requiring us to pay idle land fees during the Track Record Period and up to the Latest Practicable Date. However, 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 factor, 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 may be subject to fines or penalties if we fail to effectively implement and/or enforce our internal control policies.

Historically, we experienced certain non-compliance incidents during the Track Record Period. See "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations" for more details. We have implemented certain internal control measures to enhance our internal control and risk management systems to prevent such non-compliance incidents from happening again in the future. See "Business — Internal Control" and "Business — Risk Management" for more details. However, we cannot assure you that our internal control measures will be effective or there will not be any non-compliance incidents in the future. In addition, PRC laws, regulations or rules governing our industry is complex and has been changing rapidly, particular at the local level, and we cannot assure you that we will not be subject to fines or penalties arising from non-compliance incidents or others if we fail to adopt to the changes in the regulatory environment in a timely manner, or at all. If we fail to do so, the results and consequences of such failure may have a material adverse effect on our business, financial condition and results of operations.

Compliance with PRC laws and regulations regarding environmental protection and the preservation of antiquities and monuments may delay the progress of our property development projects and create additional costs.

We are subject to various laws and regulations concerning environmental protection and the preservation of antiquities and monuments, which effectively prohibit and restrict property development in certain regions. See "Regulatory Overview — Environmental Protection" for more information. While navigating this regulatory regime, we may incur additional compliance costs, leading to lower profit margins and material adverse effects on our results of operations. We may also be forced to delay our construction plans and fail to complete properties on time, suffering damage to our reputation and access to future business opportunities. For more information, see "— We may fail to complete our property development projects on time, or at all" above.

As environmental awareness grows in China, we anticipate that the PRC Government will continue to promulgate increasingly stringent environmental laws and regulations. We also believe that we, and our environmental impact assessment reports, will be evaluated against higher standards for compliance with the regulatory regime. We anticipate that these developments will increase our project development costs in general. Moreover, should the public perceive us as socially irresponsible on environmental issues, the consequent damage to our reputation may diminish our brand value. For more information, see "— Failure to protect our intellectual property rights may materially and adversely affect our brand value" above.

We may be unsuccessful in implementing our business strategies.

Our Directors and management formulate our business strategies based on, among others, their judgment of the business, market conditions and regulatory environment. 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 other members of our industry, lack of qualified and experienced personnel, natural disasters, difficulties in obtaining the required permits, licenses and certificates, delays in construction and logistical difficulties, among others. In addition to the factors mentioned above, we may fail to achieve market acceptance and brand recognition. We may also fail to accurately gage customer preferences and tailor our offerings appropriately. Since we expect to self-finance the implementation of our business strategies with cash flow from our operating activities and proceeds from the Global Offering, our profitability and liquidity would be materially and adversely affected in the event that we do not achieve the expected economic results. 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 success depends on our ability 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, design, sales and marketing, losing their services may have a material adverse effect on our ability to grow and sustain our business. Members of our senior management team collectively have an average of over 15 years in the real estate industry. For more information on our directors and senior management, see "Directors and Senior Management." 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. There can 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 be involved in claims, disputes, legal proceedings and negative publicity, which may adversely affect our financial condition, divert management attention and harm our reputation.

We may be directly or indirectly involved in claims, disputes and legal proceedings with various parties involved in our property development projects, such as contractors, regulatory bodies, business partners and customers. Such claims, disputes and legal proceedings may relate to, among other issues, contractual warranty disputes, employment and intellectual property. For example, earlier purchasers of our properties may allege that we did not fulfill our representations and warranties in the subsequent planning and development of our property development projects. For more information, see "— We are exposed to contractual and legal risks related to pre-sales." We may also be subject to claims, disputes and legal proceedings with our purchasers or other third parties in respect of the pricing practice of our properties and/or related work. We cannot assure you that we will not be involved in any major dispute or legal proceedings in the future, and any involvement in such disputes or proceedings may materially and adversely affect our business, financial condition and brand name. Any claims, disputes and legal proceedings brought against us, with or without merit, could result in substantial costs and divert capital resources and management attention. In addition, negatively publicity about us, our Shareholders and related parties, our brand, management, business partners and products may arise from time to time. Negative comments on properties developed by us, products and services offered by us, our business operations and management may appear in internet postings and other media sources from time to time and we cannot assure you that other types of negative publicity will not arise in the future. Such negative publicity may cause customers to lose confidence or damages to our brand images. In addition, there are certain other companies sharing the name such as “Datang” with us. Despite the fact that such companies may not be in the same industry with us, we cannot guarantee that any negative news about such companies will not adversely affect us based on the limited name similarity. Any of the above negative publicity events, regardless of veracity, may have material adverse effects on our business and brand value.

Failure to make adequate contributions to various employee benefit plans and schemes as required by the PRC regulations may subject us to penalties.

Companies operating in the PRC are required to participate in various employee benefit plans, such as pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing provident fund, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of their employees up to a maximum amount specified by the local government from time to time at locations where they operate their businesses. During the Track Record Period, we failed to timely make full social insurance contributions for certain of our eligible employees. We also failed to set up housing provident fund accounts for certain of our eligible employees; and timely make full housing provident fund contributions for certain of our eligible employees. We estimate that the total outstanding amount of social insurance and housing provident fund during the Track Record Period that may be required by the relevant authorities to repay is approximately RMB4.7 million, RMB5.0 million, RMB3.0 million and RMB0.6 million for the years of 2017, 2018 and 2019 and the first half of 2020, respectively. As of the Latest Practicable Date, most of our subsidiaries involved in such incidents had obtained written confirmations from the relevant government authorities confirming that we did not have any outstanding payment for social security insurance and housing provident fund contributions for the failure to make adequate social security insurance and housing provident fund contributions and/or there are no records of penalties imposed on us. As advised by our PRC Legal Advisors, Jingtian & Gongcheng, these government authorities have the appropriate authority to issue such confirmations. Our PRC Legal Advisors, Jingtian & Gongcheng, is of the view that based on the confirmations from the relevant government authorities, the risk of our relevant subsidiaries will be subject to administrative penalties from the relevant government authorities issuing the confirmation letters for those incidents is remote. Our Directors are of the view that the incidents do not have a material operational or financial impact on us and accordingly, we have not made any provision in our financial statements. However, our Group cannot assure that the relevant local government authorities will not require us to pay the outstanding amount within a specific time limit or impose late fees or fines on us, which may materially and adversely affect our financial condition and results of operation.

Gains on disposal of subsidiaries are non-recurring in nature. Accordingly, we may not record such gains in the future.

For 2017, 2018 and 2019 and the first half of 2020, we recorded gains on disposals of subsidiaries of RMB1.8 million, RMB99.1 million, RMB59.3 million and nil, respectively. For details, see “Financial Information — Description of Certain Consolidated Statements of Comprehensive Income Items — Other net gains” and Notes 12 and 42 in the Accountant’s Report included in Appendix I to this prospectus for more details on the background and details of our gains on disposals of subsidiaries. While such gains for 2017, 2018 and 2019 had an impact on our reported profit for those years, they are non-recurring in nature. Therefore, we may not record such gains in the future, which may, in turn, adversely affect our profitability.

Our insurance coverage may not sufficiently cover the risks related to our business.

We purchase and maintain insurance policies that we believe are customary with the standard commercial practice in our industry and as required under the relevant PRC laws and regulations. We normally do not insure our property development projects against disruptions or damage caused by natural disasters, wars, civil unrest, acts of terrorism and other instances giving rise to force majeure. For more information about the insurance policies we maintain, see "Business — Insurance." We cannot guarantee that our insurance policies will provide adequate coverage for all the risks in connection with our business operations. 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 continue to receive government grants or subsidies.

Our profitability may be affected by government grants or subsidies that we receive. During the Track Record Period, we received certain one-off government grants in the amount of RMB10.4 million, RMB10.3 million, RMB0.8 million and RMB0.6 million for 2017, 2018 and 2019 and the first half of 2020, respectively. See "Financial Information — Description of Certain Consolidated Statements of Comprehensive Income Items — Other income." As these government grants and subsidies are granted in the sole and absolute discretion of the relevant government authorities and subject to the relevant PRC laws, regulations and policies, we cannot assure you that we will be able to receive government grants or subsidies in the future, if at all. The fluctuation of the granting of the government grants or subsidies to us may have a material impact on our profitability and, in turn, our financial condition and results of operations.

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 teams at the Group and local 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 or to comply with any relevant data protection requirements under the relevant PRC laws and regulations. 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. We may thus experience material adverse effects on our business and results of operations.

RISKS RELATING TO THE REAL ESTATE 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. Among other measures, the PRC government may reduce the land available for property development, impose foreign exchange restrictions on cross-border investment and financing and restrict foreign investment. 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; for example, the PRC government may raise benchmark interest rates in parallel with national economic growth. This could effectively increase mortgage rates for our customers and our financing costs. For more information, see "— Risks Relating to Our Business — We are susceptible to the effects that interest rate hikes may have on our customers' mortgage rates and our financing costs". There can also be no assurance that the PRC government will not promulgate new and evermore restrictive measures in the future, nor that we will be able to anticipate and make provision for such developments in advance. We may fail to adapt to and navigate the regulatory landscape in ways that are profitable to our business.

In the event that the PRC government restricts our ability to conduct pre-sales, we may lose a major source of funding for our property development projects.

Our proceeds from pre-sales is a major source of funding for our property development projects. However, in August 2005, the PBOC issued the "2004 Real Estate Financing Report" recommending that the practice of pre-selling properties be discontinued. The reasoning was that pre-sales may create market risks and transactional irregularities. 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, and we may suffer material adverse effects on our business and results of operations.

Restrictions on foreign investment may materially and adversely affect our ability to invest in our PRC subsidiaries.

In order to curtail overheating in the real estate industry, the PRC government has sought to regulate foreign investment in property. For example, on June 18, 2008, the MOFCOM promulgated the "Notice on Better Implementation of the Filing of Foreign Investment in the Real Estate Industry" (關於做好外商投資房地產業備案工作的通知). This authorizes relevant authorities to verify documentation filed with respect to property development projects involving foreign investment. It effectively restricts our ability to fund our PRC subsidiaries through shareholder loans. We must also obtain approval from the relevant authorities and register with the MOFCOM prior to making equity contributions to our PRC subsidiaries. The time required for such procedures may delay us in implementing business strategies that are sensitive to timing and market movements.

There can be no assurance that the PRC government will not promulgate laws and regulations that materially and adversely affect our ability to invest in our PRC subsidiaries going forward. The PRC government may impose additional conditions toward establishing foreign-invested real estate enterprises and tighten foreign exchange controls. Such measures may materially and adversely affect our ability to invest in our PRC subsidiaries, and therefore hamper the growth of our business. Our PRC subsidiaries may be forced to search for other sources of financing, which may not be available on favorable terms or at all.

We may fail to compete effectively against other property developers.

The real estate market in provinces and cities where we have existing operations, or plan to have existing operations, is intensely competitive. See "Industry Overview — Competitive Landscape — Our Rankings" for more details on the competition faced by us in the PRC market. Our competitors include property developers who operate on a national, regional and local scale. They may have stronger capital resources, wider sales and distribution networks, greater brand or name recognition, greater expertise in regional and local markets and greater financial, technical, marketing and public relations resources than we do. Such property developers may be better positioned than we are to compete for land, financing, raw materials, skilled management and labor resources, especially in certain of our core cities in China. We may find that there are fewer contractors with successful track records available at a time and experience difficulties with selling our properties, delays in the issuance and renewal of our government approvals and higher costs in attracting or retaining talented employees. Our efforts to achieve market acceptance and brand recognition may require us to reduce prices for our properties, while competitive pressures steadily increase our cost of sales. There is no assurance that we will be able to pass additional costs on to our customers. Indeed, our ability to do so is limited as our costs may not increase until after our pre-sales, at which time the purchase prices have already been agreed with our pre-sale customers and cannot be changed. Failures to compete effectively may diminish our sales and erode our market share, which could in turn materially and adversely affect our business, financial condition, results of operations and competitive position.

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 rapid changes, whether regulatory or market, can take place in a short amount of time. Investors may not have sufficient or accurate information regarding the changes or the changing market to make an fully informed decision. Other factors that may discourage investment in real estate include the limited number of mortgage financing options available, legal uncertainties to do with enforcement of title and the lack of an insufficiently 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 may surface in some markets as investments in real estate can be, and are often, made for speculative reasons. We are exposed to risks associated with operating in such a business environment. Any of the above-named factors 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

We are vulnerable to adverse changes in economic, political and social conditions and government policies in China.

All of our business operations are in the PRC. Accordingly, our financial condition, results of operations and prospects are, to a significant degree, subject to the economic, political, social and legal conditions in the PRC. The PRC economy differs from that of most developed countries in many respects, including the extent of government involvement, level of economic development, investment control, resource allocation, growth rate and control over foreign exchange. 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 reform measures are unprecedented or experimental and are expected to be modified from time to time. Other political, economic and social factors may lead to further readjustment or introduction of other reform measures. This reform 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 which 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 be negatively impacted by the trade war with the United States and the potential effects resulting from the exit of the United Kingdom from the European Union (the "Brexit"). In 2018, the U.S. government, under the administration of President Donald J. Trump, imposed several rounds of tariffs on various categories of imports from China, and China responded with similarly sized tariffs on U.S. products in retaliation. The trade war escalated in May 2019, when the United States increased tariffs on US$200.0 billion worth of Chinese products from 10% to 25%, and China increased tariffs on US$60.0 billion worth of U.S. goods in response. Moreover, since May 2019, the United States has banned six Chinese technology firms from exporting certain sensitive U.S. goods. In August 2019, the U.S. Treasury declared China a currency manipulator. On September 1, 2019, the U.S. implemented further tariffs on more than US$125.0 billion worth of Chinese goods. On September 2, 2019, China lodged a complaint in the World Trade Organization against the U.S. over the import tariffs. 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 (the "Phase I Agreement"). Under the Phase I Agreement, the U.S. 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 industries in which our clients operate remains uncertain. In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In the United Kingdom, a remain-or leave referendum on its membership within the European Union was held in June 2016, the result of which favored the Brexit. On January 31, 2020, the United Kingdom officially exited the European Union following a UK-EU Withdrawal Agreement signed in October 2019. The United Kingdom and the European Union will have a transition period until December 31, 2020 to negotiate, among others, trade agreements in details. Given the lack of precedent and uncertainty of the negotiation, the effect of Brexit remains uncertain, and Brexit has and may continue to create negative economic impact and increase volatility in the global market, and in turn, may have a material effect on our business, financial condition and results of operations.

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. Substantially 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 downwarded to its present level of 13.0% for large institutions and 11.0% for smaller banks effective from September 16, 2019.

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.

Fluctuations in exchange rates may have a material 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, among other factors, 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 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.

Inflation in China could negatively affect our profitability and growth.

Economic growth in China has, in the past, been accompanied by periods of high inflation. In response, the PRC government has implemented policies from time to time to control inflation, such as restricting the availability of credit by imposing tighter bank lending policies or higher interest rates. The PRC government may take similar measures in response to future inflationary pressures. Rampant inflation without the PRC government's mitigation policies would likely increase our costs, thereby materially reducing our profitability. There is no assurance that we will be able to pass any additional costs to our customers. On the other hand, such control measures may also lead to slower economic activity and we may see reduced demand for our properties.

Uncertainties with respect to the PRC legal system could limit the legal protection available to you.

The legal system in China has inherent uncertainties that could limit the legal protection available to our Shareholders. As we conduct all of our business operations in China, we are principally governed by PRC laws, rules 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 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 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. All of our assets are located in China and 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) (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 the 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, China and Hong Kong signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (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 where 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 Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (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 enterprise income tax rate, or 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》) (the "Circular 82"), as amended on December 29, 2017, 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)) (the "Bulletin 45"), which took effect on September 1, 2011 and amended on June 1, 2015, June 28, 2016 and June 15, 2018, 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 the State Administration of Taxation's criteria for determining the tax residence of foreign enterprises in general. 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, subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides for a different income tax arrangement, 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. 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.

SAFE promulgated Circular 37 in July 2014, which abolished and superseded the Circular on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Round Trip Investment via Overseas Special Purpose Vehicles (《關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》). Pursuant to Circular 37 and its implementation rules, 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 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.

A number of PRC laws and regulations, including the M&A Rules, the Anti-Monopoly Law (《反壟斷法》), and the Rules of the 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 the MOFCOM on August 25, 2011 and effective from September 1, 2011 ("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 the MOFCOM in advance of any transaction in which foreign investors take control of a PRC domestic enterprise, or to obtain approval from the 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 prohibit 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. We may grow our business in part by acquiring other companies operating in our industry. Complying with the requirements of the relevant regulations to complete such transactions could be time-consuming, and any required approval processes, including approval from the MOFCOM, may delay or inhibit our ability to complete such transactions, thus affecting our ability to expand our business or maintain our market share.

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 Sole Global Coordinator (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, among others, the following factors:

- 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.

If the Offer Price substantially exceeds the per Share value of our net tangible assets after subtracting our total liabilities, then 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.

Future or perceived sales of substantial amounts of our Shares could affect their 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". 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. For more information, see "Financial Information — Dividend and Distributable Reserve." We cannot guarantee when, if and in what form dividends will be paid.

Our management has significant discretion as to how to use the net proceeds of the Global Offering, and you may not necessarily agree with how we use them.

Our management may use the net proceeds from the Global Offering in ways that you may not agree with or that do not yield a favorable return to our Shareholders. By investing in our Shares, you are entrusting your funds to our management, upon whose judgment you must depend, for the specific uses we will make of the net proceeds from the Global Offering. For more information, see "Future Plans and Use of Proceeds."

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 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 Companies Law on protection of minority shareholders is set out in "Appendix IV — Summary of the Constitution of our Company and Cayman Islands Companies Law — 3. Cayman Islands Companies Law."

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 58.34% of voting rights in the general meeting of the Company. For more information, 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 December 4, 2020. However, our Shares will not commence trading on the Stock Exchange until the Listing Date, which is expected to be December 11, 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 Sole Sponsor, the Sole Global Coordinator, 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.

We may make a Downward Offer Price Adjustment, and thereby reduce the amount of estimated net proceeds that we will receive from the Global Offering.

We have the flexibility to make a Downward Offer Price Adjustment to set the final Offer Price at up to 10% below the low end of the indicative Offer Price range per Offer Share. It is therefore possible that the final Offer Price will be set at HK$3.24 per Offer Share upon the making of a full Downward Offer Price Adjustment. In such a situation, the Global Offering will proceed and the Withdrawal Mechanism will not apply. If the final Offer Price is set at HK$3.24 per Offer Share, the estimated net proceeds that we will receive from the Global Offering will be reduced to HK$992.7 million, assuming that the Over-allotment Option is not exercised and that such reduced proceeds will be used as described in "Future Plans and Use of Proceeds" on a pro rata basis."

In preparation for the Listing, our Group has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules. We have applied for a waiver from strict compliance with Rule 8.12 of the Listing Rules primarily on the basis that, as our headquarters and principal business operations are located in the PRC, our management is best able to attend to its function by being based in the PRC. We have applied for, and the Stock Exchange has granted us a waiver from strict compliance with Rule 8.12 of the Listing Rules subject to, among others, the following conditions:

(a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives, Mr. Tang Guozhong ("**Mr. Tang**"), our executive Director and joint company secretary, and Ms. Ng Wing Shan ("**Ms. Ng**"), our joint company secretary, who will act as our Company's principal channel of communication with the Stock Exchange. Ms. Ng is ordinary 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/or email. Each of our authorized representatives is authorized to communicate on our behalf with the Stock Exchange. Our Company has been registered as a non-Hong Kong Company under part 16 of the Companies Ordinance and Ms. Ng has also been authorized to accept service of legal process and notices in Hong Kong on behalf of our Company;

(b) both our authorized representatives have means to contact all our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. Our Directors who are not ordinarily residents 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/her mobile phone number, office phone number, fax number and/or email address to our authorized representatives. In event that a Director expects to travel, he/she will endeavor to provide the phone number of the place of his/her accommodation to our authorized representatives or maintain an open line of communication via his/her mobile phone. Each of our Directors and authorized representatives has also provided his/her mobile number, office phone number, fax number and/or email address to the Stock Exchange;

(c) Pursuant to Rule 3A.19 of the Listing Rules, we have appointed Somerley Capital Limited as our compliance advisor, which will have 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

(d) 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.

JOINT COMPANY SECRETARIES

According to Rules 3.28 and 8.17 of the Listing Rules and the Guidance Letter HKEX-GL108-20 issued by the Stock Exchange, the secretary of our Company must be a person who has the requisite knowledge and experience to discharge the functions of the company secretary and is either (i) a member of the Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong) or a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong); or (ii) an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

We have appointed Mr. Tang and Ms. Ng as our joint company secretaries. Mr. Tang is our executive Director. He is primarily responsible for securities management, risk management and public relations management of our Group. Mr. Tang has over 20 years of experience in the real estate industry. Our Directors are of the view that, having regard to Mr. Tang's thorough understanding of the overall management of our Group, he is therefore considered as a suitable person to act as a company secretary of our Company. In addition, as our headquarters and principal business operations of our Group are located in Xiamen, Fujian province, the PRC, our Directors believe that it is necessary to appoint Mr. Tang as a company secretary whose presence in Xiamen enables him to attend to the day-to-day corporate secretarial matters concerning our Group. However, Mr. Tang does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, he is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. Therefore, we have appointed Ms. Ng, a fellow member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom, who is qualified under Rule 3.28 of the Listing Rules to act as the other joint company secretary to provide support to Mr. Tang on an ongoing basis.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules on the condition that Mr. Tang will be assisted by Ms. Ng as our joint company secretary throughout the three-year period from the Listing Date. Being an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited and by virtue of her experience in corporate secretarial practice, Ms. Ng is, in our Directors' opinion, a person who is qualified and suitable to provide assistance to Mr. Tang, for a three-year period from the Listing Date so as to enable him to acquire the relevant experience (as required under Note 2 to Rule 3.28 of the Listing Rules) to duly discharge his duties. In addition, Mr. Tang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the three-year period from the Listing Date. Our Company will further ensure that Mr. Tang has access to the relevant training and support that would enhance his understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange.

Such waiver will be revoked immediately if and when Ms. Ng ceases to provide such assistance or if there are material breaches of the Listing Rules by our Company. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Mr. Tang, having had the benefit of Ms. Ng's assistance for three years, will have acquired relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

See "Directors and Senior Management" for the biographical information of Mr. Tang and Ms. Ng.

CONNECTED TRANSACTIONS

We have entered into certain transactions which will constitute continuing connected transactions for our Company under the Listing Rules after Listing. We have applied for, and the Stock Exchange has granted us, waiver from strict compliance with the announcement requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in "Connected Transactions — (B) Continuing Connected Transactions Which are Subject to the Reporting, Annual Review and Announcement Requirements But Exempted from the Independent Shareholders' Approval Requirement". See "Connected Transactions" for details.

POST-TRACK RECORD PERIOD ACQUISITION

Pursuant to Rules 4.04(2) and 4.04(4)(a) of the Listing Rules, a new listing applicant is required to include in its accountants' report in the listing document the results and balance sheets of any subsidiary or business acquired, agreed to be acquired or proposed to be acquired since the date to which the latest audited financial statements of the listing applicant have been made up in respect of each of the three financial years immediately preceding the issue of the listing document, or since the incorporation of such subsidiary or the commencement of such business if this occurred less than three years prior to such issue, or such shorter period as may be acceptable to the Stock Exchange.

Pursuant to Note 4 of Rule 4.04(4)(b) of the Listing Rules, the Stock Exchange may consider a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules on a case-by-case basis, and having regard to all relevant facts and circumstances and subject to certain conditions set out thereunder.

Since the end of the Track Record Period, for the purpose of expanding its business, our Group has entered into an agreement to acquire the equity interest of a company (the "**Target Company**") by way of capital injection (the "**Acquisition**").

On July 29, 2020, Xiamen Datang entered into a capital injection agreement with Chengdu Jinke Real Estate Development Co., Ltd. (成都金科房地產開發有限公司) ("**Chengdu Jinke**"), pursuant to which (i) Chengdu Jinke agreed to inject RMB358 million into Yibin Jinbei Real Estate Development Co., Ltd. (宜賓市金北房地產開發有限公司) ("**Yibin Jinbei**") which shall be contributed to the registered capital of Yibin Jinbei; (ii) Xiamen Datang agreed to inject approximately RMB357.3 million into Yibin Jinbei, of which RMB252 million shall be contributed to the registered capital of Yibin Jinbei, and approximately RMB105.3 million shall be regarded as the paid-in capital of Yibin Jinbei. The consideration of the capital injection was determined on arm's length negotiation with reference to the net asset value of Yibin Jinbei as of June 30, 2020. Chengdu Jinke is a wholly-owned subsidiary of Jinke Property Group Co., Ltd. (金科地產集團股份有限公司), a company whose shares are listed on the Shenzhen Stock Exchange (stock code: 000656) and holds 25% of equity interest in Guangxi Tangpeng Investment Co., Ltd. (廣西唐鵬投資有限公司), our non wholly-owned subsidiary as of the Latest Practicable Date.

Yibin Jinbei was established in the PRC on December 13, 2019 and is primarily engaged in the property development business. Prior to the completion of the capital injection, Yibin Jinbei had a registered capital of RMB20 million which was wholly owned by Chengdu Jinke. The parties intended to jointly develop the land parcel held by Yibin Jinbei.

Upon completion of the capital injection on August 13, 2020, the registered capital of Yibin Jinbei was increased from RMB20 million to RMB630 million and Yibin Jinbei became owned as to 60% by Chengdu Jinke and 40% by Xiamen Datang. The consideration was fully settled in cash as of October 15, 2020 with our internal resources. Upon completion, Yibin Jinbei was accounted for as an associated company of our Group.

We have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Listing Rules in relation to the preparation of financial statements in respect of the Acquisition on the following grounds:

(a) **Ordinary and usual course of business** — the Acquisition is in the ordinary and usual course of business of our Group as it is one of our principal business strategies to expand its market share through acquisitions of local players in the property development industry. The consideration of the Acquisition was determined through arm's length negotiation between the parties and on normal commercial terms with reference to the net asset value of the Target Company as of June 30, 2020. Our Directors believe that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders as a whole.

(b) **Immateriality of Target Company** — the scale of businesses operated by the Target Company as compared to that of our Group is not material. Based on the financial information of the Target Company available to our Company according to their unaudited management accounts for the year ended December 31, 2019, all the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition referenced against the financials of our Company in the most recent financial year of the Track Record Period are less than 5%. The Acquisition is not significant enough to require our Company to prepare pro forma financial information under Rule 4.28 of the Listing Rules.

Accordingly, our Directors believe that (i) the Acquisition is immaterial when compared to the scale of our Group's operations as a whole; (ii) the Acquisition has not resulted in any significant change to the financial position of our Group since December 31, 2019; and (iii) all information that is reasonably necessary for the potential investors to make an informed assessment of the activities or financial position of our Group has been included in this Prospectus. As such, a waiver from strict compliance with the requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules would not prejudice the interests of the investing public.

(c) **Unavailability of information** — as the Target Company was only established in December 2019, no audited historical financial information for the year ended December 31, 2019 is available. Despite the Acquisition has been completed on August 13, 2020, given the Target Company is only owned as to 40% by our Group, we do not have full access to the financial records of the Target Company. As such, it would be impracticable for our Company to disclose the audited financial information of the Target Company in this Prospectus as required under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules.

(d) **Disclosure of necessary information in the Prospectus** — with a view to allowing the potential investors to understand the Acquisition in greater details, our Company has included in this Prospectus the following information regarding the Acquisition, which is comparable to the information that is required to be included in the announcement of a disclosable transaction under Chapter 14 of the Listing Rules, which includes:

(i) description of the principal business activities of the Target Company and the vendor;

(ii) the identity, background and shareholder of the counterparty;

(iii) the date of the Acquisition;

(iv) the consideration of the Acquisition, how the consideration would be satisfied and the basis upon which the consideration was determined; and

(v) the reasons for the Acquisition and the benefits which are expected to accrue to our Group as a result of the Acquisition.

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 (Winding Up and Miscellaneous Provisions) 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 about our Group. 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.

THIS HONG KONG PUBLIC OFFERING AND THIS PROSPECTUS

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, this prospectus and the Application Forms set out the terms and conditions of the Hong Kong Public Offering. Please see "How to Apply for Hong Kong Offer Shares" and the Application Forms for further details of the procedures for applying for the Hong Kong Offer Shares.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this Prospectus and the Application Forms and on the terms and conditions set out herein and therein. No person has been authorized to give any information or make any representations other than those contained in this Prospectus and the Application Forms and, if given or made, such information or representations must not be relied on as having been authorized by us, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their affiliates or any of their respective directors, officers, employees or agents or any other person or party involved in the Global Offering. Neither the delivery of this Prospectus nor any offering, sale or delivery made in connection with our Shares shall, 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 in this Prospectus is correct as at any subsequent time.

STRUCTURE OF THE GLOBAL OFFERING AND UNDERWRITING

Please see "Structure of the Global Offering" for further details of the structure of the Global Offering, including its conditions and the arrangements relating to the Over-allotment Option and stabilization.

The Listing is sponsored by the Sole Sponsor. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement. The International Underwriting Agreement relating to the International Offering is expected to be entered into on or around the Price Determination Date, subject to agreement on the Offer Price between ICBC International Capital (for itself and on behalf of the Underwriters) and us. The Global Offering is managed by the Sole Global Coordinator. If, for any reason, the Offer Price is not agreed, the Global Offering will not proceed and will lapse. Please see "Underwriting" for further details of the Underwriters and the underwriting arrangements.

RESTRICTIONS ON OFFER OF THE OFFER SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to confirm, and is deemed by his acquisition of Hong Kong Offer Shares to have confirmed, that he is aware of the restrictions on offers of the Offer Shares described in this Prospectus and that he is not acquiring, and has not been offered, any Offer Shares in circumstances that contravene any such restrictions.

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. Accordingly, without limitation to the following, this Prospectus 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 the offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the securities laws of such jurisdiction pursuant to registration with or an authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been publicly offered and sold, and will not be offered or sold, directly or indirectly in the PRC or the United States.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of the approval for the listing of, and permission to deal in the Shares in issue and to be issued pursuant to the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option), as mentioned in this prospectus (including Shares to be issued). Dealings in the Shares on the Stock Exchange are expected to commence on Friday, December 11, 2020.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by the Stock Exchange.

Save as disclosed in this Prospectus, no part of our share capital or loan capital 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.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the Stock Exchange granting the approval for the listing of, and permission to deal in, our Shares on the Stock Exchange and the 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 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 necessary arrangements have been made for the Shares to be admitted into CCASS. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time. You should seek the advice of your stockbroker or other professional adviser for details of those settlement arrangements as such arrangements will affect your rights and interests.

HONG KONG SHARE REGISTER AND STAMP DUTY

The principal register of members of our Company will be maintained by the Principal Share Registrar, Appleby Global Services (Cayman) Limited, in the Cayman Islands and the branch register of members of our Company will be maintained by the Hong Kong Share Registrar, Tricor Investor Services Limited, in Hong Kong. All Shares to be issued pursuant to the Global Offering, the Capitalization Issue and any Shares to be issued upon exercise of the Over-allotment Option, or any option which may be granted under the Share Option Scheme will be registered on the branch register of members of our Company in Hong Kong. Only Shares registered on the branch register of members of our Company in Hong Kong may be traded on the Stock Exchange.

No stamp duty is payable by applicants in the Global Offering.

Dealings in our Shares registered in the branch register of members of our Company in Hong Kong will be subject to Hong Kong stamp duty. The current rate of stamp duty in Hong Kong is 0.2% of the consideration or, if higher, the market value of our Shares being sold or transferred. In addition, a fixed duty of HK$5 is charged on each instrument of transfer (if required).

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of Shares will be paid to the shareholders listed on the branch register of members of our Company in Hong Kong, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder, or if joint Shareholders, to the first-named therein in accordance with the Articles.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding, disposing of, dealing in or exercising any rights in relation to, the Shares. None of us, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their affiliates or any of their respective directors, officers, employees or agents 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, disposition of, dealing in, or exercising any rights in relation to, our Shares.

COMMENCEMENT OF DEALINGS IN OUR SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, December 11, 2020, it is expected dealings in our Shares on the Main Board of the Stock Exchange will commence at 9:00 a.m. on Friday, December 11, 2020. Shares will be traded in board lots of 1,000 Shares each.

The stock code for our Shares is 2117.

Our Company will not issue any temporary documents of title.

Dealings in our Shares on the Stock Exchange will be effected by participants of the Stock Exchange whose bid and offer quotations will be available on the Stock Exchange's teletext page information system. Delivery and payment for Shares dealt on the Stock Exchange will be effected two trading days following the transaction date ("T+2"). 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. Only certificates for Shares registered on the branch share register of our Company in Hong Kong will be valid for delivery in respect of transactions effected on the Stock Exchange. If you are unsure about the procedures for dealings and settlement arrangement on the Stock Exchange on which our Shares are listed and how such arrangements will affect your rights and interests, you should consult your stockbroker or other professional advisers.

OVER-ALLOTMENT AND STABILIZATION

See "Structure of the Global Offering — Over-allotment Option" and "Structure of the Global Offering — Stabilization" for more details on the arrangements relating to stabilization and the Over-allotment Option. Unless otherwise specified, all relevant information in this Prospectus assumes no exercise of the Over-allotment Option

DOWNWARD OFFER PRICE ADJUSTMENT

We have reserved the right to make a Downward Offer Price Adjustment to provide flexibility in pricing the Offer Shares. The ability to make a Downward Offer Price Adjustment does not affect our obligation to issue a supplemental prospectus and to offer investors a right to withdraw their applications if there is material change in circumstances not disclosed in the Prospectus.

If it is intended to set the final Offer Price at more than 10% below the low end of the indicative Offer Price range, the Withdrawal Mechanism will be applied if the Global Offering is to proceed.

CSRC APPROVAL AND OTHER RELEVANT PRC AUTHORITIES APPROVAL

The listing does not require the approval of the CSRC or any other PRC government authorities under the current PRC laws, regulation and rules.

EXCHANGE RATE CONVERSION

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 RMB0.8485 to HK$1.00, the exchange rate prevailing on November 20, 2020, set by the PBOC for foreign exchange transactions.

LANGUAGE

If there is any inconsistency between this Prospectus and its Chinese translation, this Prospectus shall prevail. For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this Prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Wu Di (吳迪)	3105 Fengjing Mansion Fengdanyayuan Garden No.86 Jinbang Road Siming District Xiamen Fujian Province China	Chinese
Mr. Hao Shengchun (郝勝春)	Room 202 No. 281 Bihu Garden Binglangxi Block Siming District Xiamen Fujian Province China	Chinese
Mr. Tang Guozhong (唐國鐘)	Room 1403 No.139 Houdaixi Road Siming District Xiamen Fujian Province China	Chinese
Ms. Zhang Jianhua (張建華)	Room 1001 No. 191 Yuxiu Block Siming District Xiamen Fujian Province China	Chinese
Independent non-executive Directors		
Mr. Qu Wenzhou (屈文洲)	Room 401 No.645, Hexiangxi Road Siming District Xiamen Fujian Province China	Chinese
Ms. Xin Zhu (辛珠)	15A, Tower 2 The Harbourside 1 Austin Road West Tsim Sha Tsui Hong Kong	Chinese
Mr. Tam Chi Choi (譚志才)	Flat A, 47/F Residence Oasis Tower 7 Tseung Kwan O Hong Kong	Chinese

See "Directors and Senior Management" for more details on our Directors and senior management members.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Sole Sponsor	**ICBC International Capital Limited** 37/F, ICBC Tower 3 Garden Road Hong Kong
Sole Global Coordinator	**ICBC International Capital Limited** 37/F, ICBC Tower 3 Garden Road Hong Kong
Joint Bookrunners	**ICBC International Capital Limited** 37/F, ICBC Tower 3 Garden Road Hong Kong
	ABCI Capital Limited 11/F, Agriculture Bank of China Tower 50 Connaught Road Central Central, Hong Kong
	BOCOM International Securities Limited 9/F, Man Yee Building 68 Des Voeux Road Central Hong Kong
	CCB International Capital Limited 12/F, CCB Tower 3 Connaught Road Central Central, Hong Kong
	CMB International Capital Limited 45/F, Champion Tower 3 Garden Road Central, Hong Kong
	Essence International Securities (Hong Kong) Limited 39/F, One Exchange Square Central, Hong Kong
	Guodu Securities (Hong Kong) Limited Room 1307, 13/F Bank of America Tower 12 Harcourt Road Central, Hong Kong
	Guotai Junan Securities (Hong Kong) Limited 27/F, Low Block, Grand Millennium Plaza 181 Queen's Road Central Hong Kong

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

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

Joint Lead managers

ICBC International Securities Limited
37/F, ICBC Tower
3 Garden Road
Hong Kong

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

BOCOM International Securities Limited
9/F, Man Yee Building
68 Des Voeux Road Central
Hong Kong

CCB International Capital Limited
12/F, CCB Tower
3 Connaught Road Central
Central, Hong Kong

CMB International Capital Limited
45/F, Champion Tower
3 Garden Road
Central, Hong Kong

CRIC Securities Company Limited
Room 2007 & 2403, Great Eagle Centre
23 Harbour Road, Wanchai
Hong Kong

Essence International Securities (Hong Kong) Limited
39/F, One Exchange Square
Central, Hong Kong

GLAM Capital Limited
Rooms 908–11, 9/F, Nan Fung Tower
88 Connaught Road Central
Central
Hong Kong

Guodu Securities (Hong Kong) Limited
Room 1307, 13/F
Bank of America Tower
12 Harcourt Road
Central, Hong Kong

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

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

Hongkong Rich & Fortune Securities Co., Limited
Room 2007, 20/F
West Tower, Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

HTF Securities Limited
Unit 1807, 18/F, Office Tower
Convention Plaza
1 Harbour Road
Wan Chai, Hong Kong

Huajin Securities (International) Limited
Suite 1101, 11/F Champion Tower
3 Garden Road, Central
Hong Kong

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

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

Legal advisors to the Company	*As to Hong Kong law:* **Sidley Austin** Level 39 Two International Finance Center 8 Finance Street Central Hong Kong
	As to PRC law: **Jingtian & Gongcheng** 45/F, K. Wah Center 1010 Huai Hai Road(M) Xu Hui District Shanghai China
	As to Cayman Islands law: **Appleby** Suites 4201-03 & 12 42/F, One Island East Taikoo Place 18 Westlands Road Quarry Bay Hong Kong
	As to Cook Islands law: **Little & Matysik P.C.** Taputapuatea PO Box 167, Avarua Rarotonga Cook Islands
Legal advisors to the Sole Sponsor and the Underwriters	*As to Hong Kong law:* **Bird & Bird** 6/F, The Annex, Central Plaza 18 Harbour Road Hong Kong
	As to PRC law: **JunHe LLP** Suite 2803-04, 28/F, Tower Three, Kerry Plaza No.1-1, Zhongxinsi Road Futian District Shenzhen Guangdong Province China

Auditor and reporting accountant	**PricewaterhouseCoopers** Certified Public Accountants and Registered Public Interest Entity Auditor 22/F, Prince's Building Central Hong Kong
Industry Consultant	**Jones Lang LaSalle Corporate Appraisal and Advisory Limited** 7/F, One Taikoo Place 979 King's Road Hong Kong
Independent Property Valuer	**Jones Lang LaSalle Corporate Appraisal and Advisory Limited** 7/F, One Taikoo Place 979 King's Road Hong Kong
Receiving bank	**Industrial and Commercial Bank of China (Asia) Limited** 33/F, ICBC Tower 3 Garden Road Central Hong Kong

Registered Office	PO Box 1350 Clifton House 75 Fort Street Grand Cayman KY1-1108 Cayman Islands
Headquarters and Principal Place of Business in the PRC	Tower B, Dynasty Center No.2001, Lvling Street Siming District Xiamen Fujian Province China
Principal Place of Business in Hong Kong	40th Floor, Sunlight Tower 248 Queen's Road East Wanchai Hong Kong
Company's Website	**www.dyna888.com** *(The information on the website does not form part of this Prospectus)*
Joint Company Secretaries	Mr. Tang Guozhong (唐國鐘) Room 1403 No.139 Houdaixi Road Siming District Xiamen Fujian Province China Ms. Ng Wing Shan (吳詠珊) *(FCIS, FCS)* 40th Floor, Sunlight Tower 248 Queen's Road East Wanchai Hong Kong
Authorized Representatives	Mr. Tang Guozhong (唐國鐘) Room 1403 No.139 Houdaixi Road Siming District Xiamen Fujian Province China

	Ms. Ng Wing Shan (吳詠珊) *(FCIS, FCS)* 40th Floor, Sunlight Tower 248 Queen's Road East Wanchai Hong Kong
Audit Committee	Mr. Qu Wenzhou (*Chairperson*) Ms. Xin Zhu Mr. Tam Chi Choi
Remuneration Committee	Ms. Xin Zhu (*Chairperson*) Mr. Qu Wenzhou Ms. Zhang Jianhua
Nomination Committee	Mr. Wu Di (*Chairperson*) Mr. Tam Chi Choi Ms. Xin Zhu
The Cayman Islands Principal Share Registrar and Transfer Office	**Appleby Global Services (Cayman) Limited** 71 Fort Street PO Box 500 George Town Grand Cayman KY1-1106 Cayman Islands
Hong Kong Share Registrar	**Tricor Investor Services Limited** Level 54, Hopewell Centre 183 Queen's Road East Hong Kong
Compliance Advisor	**Somerley Capital Limited** 20th Floor, China Building 29 Queen's Road Central Central, Hong Kong
Principal Banks	**China Construction Bank** Nanning Yuanhu Sub-branch No. 12-3 Yuanhu South Road Qingxiu District Nanning Guangxi Zhuang Autonomous Region China Quanzhou Luojiang Sub-branch No. 227 Anji Road Luojiang District Quanzhou Fujian Province China

China Minsheng Bank
Tianjin Branch
No. 43 Jianshe Road
Heping District
Tianjin
China

Certain information and statistics in this section and elsewhere in this Prospectus relating to the real-estate industry and the overall China economy are derived from various official and independent third party sources and have been prepared on the basis of information made public by governmental entities, inter-governmental organizations and the commissioned research report from Jones Lang LaSalle. The information presented in this section and elsewhere in the Prospectus from these and other sources represents the most recent information that is currently available from those sources. We believe that the sources of the information in this section and elsewhere in this Prospectus are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. We, the Sole Sponsor, the Underwriter, or their respective directors, employees, agents, representatives, affiliates and advisers and all other parties other than Jones Lang LaSalle involved in the Global Offering have not independently verified, and make no representation as to, the accuracy of the information from official or other third party sources. Such information may not be consistent with, and may not have been compiled with the same degree of accuracy or completeness as, other information compiled within or outside China. Accordingly, the official and other third party sources contained or referred to herein may not be accurate and should not be unduly relied on.

INTRODUCTION

In connection with the Global Offering, we have commissioned Jones Lang LaSalle, an Independent Third Party, for use in this Prospectus to prepare an industry research report (the "Industry Research Report") with necessary information on the real estate markets in China and the cities in which we operate. Jones Lang LaSalle 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. Jones Lang LaSalle 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. Jones Lang LaSalle has nearly 300 corporate offices, operates in more than 80 countries and has a global workforce of more than 93,000.

For the purpose of the Global Offering, Jones Lang LaSalle also serves as our property valuer. A Property Valuation Report prepared by Jones Lang LaSalle relating to our property interests is included in Appendix III to this Prospectus. Jones Lang LaSalle provides industry consulting and property valuation services through two business teams which are independent from each other. This section was prepared primarily by the designated market research team based on the followings and considered that the information and statistics are reliable:

- data from various Chinese government publications;
- site visits and interviews;
- recognized research institutions; and
- the proprietary database of Jones Lang LaSalle.

The following sets out the main reasons for Jones Lang LaSalle to adopt the above sources of information and considered them as reliable:

- It is a general market practice to adopt official data and announcements from various Chinese government agencies; and
- Jones Lang LaSalle understands the data collection methodology and data source of its proprietary database and the subscribed database from the China Real Estate Index System ("CREIS") (中國房地產指數系統) and CEIC Data (司爾亞司數據).

While preparing this section, Jones Lang LaSalle has made the assumptions stated below:

- all documents provided by us are materially true and correct;
- all data published by the relevant Chinese government authorities are true and correct;
- Jones Lang LaSalle makes no warranty or representation that these forecasts will be achieved. The real estate market is constantly fluctuating and changing. Jones Lang LaSalle will not take any responsibility to predict or in any warrant the future conditions of real estate market; and
- where subscribed data is obtained from recognized research and public institutions, Jones Lang LaSalle 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 has been no material adverse change in the market information since the date of the Industry Research Report and the date(s) of the relevant data contained therein, which may qualify, contradict or have a material impact on the information in this section.

OVERVIEW OF THE PRC ECONOMY

China's economy has experienced a significant economic growth in the last ten years. The Third Plenary Session of the eighteenth CCCPC (中共十八屆三中全會) in 2013 proposed an industrial transformation for a higher quality and more efficient economy growth model. In 2019, China's GDP reached RMB 99,087 billion. During the transformation of the economy, the total fixed asset investment generally increased and reached RMB64,568 billion in 2018. The total fixed asset investment decreased to RMB 56,087 billion in 2019 due to the change in statistic standard. However, it still represented 5.1% year-on-year growth on a comparable basis. The table below sets out selected economic statistics of China for the years indicated.

	2014	2015	2016	2017	2018	2019	2014-2019 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	N/A
GDP per capita (RMB)	47,005	50,028	53,680	59,201	64,644	70,892	8.6%
Total population (million)	1,368	1,375	1,383	1,390	1,395	1,400	0.5%
Urbanization (%)	54.8	56.1	57.4	58.5	59.6	60.6	N/A
Total fixed asset investment (RMB billion)	51,202	56,200	60,647	64,124	64,568	56,087*	6.0%**

Notes:

* *The statistic standard for fixed assets investment has been changed in the fourth national economic census, and the data increased with a 5.1% year-on-year growth rate on a comparable basis*

** *CAGR is calculated based on figures of 2014-2018 due to the change of statistic standard*

Source: National Bureau of Statistics

The recent COVID-19 outbreak has had a series of negative impact on people's lives and economic activities. The growth rate of PRC economy is expected to slow down as a result of COVID-19 and the GDP of the first half of 2020 experienced a year-on-year decrease of 1.6%. However, most of the pressure on the economic development is expected to be experienced in the short term, especially in the first three months of the year ending December 31, 2020. The economy experienced a modest growth of 3.2% in the second quarter of 2020 after a steep 6.8% slump in the first quarter. The rapid response of the PRC government, as well as incentive policies issued for supporting the development of enterprises, are expected to lead to have positive effects on the economic recovery. Moreover, the industries related to healthcare, e-commerce and others have experienced substantial growth over the first half 2020. These industries are expected to support part of the growth of the PRC's economy in the future.

THE RESIDENTIAL MARKET IN THE PRC

Overview of the Residential Property Market

In line with the rapid growth of the PRC economy, the total real estate investment in the PRC also increased steadily from RMB 9,504 billion in 2014 to RMB 13,219 billion in 2019, representing a CAGR of 6.8%, despite a series of tightening measures imposed by central government to cool down the overheated housing market. The average price of residential properties sold in China rose from RMB 5,933 per sq.m. in 2014 to RMB 9,287 per sq.m. in 2019, representing a CAGR of 9.4%. The table below sets out the selected market statistics of the residential market of the PRC:

	2014	2015	2016	2017	2018	2019	2014-2019 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 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%
Average price of residential properties (RMB per sq.m.)	5,933	6,472	7,203	7,614	8,544	9,287	9.4%

Source: National Bureau of Statistics

Due to the COVID-19 outbreak, the PRC real estate market was significantly influenced in the first quarter of 2020, with both the housing demand and supply in the PRC market adversely affected. However, despite the influence of the COVID-19, the key drivers of the PRC's real estate in the medium to long term (including further development of metropolitan clusters, the PRC government's encouragement of rebuilding shanty towns, population migration redirection and continuing urbanization) are expected to remain stable and resilient, and the housing demand is expected to rebound in the later part of 2020 after a temporary slowdown. According to CRIC, the contracted sales amount of the Top 100 developers has achieved a year-on-year growth rate of 24.8% in July and a slight year-on-year increase of 1.2% during the period between January and July.

On the supply side, the daily operation of property developers has gradually resumed to normal, such as relaunching of construction work and reopening of sales offices. According to the National Bureau of Statistics, the total real estate investment in the first half of 2020 received a year-on-year increase of 1.9%, compared to a year-on-year decrease of 7.7% for the first quarter. The GFA of residential properties under construction witnessed a year-on-year growth of 3.8% in the first half of 2020. In addition, during the outbreak of COVID-19, the property developers have adopted diverse marketing strategies, including but not limited to, online sales and special discounts, which aimed to stimulate sales performance of the real estate market.

With the uncertainties remaining in the short-term, it is hard to predict the definite influence of COVID-19. However, there are reasons to believe that, in the medium and long-run, the PRC's real estate market will be able to remain resilient.

Key Growth Drivers for the PRC Residential Market

Further development of city clusters

China has formed three well-developed city clusters, namely Beijing-Tianjin-Hebei, Yangtze River Delta and Pearl River Delta, that collectively contributed to approximately 38.6% of the total GDP in the PRC in 2019 according to the statistic Communiqué issued by local statistics bureaus in the PRC. In the 13th Five-year Plan, the central government introduced a city cluster initiative. Pursuant to the initiative, by 2020, China will have a total of 19 regional city clusters. The initiative aims to promote more balanced economic development of China by providing more government support for lower-tier cities for industrial development and policies that promote population in flow.

Continuing urbanization

The urbanization in the PRC reached 60.6% in 2019 according to the National Bureau of Statistics, a goal that was achieved one year in advance of the target year of 2020 as set forth by the National Plan on New Urbanization (2014-2020) (《國家新型城鎮化規劃 (2014-2020) 》). It is expected that the continuing urbanization will level up the demand for residential market.

The PRC government's encouragement of urban shanty towns redevelopment

In recent years, the local governments has made continuous efforts to rebuild shanty towns in urban areas in the PRC. According to Ministry of Housing and Urban-Rural Development of the PRC, in 2016-2018, approximately 6.0 million housing units were rebuilt in urban shanty towns every year, and there were 3.2 million housing units rebuilt in 2019. The demand for residential property in such areas is therefore stimulated as the residents with monetary compensation are likely to improve their housing conditions.

Population migration redirection

Compared to high-tier cities, many prefecture-level cities with progressive industry and economy development have seen a moderate increase in their population. Higher-tier cities generally have relatively higher housing prices as compared to lower-tier cities in the PRC. They also generally have strict household registration policies which makes it more difficult for people who migrated from other areas in the PRC to settle into these cities. Against this background, lower-tier cities are seen by property developers as more attractive and strategic choices for property development as they are expected to see steady increases in population.

Increase in disposable income and expenditure of urban residents

The general living standard has improved as a result of rapid economic development in the PRC. Per capita disposable income of urban residents increased steadily from RMB 28,844 in 2014 to

RMB 42,359 in 2019 while per capita consumption expenditure of urban residents reached RMB 28,063 in 2019. Responding to the increased demand and purchasing power, the investment in the real estate market has increased. The table below sets out income and expenditure of urban residents of the PRC for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Per capita disposable income of urban residents (RMB)	28,844	31,195	33,616	36,396	39,251	42,359	8.0%
Per capita consumption expenditure of urban residents (RMB)	19,968	21,392	23,079	24,445	26,112	28,063	7.0%

Sources: National Bureau of Statistics of China

Historical Price Trend of Production Factor

Land Cost

Land cost generally accounts for a significant proportion of a property developer's overall costs. According to the Ministry of Natural Resources of the PRC, the average residential land cost of the 105 monitored cities has rose from RMB 5,277 per sq.m. in 2014 to RMB 7,434 per sq.m. in 2019, representing a CAGR of 7.1%. The table below sets out the land cost in the PRC for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Average residential land cost of 105 monitored cities (RMB per sq.m.)	5,277	5,484	5,918	6,522	7,080*	7,434*	7.1%
Average commercial land cost of 105 monitored cities (RMB per sq.m.)	6,552	6,729	6,937	7,251	7,600*	7,821*	3.6%

Note:

* *Sanya has been included in the national monitoring scope in 2018. A total of 106 cities are therefore monitored.*

Source: Ministry of Natural Resources of the PRC

Construction Materials

The prices of steel and cement decreased in 2014-2015, due to oversupply. The prices of steel and cement generally increased from 2015 to 2019, mainly due to regulations that shut down some small-to-medium sized steel and cement companies for environmental purposes, resulting in the tightening of supply of steel and cement in the market. However, the prices of steel fluctuated as the regulation started to loosen. The table below sets out selected statistics of construction materials of China for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Steel Price Index (Base year 1994 = 100)	83.1	56.4	99.5	121.8	107.1	106.1	5.1%
Cement Price Index (RMB per ton)	308.4	247.4	318.7	414.9	449.0	471.0	8.8%

Source: China Iron and Steel Association and China Cement Association

Labor Costs

Labor cost is also an important factor for property developers. According to the National Bureau of Statistics, the average wage of workers in the construction industry and the real estate industry in 2019 was RMB 65,508 and RMB 80,157 per year, respectively. The average wage of workers in the construction and real estate industries generally increased from 2014 to 2019 and is expected to continue to increase in the near future. The table below sets out labor costs of China for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Average wage of workers in construction industry (RMB)	45,804	48,886	52,082	55,568	60,501	65,508	7.4%
Average wage of workers in real estate industry (RMB)	55,568	60,244	65,497	69,277	75,281	80,157	7.6%

Source: National Bureau of Statistics

Recent Development of the Residential Property Market in the PRC

The PRC government plays a key role in the real estate market and has promulgated various control measures to avoid over-heating the property sector in recent years. The PRC government has formulated a number of measures which include various monetary, fiscal, land, regulatory and financing policies aimed at stabilizing the real estate market. Such legislative measures include but not limited to implementing regulations and policies on down payments of housing loans, restrictive conditions for home buyers, prices of residential properties and land supply. The PRC government emphasized that China will step up its efforts to establish a long-term mechanism for a healthy development of the real estate market and will not use the real estate market as an avenue to provide short-term stimulus for the economy.

Under guidance from the central government, various local governments in the PRC also promulgated regulations and measures to stabilize the real estate markets.

REAL ESTATE MARKET OF SELECTED CITIES IN THE PRC

The Western Taiwan Strait Economic Region

Xiamen

Xiamen is located along the 21st Century Maritime Silk Road, which is the sea route part of the China's "Belt and Road Initiative." Xiamen's economy grew steadily in recent years. The nominal GDP increased from RMB 334 billion in 2014 to RMB 600 billion in 2019, representing a CAGR of approximately 12.4%. The fixed asset investment witnessed a continuous increase from approximately RMB 156 billion in 2014 to RMB 286 billion in 2019, representing a CAGR of 12.8%. The table below sets out selected economic indicators of Xiamen the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Nominal GDP (RMB billion)	334	353	386	435	479	600	12.4%
Real GDP growth rate (%)	9.2	7.1	7.9	7.6	7.7	7.9	N/A
Fixed asset investment (RMB billion)	156	189	216	238	262*	286*	12.8%
Population (million)	3.8	3.9	3.9	4.0	4.1	4.3	2.4%
Urbanization rate (%)	88.8	88.9	89.0	89.1	89.1	89.2	N/A
Per capita disposable income of urban households (RMB)	39,625	42,607	46,254	50,019	54,401	59,018	8.3%

Note:

* *estimated by the published data from the Statistics Bulletin of Xiamen in 2018 and 2019, stating that fixed asset investment received a 10.1% and 9.0% year-to-year growth in 2018 and 2019*

Source: Xiamen Municipal Bureau of Statistics

Real estate market of Xiamen

The housing market of Xiamen has traditionally been favored by non-local investors. However, in 2016, the local government suspended the policy of obtaining household registration through property purchase. This has hindered some potential purchasers' willingness to buy properties in Xiamen. Due to the low inventory level and tightening regulation, many property developers slowed down their property development in the market which contributed to a limited supply of properties available in the market since 2016. Accordingly, the GFA of residential properties sold has declined since 2014 and dropped to 1.7 million sq.m. in 2018, representing a CAGR of -24.0% during the period of 2014 to 2018.

Despite the restrictive policies mentioned above, the housing prices have seen an upward trend since 2014 due to the limited supply of properties in the market and higher land prices. The average price of residential properties increased to RMB 33,715 per sq.m. in 2018, sharing a CAGR of 17.4% from 2014 to 2018. The table below sets out selected indicators of the residential property market of Xiamen for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	70	77	77	88	88	60	-3.0%
Real estate investment—residential (RMB billion)	38	46	43	55	54	N/A	8.7%*
GFA of residential properties under construction (million sq.m.)	22.7	21.4	19.5	20.2	19.6	N/A	-3.6%*
GFA of residential properties completed (million sq.m.)	3.5	2.7	2.4	2.3	3.5	N/A	-0.1%*
GFA of residential properties sold (million sq.m.)	5.1	3.5	3.2	2.4	1.7	N/A	-24.0%*
Average price of residential properties (RMB per sq.m.)	17,778	18,928	25,251	28,053	33,715	N/A	17.4%*

Note:

* *The data for 2019 is not available. CAGR is calculated based on figures of 2014-2018*

Source: National Bureau of Statistics and Xiamen Municipal Bureau of Statistics

Zhangzhou

Zhangzhou is a regional transportation and logistics hub in Fujian province. It has experienced rapid economic growth in recent years. The nominal GDP of Zhangzhou grew from approximately RMB251 billion in 2014 to approximately RMB474 billion in 2019, representing a CAGR of 13.6%. In addition, Zhangzhou has ranked first among the cities in Fujian province in terms of real GDP growth rate for four consecutive years from 2014 to 2017. The table below sets out selected economic indicators of Zhangzhou for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Nominal GDP (RMB billion)	251	277	313	353	395	474	13.6%
Real GDP growth rate (%)	11.3	11.0	9.3	9.2	8.7	6.5	N/A
Fixed asset investment (RMB billion)	208	252	283	333	371	371*	12.3%
Population (million)	5.0	5.0	5.1	5.1	5.1	5.2	0.8%
Urbanization rate (%)	53.8	54.8	56.2	57.7	59.0	60.0	N/A
Per capita disposable income of urban households (RMB)	25,741	28,092	30,726	33,359	35,997	38,975	8.7%

Note:
* *estimated by the published data from Statistics Bulletin of Zhangzhou in 2019, stating that fixed asset investment received a 0.1% y-o-y growth in 2018*
Source: Zhangzhou Municipal Bureau of Statistics

Real estate market of Zhangzhou

The housing demand for Zhangzhou generally grew in the last few years due to favorable government policies and spillover market demand from its brother city in Fujian province, Xiamen. The GFA of residential properties sold increased from 4.2 million sq.m. in 2014 to 6.9 million sq.m. in 2019, representing a CAGR of 10.5%. The GFA of completed residential properties fluctuated in the past five years.

Local government has introduced a price ceiling policy in 2017 to prevent overheating the property market. Accordingly, the average price of residential properties increased at a moderate rate in recent years. The table below sets out selected economic indicators of the residential market of Zhangzhou for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	47	50	46	50	71	77	10.2%
Real estate investment—residential (RMB billion)	34	37	33	34	55	56	10.9%
GFA of residential properties under construction (million sq.m.)	27.3	26.6	26.6	28.5	31.6	32.5	3.6%
GFA of residential properties completed (million sq.m.)	4.3	3.1	2.8	4.6	4.8	4.4	0.7%
GFA of residential properties sold (million sq.m.)	4.2	5.0	6.7	6.1	7.0	6.9	10.5%
Average price of residential properties (RMB per sq.m.)	5,580	6,069	7,323	7,724	7,686	N/A	8.3%*

Note:
* *The data for 2019 is not available. CAGR is calculated based on figures of 2014-2018*
Source: Zhangzhou Municipal Bureau of Statistics

Quanzhou

Quanzhou is one of the major cities in Fujian province, with a focus on the manufacturing sector. Its nominal GDP grew from approximately RMB573 billion in 2014 to approximately RMB995 billion in 2019. Quanzhou's nominal GDP value has ranked first in Fujian province for the last twenty years. The per capital disposable income of urban households increased from approximately RMB34,820 in 2014 to approximately RMB49,592 in 2019, representing a CAGR of 7.3%. The table below sets out selected economic indicators of Quanzhou for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Nominal GDP (RMB billion)	573	614	665	755	847	995	11.6%
Real GDP growth rate (%)	10.1	8.9	8.0	8.4	8.9	8.0	N/A
Fixed asset investment (RMB billion)	294	348	375	412	471*	501*	11.2%
Population (million)	8.4	8.5	8.6	8.7	8.7	8.7	0.7%
Urbanization rate (%)	62.9	63.6	64.5	65.7	66.6	67.2	N/A
Per capita disposable income of urban households (RMB)	34,820	37,275	39,656	42,696	46,111	49,592	7.3%

Note:
* *estimated by the published data from Statistics Bulletin of Quanzhou in 2018 and 2019, stating that fixed asset investment received a 14.2% and 6.3% year-to-year growth in 2018 and 2019.*
Source: Quanzhou Municipal Bureau of Statistics

Real estate market of Quanzhou

The demand for housing properties in Quanzhou generally increased from 2014 to 2019 due to favorable housing policies issued by the local government in 2014 and 2016. The GFA of residential properties sold increased from 6.6 million sq.m. in 2014 to 12.7 million sq.m. in 2019, representing a CAGR of 14.0%. The GFA of residential properties completed fluctuated during 2014 to 2019, peaking in 2016 and decreasing to 2.8 million sq.m. in 2019 due to the price ceiling policy implemented by the local government in 2017. However, despite the issuance of such policies, the average price of residential properties increased from RMB6,369 per sq.m. in 2014 to RMB7,613 per sq.m. in 2019. The table below sets out selected economic indicators of the residential market of Quanzhou for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	78	68	71	70	79	92*	3.4%
Real estate investment—residential (RMB billion)	51	44	46	44	57	66	5.2%
GFA of residential properties under construction (million sq.m.)	38.1	39.3	39.5	41.1	46.0	50.6	5.8%
GFA of residential properties completed (million sq.m.)	4.5	4.3	6.8	5.1	4.4	2.8	-9.4%
GFA of residential properties sold (million sq.m.)	6.6	7.1	8.8	10.3	11.9	12.7	14.0%
Average price of residential properties (RMB per sq.m.)	6,369	6,005	6,799	7,282*	7,391*	7,613*	3.6%

Note:
* *estimated by the corresponding year-to-year growth rate from Statistics Bulletin of Quanzhou*
Source: Quanzhou Municipal Bureau of Statistics and CREIS

Fuzhou

Fuzhou is the capital city of Fujian province. Its economy grew substantially from 2014 to 2019. The nominal GDP of Fuzhou increased from RMB517 billion in 2014 to RMB939 billion in 2019, representing a CAGR of 12.7%. Boosted by the economic growth, the asset investment into the city increased accordingly during the same years. The table below sets out selected economic indicators of Fuzhou for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
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	N/A
Fixed asset investment (RMB billion)	443	489	522	582	650	712	10.0%
Population (million)	7.4	7.5	7.6	7.7	7.7	7.8	1.0%
Urbanization rate (%)	66.9	67.7	68.5	69.5	70.3	71.7	N/A
Per capita disposable income of urban households (RMB)	32,451	34,982	37,833	40,973	44,457	47,920	8.1%

Source: Fuzhou Municipal Bureau of Statistics

Real estate market in Fuzhou

The average housing prices have remained relatively stable during 2014 to 2017. In 2018, the average housing prices increased due to the increase in the supply of higher-priced properties in the market. The table below sets out selected indicators of the residential market of Fuzhou for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	146	138	168	169	144	181	4.5%
Real estate investment- residential (RMB billion)	93	86	112	118	97	129	6.8%
GFA of residential properties under construction (million sq.m.)	51.1	49.9	49.2	50.7	49.1	54.6	1.3%
GFA of residential properties completed (million sq.m.)	6.0	7.5	5.2	7.7	4.4	2.5	-16.3%
GFA of residential properties sold (million sq.m.)	8.2	7.5	10.2	12.8	12.6	13.3	10.3%
Average price of residential properties (RMB per sq.m.)	10,105	11,333	11,058	10,547	14,381	N/A	9.2%*

Note:

* *2019 data not available, CAGR is calculated based on figures of 2014-2018*

Source: National Bureau of Statistics and Fuzhou Municipal Bureau of Statistics

Beibu Gulf Region and Neighboring Cities

Nanning

Nanning is the capital of the Guangxi Zhuang Autonomous Region. Its economy has experienced relatively stable growth due to its continuous effort in industrial transformation and upgrading in the recent years. The nominal GDP increased from RMB315 billion in 2014 to RMB451 billion in 2019, representing a CAGR of 7.4%. The table below sets out selected economic indicators relating to Nanning the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Nominal GDP (RMB billion)	315	343	373	412	403	451	7.4%
Real GDP growth rate (%)	8.5	8.6	7.0	8.0	5.4	5.0	N/A
Fixed asset investment (RMB billion)	293	342	382	431	482*	529*	12.5%
Population (million)	6.9	7.0	7.1	7.2	7.3	7.3	1.2%
Urbanization rate (%)	58.4	59.3	60.2	61.3	62.4	63.7	N/A
Per capita disposable income of urban households (RMB)	27,075	29,106	30,728	33,217	35,276	37,675	6.8%

Note:

* *estimated by the published data from the Statistics Bulletin of Nanning in 2018 and 2019, stating that the fixed asset investment received a 11.8% and 9.9% year-to-year growth in 2018 and 2019.*

Source: Nanning Municipal Bureau of Statistics

Real estate market of Nanning

Real estate investment and real estate investment in residential properties increased during the period of 2014 to 2019. The demand for housing in Nanning has steadily increased due to, in part, favorable government policies that include financial subsidies for non-local and first-time home buyers and certain tax treatments issued in 2016. Accordingly, the total GFA of residential properties sold increased from 7.2 million sq.m. in 2014 to 15.5 million sq.m. in 2019, representing a CAGR of 16.5%. The table below sets out selected indicators of the residential market of Nanning for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	55	66	85	96	111	146	21.5%
Real estate investment—residential (RMB billion)	37	47	58	68	77	103	22.9%
GFA of residential properties under construction (million sq.m.)	31.1	35.0	40.3	47.0	52.9	63.1	15.2%
GFA of residential properties completed (million sq.m.)	3.3	4.2	3.4	4.4	5.8	4.7	7.2%
GFA of residential properties sold (million sq.m.)	7.2	8.8	11.5	13.1	14.4	15.5	16.5%
Average price of residential properties (RMB per sq.m.)	6,103	6,229	6,767	7,700	7,697	N/A	6.0%*

Note:

* *2019 data not available, CAGR is calculated based on figures of 2014-2018*

Source: Nanning Municipal Bureau of Statistics and CEIC

Beijing-Tianjin-Hebei Region

Tianjin

Tianjin is a municipality in Beijing-Tianjin-Hebei Region. It has experienced relatively stable economic growth before 2018. The nominal GDP of Tianjin increased from RMB1,596 billion in 2014 to RMB1,881 billion in 2018. Under the latest unified statistic standard, the nominal GDP of Tianjin was RMB 1,410 billion in 2019. However, on a comparable basis, the nominal GDP of Tianjin in 2019 still represented a 4.8% year-on-year growth rate. Due to environment regulations and reduction of excessive production capacity, the real GDP growth rate decreased to a relatively low level in the recent years compared to 9.1% in 2016. The table below sets out selected economic indicators relating to Tianjin for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Nominal GDP (RMB billion)	1,596	1,679	1,784	1,855	1,881	1,410*	4.2%**
Real GDP growth rate (%)	10.1	9.4	9.1	3.6	3.6	4.8	N/A
Fixed asset investment (RMB billion)	1,163	1,305	1,122	1,127	1,064***	1,212***	0.8%
Population (million)	15.2	15.5	15.6	15.6	15.6	15.6	0.6%
Urbanization rate (%)	82.3	82.6	82.9	82.9	83.2	83.5	N/A
Per capita disposable income of urban households (RMB)	31,506	34,101	37,110	40,278	42,976	46,119	7.9%

Notes:

* *data is calculated under the latest unified standard*

** *CAGR is calculated based on figures of 2014-2018 due to the change of statistic standard*

*** *estimated by the published data from Statistics Bulletin of Tianjin in 2018 and 2019, stating that the fixed asset investment received a 5.6% and 13.9% year-to-year decrease in 2018 and 2019*

Source: Tianjin Municipal Bureau of Statistics

Real estate market in Tianjin

The demand for residential properties for Tianjin generally increased before 2017. The local government has implemented certain restrictive housing policies in 2017 which reduced the demand for residential properties starting in the same year. Accordingly, the total GFA of residential properties sold increased from 14.8 million sq.m. in 2014 to 25.2 million sq.m. in 2016, before decreasing to 13.8 million sq.m. in 2019. However, the average housing prices generally increased in 2014-2019. The table below sets out selected indicators of the residential market of Tianjin for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	170	187	230	223	242	273	9.9%
Real estate investment—residential (RMB billion)	112	125	160	156	186	220	14.4%
GFA of residential properties under construction (million sq.m.)	72.0	69.7	63.1	59.1	71.5	81.6	2.5%
GFA of residential properties completed (million sq.m.)	21.3	21.8	21.9	14.3	15.2	11.9	-11.0%
GFA of residential properties sold (million sq.m.)	14.8	16.7	25.2	13.4	11.4	13.8	-1.4%
Average price of residential properties (RMB per sq.m.)	8,828	9,931	12,870	15,139	15,924	15,423	11.8%

Source: National Bureau of Statistics and Tianjin Municipal Bureau of Statistics

Midstream Parts of the Yangtze River Region

Changsha

Changsha is the capital of Hunan province and one of the most economically developed cities in China. The nominal GDP of Changsha, which was RMB1,157 billion, ranked 16th among all the cities in China in 2019. The table below sets out selected economic indicators of Changsha for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
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	N/A
Fixed asset investment (RMB billion)	544	636	669	757	844*	929*	11.3%
Population (million)	7.3	7.4	7.6	7.9	8.2	8.4	2.8%
Urbanization rate (%)	72.3	74.4	76.0	77.6	79.1	79.6	N/A
Per capita disposable income of urban households (RMB)	36,826	39,961	43,294	46,948	50,792	55,211	8.4%

Note:

* *estimated by the published data from the Statistics Bulletin of Changsha in 2018 and 2019, stating that the fixed asset investment received a 11.5% and 10.1% year-to-year growth in 2018 and 2019.*

Source: Changsha Municipal Bureau of Statistics

Real estate market of Changsha

Benefiting from favorable economic conditions and industry policies in Changsha, the average prices of residential properties increased since 2014. The total GFA of residential properties sold increased from 13.3 million sq.m. in 2014 to 19.7 million sq.m. in 2018, peaking at 23.1 million sq.m. in 2016 due to certain housing restriction policies implemented since 2017. The table below sets out selected indicators of the residential market of Changsha for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Real estate investment (RMB billion)	131	100	126	149	150	167	4.9%
Real estate investment—residential (RMB billion)	86	64	69	81	91	N/A	1.5%*
GFA of residential properties under construction (million sq.m.)	65.6	62.0	62.2	61.8	68.4	N/A	1.1%*
GFA of residential properties completed (million sq.m.)	10.4	9.5	11.1	8.1	9.8	N/A	-1.6%*
GFA of residential properties sold (million sq.m.)	13.3	16.9	23.1	18.2	19.7	N/A	10.3%*
Average price of residential properties (RMB per sq.m.)	5,458	5,544	6,160	7,287	7,796	N/A	9.3%*

Note:

* *2019 data not available, CAGR is calculated based on figures of 2014-2018*

Source: National Bureau of Statistics and Changsha Municipal Bureau of Statistics

Chengdu-Chongqing Region

Chongqing

Chongqing is one of four municipalities in China. Chongqing has received strong governmental support in the last few years as it is one of the economic, trade and financial centers in the western part of China. Accordingly, the nominal GDP of Chongqing increased from RMB1,439 billion in 2014 to RMB2,360 billion in 2019, representing a CAGR of 10.4%. The table below sets out selected economic indicators of Chongqing for the years indicated.

	2014	2015	2016	2017	2018	2019	2014-2019 CAGR
Nominal GDP (RMB billion)	1,439	1,587	1,774	1,950	2,036	2,361	10.4%
Real GDP growth rate (%)	10.9	11.0	10.7	9.3	6.0	6.3	N/A
Fixed asset investment (RMB billion)	1,322	1,548	1,736	1,744	1,866	1,973*	8.3%
Population (million)	29.9	30.2	30.5	30.8	31.0	31.2	0.9%
Urbanization rate (%)	59.6	60.9	62.6	64.1	65.5	66.8	N/A
Per capita disposable income of urban households (RMB)	25,147	27,239	29,610	32,193	34,889	37,939	8.6%

Note:

* *estimated by the published data from Statistics Bulletin of Chongqing in 2019, stating that fixed asset investment received a 5.7% y-o-y growth in 2019*

Source: National Bureau of Statistics and Chongqing Municipal Bureau of Statistics

Real estate market in Chongqing

The total GFA of residential properties sold generally increased during the period of 2014 to 2019, from 44.2 million sq.m. in 2014 to 51.5 million sq.m. in 2019, representing a CAGR of 3.1%. The average prices of residential properties remained relatively stable from 2014 to 2017. There was a sharp increase in average prices of residential properties from RMB6,605 per sq.m. in 2017 to RMB8,190 per sq.m. in 2018, mainly due to, among others, the overall increases in average prices for residential properties in the cities surrounding Chongqing in the same period and consequent shifted investment demand. The table below sets out selected indicators of the residential market of Chongqing for the years indicated:

	2014	2015	2016	2017	2018	2019	2014-2019 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 under construction (million sq.m.)	202.9	193.9	179.3	167.5	178.6	184.7	-1.9%
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.)	5,094	5,012	5,162	6,605	8,190	8,657	11.2%

Source: National Bureau of Statistics and Chongqing Municipal Bureau of Statistics

COMPETITIVE LANDSCAPE

The property market in the PRC is highly competitive. According to the China Index Academy, the number of property developers with annual contracted sales of over RMB10.0 billion in the PRC increased from 80 in 2014 to 152 in 2019. Our existing and potential competitors include major domestic and regional developers with a focus on residential properties. We compete with other property developers on a number of fronts, including but not limited to, land acquisition capabilities, brand recognition, financial resources, prices, product quality and service quality.

In order to strengthen the market share in the intensifying competition environment, we have developed three main series of customer-oriented residential properties, including the Youth Series (大唐果系), Royalty Series (世家系) and Impression Series (印象系), which generally target customers with a demand for their first homes, and first and second home upgrades, respectively. These products were developed to meet different customers' preferences and tastes, while covering a wide range of customers through product differentiation. We infuse selected Chinese-style architecture elements into our products based on our studies of, among others, the history of the Chinese architecture, comparable properties and customer preferences and trends in the local property market, which we believe differentiate our products from some other property developers in the PRC market. We further consider our tailored designs, combined with our standardized property development process and efficient operating system, diversified land acquisition methods, continued expansion in selected regions in China, prudent financial policies and proactive cost-control measures, extensive experiences of our management team in the real estate industry, will continue to help us grow in the PRC real estate market.

We have a strong presence in the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta and Chengdu-Chongqing Region. Throughout these years, we have cultivated an in-depth understanding about the local residential market, maintained good relationships with the local governments and authorities and established a market reputation in these regions, which may help us to capture future market opportunities in the regions and/or cities in which we operate.

Our Rankings

We have property projects in mainly six economic regions in the PRC. In 2020, we were ranked 88th among the Top 500 Real Estate Property Developers in China in terms of comprehensive strength[(1)] by China Real Estate Association and China Real Estate Appraisal Center[(2)]. According to China Index Academy, we were recognized as one of the China Star Real Estate Developers[(3)] (中國房地產百強之星) in 2019 issued by China Real Estate Top 10 Research Team[(4)]. We accounted for approximately 0.12% of the market share of the PRC real estate market in terms of the contracted sales amount for 2019. We also achieved positive sales performance in the six economic regions during the Track Record Period.

Of the six economic regions, we have established a leading market position in Nanning and urban areas of Zhangzhou in terms of contract sales[(5)] for 2018 and 2019. According to CRIC, we were ranked among the top three property developers in Nanning in terms of contracted sales amount[(5)] in 2018 and 2019. For 2018, the top three markets players had approximately 6.6%, 5.4% and 5.3% of the market share in Nanning in terms of contract sales. For 2019, the top three market players had approximately 9.4%, 6.4% and 5.1% of the market share in Nanning in terms of contract sales. According to CRIC, we were also ranked first and third among the property developers in urban areas of Zhangzhou in terms of contracted sales amount[(5)] in 2018 and 2019, respectively. For 2018, the top three market players had approximately 15.1%, 14.6% and 11.0% of the market share in the urban areas of Zhangzhou in terms of contracted sales, respectively. For 2019, the top three market players had approximately 17.0%, 10.2% and 7.5% of the market share in the urban areas of Zhangzhou in terms of the contracted sales amount, respectively.

Entry Barriers for the PRC Property Market

The entry barriers for the property market of the PRC include, among others, intensive capital investment, in-depth industry knowledge about various local markets, deep understanding of the relevant government policies and regulations relating to property development, planning, design and other operational capabilities and experiences, and relationships with customers and suppliers. Early entrants may have certain competitive advantages over the later ones as the former may have, among others, built stronger relationships, knowledge and customer bases and market reputations in the markets.

We have taken several measures to overcome the entry barriers. Firstly, we began as a regional residential property developer and initially focused on the Western Taiwan Strait Economic Region

Notes:

(1) Comprehensive strength is assessed by China Real Estate Association and China Real Estate Appraisal Center using seven main factors, including operational scale, profitability, risk management, growth potential, operational performance, ability to innovate and social responsibility. Each of the main seven factors is evaluated from a number of aspects or based on a number of metrics, such as total assets and total GFA sold.

(2) China Real Estate Appraisal Center is jointly set up by China Real Estate and Housing Research Association, China Enterprises Evaluation Association, the Real Estate Research and Appraisal Center of Peking University, Shanghai E-House Real Estate Research Institute and Sina Technology China Co., Ltd.

(3) The evaluation for China Star Real Estate Developers is made using a number of factors but mainly focuses on a property developer's business development strategy and its implementation and success in the PRC real estate market.

(4) China Real Estate Top 10 Research Team is jointly set up by the Enterprise Research Institute of Development Research Center of the State Council, the Real Estate Research Center of Tsinghua University and China Index Academy.

(5) The contracted sales amount used by the CRIC's ranking assessment for Nanning was calculated on a pro rata basis of our share of equity in the projects that we participate in, while the contracted sales amount for Zhangzhou was calculated on the basis of the entire equity interest we held in all of the projects we operate, irrespective of whether we owned the entire property interest or a portion thereof through joint ventures or associates. According to CRIC, urban areas of Zhangzhou include Longwen District and Xiangcheng District.

where we have gradually cultivated industry knowledge as well as operational capabilities and experiences. Secondly, we actively develop, retain and attract quality talents, and build our experienced and visionary management team. Thirdly, we place great emphasis on understanding local market conditions and relevant government policies. When entering into new property market, we tend to elect to work with locally established property developers. Such cooperation leverages our respective strengths. Besides, financing capacity is one of the key entry barriers for developers. To overcome this, we have been financing our operations through internally generated cash flow from the pre-sales of the properties, as well as external financing sources, such as banks' borrowings and trust financing.

Future Opportunities of the PRC Property market

While we expect the competition of the PRC property market to continue to intensify in the coming years, we also believe that there are substantial growth opportunities, particularly in the residential property market of the PRC, which is supported by various market drivers that remain active and of an upward trend. These market drivers include, among others, the continued urbanization trend, the change of population migration direction and the development of metropolitan clusters in pockets across China. There are stable and sizeable demand for other types of property in the PRC market, such as senior housing and tourism real estate, that property developer may continue to take advantage of.

Threats and Challenges to the PRC Property Market

The PRC property market is not without threats and challenges. It has faced the issue of being an over-speculated market in recent years, which means some properties are purchased for asset appreciation or investment instead of for living. This means prices could be inflated to the extent that some individuals with real living demands cannot afford them. In addition, the PRC government has tightened policies on financing for property developers and land supply. As a result, an increasing number of smaller-scale property developers face the threat of bankruptcy if they fail to gain sufficient financing for their operations. Meanwhile, some medium-to-large scale property developers take advantage of the situation and merge or acquire the smaller-scale property developers to increase their land bank. As more of these mergers and acquisitions happen, the PRC property market may become more and more concentrated with fewer medium-to-large property developers left to compete with each other.

This section sets out a summary of the most significant PRC laws and regulations that affect our business and the industry in which we operate. These include laws relating to, among others, the establishment of real estate development enterprises, acquisition of land use rights, property development, sales or pre-sales of commodity buildings and environment protection.

ESTABLISHMENT OF REAL ESTATE DEVELOPMENT ENTERPRISES

General Provisions

In accordance with the Law of the People's Republic of China on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》) (the "Urban Real Estate Law") (promulgated on July 5, 1994, revised on August 30, 2007 and August 27, 2009 and latest amended on August 26, 2019 and came into effect on January 1, 2020), real estate development enterprises are defined as the enterprises that engage in real estate development and operation for the purpose of making profits. In accordance with the Regulations on the 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 on July 20, 1998 by the State Council, revised on January 8, 2011, March 19, 2018, March 24, 2019 and latest amended on March 27, 2020), 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 conditions: (i) the registered capital shall be RMB1 million or above; (ii) the enterprise shall employ no less than 4 full-time technical personnel with certificates of qualifications of real estate specialty and construction engineering specialty and no less than 2 full-time accountants with certificates of qualifications. People's governments of provinces, autonomous regions and centrally-administered municipalities may, based on the actual conditions of the locality, set out more stringent requirements in respect of registered capital and technical professionals.

Foreign Investment in Real Estate Development

On January 1, 2020, the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》) which was jointly issued by MOFCOM and State Administration for Market Regulation came into effect and replaced The Provisional Measures for the Filing Administration of Establishment and Changes of Foreign-Invested Enterprise (2018 Revision) (《外商投資企業設立及變更備案管理暫行辦法(2018年修正)》). It sets out the prescribed procedures for the establishment and modifications of foreign-invested enterprise to be registered or filed with delegated commerce authorities through enterprise registration system and specifies the procedures and requirements for online submission in detail.

The National People's Congress issued Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) on March 15, 2019 (the "**Foreign Investment Law**"), the State Council released Regulation 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》) on December 26, 2019, both of which came into effect on January 1, 2020 and replaced the Sino-Foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法》), the Sino-Foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法》), the Wholly Foreign-Invested Enterprise Law of the PRC (《中華人民共和國外資企業法》) and their relevant implementation measures or detailed rules, and became the legal foundation for foreign investment in the PRC.

The Foreign Investment Law sets out the basic regulatory framework for foreign investments and implements a system of pre-entry national treatment with a negative list for foreign investments, pursuant to which (i) foreign natural persons, enterprises or other organizations (collectively, the "foreign investors") shall not invest in any sector forbidden by the negative list for access of foreign investment, (ii) for any sector restricted by the negative list, foreign investors shall conform to the investment conditions provided in the negative list, and (iii) sectors not included in the negative list shall be managed under the principle that domestic investment and foreign investment shall be treated equally. The Foreign Investment Law also sets forth necessary mechanisms to facilitate, protect and manage foreign investments and proposes to establish a foreign investment information report system in which foreign investors or foreign-funded enterprises shall submit the investment information to competent departments of commerce through the enterprise registration system and the enterprise credit information publicity system.

Under the Catalogue of Industries for Guiding Foreign Investment (《外商投資產業指導目錄》) (the "Catalogue") promulgated by MOFCOM and NDRC on March 10, 2015 and became effective on April 10, 2015, the construction of large-scale theme park falls within the category of industries in which foreign investment is restricted; 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 amended Catalogue (the "Catalogue (Edition 2017)") promulgated by MOFCOM and NDRC on June 28, 2017 and became effective on July 28, 2017, the Special Management Measures (Negative List) for the Access of Foreign Investment (Edition 2018) (《外商投資准入特別管理措施(負面清單) (2018年版)》) (the "Negative List (Edition 2018)") promulgated by the NDRC and the MOFCOM on June 28, 2018 and came into effect on July 28, 2018, and the Special Management Measures (Negative List) for the Access of Foreign Investment (Edition 2019) (《外商投資准入特別管理措施(負面清單) (2019年版)》) (the "Negative List (Edition 2019)") promulgated by MOFCOM and NDRC on June 30, 2019 and came into effect on July 30, 2019, real estate development does not fall within the Negative List (Edition 2018) and the restrictive measures for construction of large-scale theme park, golf courses and villas are equally applicable to domestic and foreign investment. MOFCOM and NDRC promulgated the Catalogue of Industries for Encouraging Foreign Investment (Edition 2019) (《鼓勵外商投資產業目錄》(2019年版)) on June 30, 2019 and became effective since July 30, 2019 and the Special Management Measures (Negative List) for the Access of Foreign Investment (Edition 2020) (《外商投資准入特別管理措施(負面清單) (2020年版)》) on June 23, 2020 and became effective since July 23, 2020, both of which superseded the Catalogue (Edition 2017), the Negative List (Edition 2018) and the Negative List (Edition 2019), while the policy for the real estate development remains the same.

On July 11, 2006, the Ministry of Construction, the MOFCOM, the NDRC, the PBOC, the SAIC and the SAFE jointly issued the Opinions on Regulating the Access and Administration of Foreign Investment in the Real Estate Market (《關於規範房地產市場外資准入和管理的意見》), amended on August 19, 2015, which provides that: (i) foreign organizations and individuals who have established foreign-invested enterprises are allowed to invest in and purchase non-owner-occupied 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; (ii) 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; (iii) 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 land administration department for the state-owned land use right certificate; (iv) 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. The investor concerned shall submit a letter of guarantee on its promise to perform the Contract on the Transfer of State-owned Land Use Right (國有土地使用權出讓合同), the License for the Planning of Construction Land (建設用地規劃許可證), the License for the Planning of Construction Projects (建設工程規劃許可證) etc., and shall submit the Certificate for the Use of State-owned Land (國有土地使用證), the documents certifying that the change of registration has been filed with the relevant department in charge of construction (real estate) for record, and the certification materials issued by the relevant taxation authority on the tax payment in relevance; (v) foreign investors shall pay off all considerations for the transfer in a lump sum with their own funds if they acquire Chinese real estate enterprises or any equity interest held by Chinese parties in Sino-foreign Equity Joint Venture engaged in real estate industry.

On August 19, 2015, the Ministry of Housing and Urban-Rural Development of the People's Republic of China (the "MOHURD"), MOFCOM, NDRC, PBOC, SAIC and SAFE jointly promulgated the Circular on Amending the Policies Concerning Access by 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》), which amended certain policies on foreign- invested real estate enterprises and property purchased by overseas organizations and individuals as stated in the Opinions on Regulating the Access and Administration of Foreign Investment in the Real Estate Market (《關於規範房地產市場外資准入和管理的意見》) as follows, the requirements for the registered capital of foreign- invested real estate enterprises shall follow the provisions in the Provisional Regulations of the State Administration for Industry and Commerce on the Proportion of Registered Capital to Total Amount of Investment of a 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》) promulgated and became effective on March 1, 1987; the requirement on full payment of registered capital of the foreign-invested real estate enterprises before applying for domestic or foreign loans or foreign exchange loan settlement is canceled.

QUALIFICATIONS OF REAL ESTATE DEVELOPERS

In accordance with the Development Regulations, a real estate development enterprise shall, within 30 days starting from the date of receipt of the business license, file the relevant documents for record to the real estate development authorities located at its place of registration. The real estate development authorities shall, on the basis of the assets, specialized technical personnel and business achievements, verify the class of qualification of the real estate development enterprise in question. The real estate development enterprise shall undertake real estate development projects in compliance with the verified class of qualification. Relevant detailed rules shall be formulated by the department of the construction administrative of the State Council.

Pursuant to the Regulations on Administration of Qualification of Real Estate Development Enterprises (《房地產開發企業資質管理規定》) (the "Circular 77") promulgated on November 16, 1993 and amended on March 29, 2000, May 4, 2015 and December 22, 2018, an enterprises engaged in real estate development shall apply for the approval in accordance with the provisions of application for the enterprise qualification classification. Enterprises that fail to obtain certificates of real estate investments shall not engage in the real estate development business. Enterprises engaged in real estate development are classified into four qualification classes: Class I, Class II, Class III and Class IV on the basis of their financial conditions, experience in real estate development business, construction quality, the professional personnel and quality control system etc.

Pursuant to the Circular 77, enterprises of various qualification classes shall engage in real estate development and management projects within the approved scope of business and shall not undertake any tasks which fall outside the approved scope of their own qualification classes.

LAND USE RIGHTS FOR REAL ESTATE DEVELOPMENT

All land in the PRC is either state-owned or collectively-owned, depending on the location of the land. Where land in rural areas and suburban areas are legally owned by the State, the State holds ownership rights. The State has the right to take its ownership of land or the land use rights in accordance with laws for the reasons of public interest protection. In that event, compensation shall be paid by the State.

Although all land in the PRC is either state-owned or collectively-owned, individuals and entities may obtain land use rights and hold such land use rights for development purposes. Individuals and entities may acquire land use rights in different ways, the two most important ways are obtaining land grants from local land authorities and land which is transferred from land users who have already obtained land use rights.

Land Grants

National legislation

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》). 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 Standing Committee of the NPC also amended the Land Administration Law of the People's Republic of China (《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 Concerning the Grant and Assignment of the Right to Use State-owned Land in Urban Areas (《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》). These regulations, generally referred to as the Urban Land Regulations, formalized the process of the grant and transfer of land use rights for value.

Upon paying in full the land premium pursuant to the terms of the contract, a land-grantee may apply to the relevant land bureau for the land use right certificate. In accordance with the Property Rights Law of the People's Republic of China (《中華人民共和國物權法》), which was issued on March 16, 2007 and became effective on October 1, 2007, the term of land use rights for land of residential use will automatically be renewed upon expiry. The renewal of the term of land use rights for other uses shall be dealt with according to the then-current relevant laws. In addition, if the State requests for the possession of land for public interest during the term of the relevant land use rights, compensation shall be paid to the owners of residential properties and other real estate on the land and the relevant land premium shall be refunded to them by the State.

Land Grant Methods

Pursuant to PRC laws and the stipulations of the State Council, except for land use rights which may be obtained through allocation, land use rights for property development are obtained through the grant from government. There are two ways by which land use rights may be granted, namely by private agreement or competitive processes (i.e., tender, auction or listing at a land exchange administered by the local government).

As of July 1, 2002, the grant of land use rights by way of competitive processes is governed by the Regulations on the Grant of Use Right of State-Owned Land by Bidding, Auction or Listing (《招標拍賣掛牌出讓國有土地使用權規定》), issued by the Ministry of Land and Resources of the PRC on May 9, 2002 and revised as of September 28, 2007 with the name of Regulations on Granting State-Owned Construction Land Use Right through Bidding, Auction and Listing (《招標拍賣掛牌出讓國有建設用地使用權規定》) (the "Land Grant Regulations") which became effective on November 1, 2007. The Land Grant Regulations specifically provide that 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 Bidding, Auction and Listing (《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 bidding, auction and listing, 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 Grant of State-Owned Land Use Rights by Agreement (《協議出讓國有土地使用權規定》) which became effective on August 1, 2003, to regulate granting of land use rights by agreement when there is only one land use applicant and the designated uses of which are other than for commercial purposes as described above. The criteria on the Remising of State-owned Land Use Right by Agreement (For Trial Implementation) (《協議出讓國有土地使用權規範》(試行)) issued by the Ministry of Land and Resources on May 31, 2006 and came into effect on August 1, 2006 further clarifies the specific due procedures and requirements related to remising of state-owned land use right by agreement.

According to the Circular on the Distribution of the Catalog for Restricted Land Use Projects (2012 Edition) and the Catalog for Prohibited Land Use Projects (2012 Edition) (《關於發佈實施〈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 NDRC in May 2012, the granted area of the residential housing projects shall not exceed (i) 7 hectares for small cities and towns, (ii) 14 hectares for medium-sized cities, or (iii) and 20 hectares for large cities and plot ratio which shall not be lower than 1.0.

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 carried out 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 use 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.

DEVELOPMENT OF REAL ESTATE PROJECTS

Commencement of Real Estate Development Projects

According to the Urban Real Estate Law, those who have obtained the right of land use by the way of grant for real estate development must develop the land in accordance with the land use and within the construction period as prescribed in the grant contract. When the land user fails to commence development after one year since the date of starting the development as prescribed by the grant contract, an idle land fee no more than 20% of the land grant premium may be collected and when the land user fails to commence development after two years, the right to use the land may be confiscated without any compensation, except where the delays are caused by *force majeure*, the activities of government, or the delay in the necessary preliminary work for starting the development.

Pursuant to the Measures on Disposal of Idle Land (《閒置土地處置辦法》), which was promulgated on April 28, 1999 by the Ministry of Land and Resources and revised on June 1, 2012, 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 prescribed in the land use right 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* of natural disasters, the land administrative authorities shall discuss with the holder of state-owned construction land use rights and select the methods for disposal in accordance with the Measures on Disposal of Idle Land.

Planning of Real Estate Projects

Under the Regulations on Planning Administration regarding Granting and Transfer of State-Owned Land Use Right 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 on December 4, 1992 and amended on January 26, 2011, a real estate developer shall apply for a License for the Planning of Construction Land (建設用地規劃許可證) from the municipal planning authority. After obtaining the License for the Planning of Construction Land, the real estate developer shall conduct all necessary planning and design works in accordance with relevant planning and design requirements. A planning and design proposal in respect of the real estate project shall be submitted to the municipal planning authority in compliance with the requirements and procedures under the Urban and Rural Planning Law of the People's Republic of China (《中華人民共和國城鄉規劃法》), which was issued on October 28, 2007 and amended on April 24, 2015 and April 23, 2019, and a License for the Planning of Construction Projects (建設工程規劃許可證) from the municipal planning authority should be obtained by the real estate developer.

Construction Work Commencement License

The real estate developer shall apply for a Construction Work Commencement License (建築工程施工許可證) from the relevant construction authority in accordance with the Regulations on Administration Regarding Permission for Commencement of Construction Works (《建築工程施工許可管理辦法》) promulgated by the Ministry of Construction on October 15, 1999 and amended on July 4, 2001 and June 25, 2014 and latest amended on September 28, 2018 by the MOHURD.

Acceptance and Examination upon Completion of Real Estate Projects

Pursuant to the Development Regulations, the Administrative Measures for the Registration Regarding Acceptance Examination upon Completion of Buildings and Municipal Infrastructure (《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 the Ministry of Construction on April 4, 2000 and amended on October 19, 2009 and the Provisions on Acceptance Examination upon Completion of Buildings and Municipal Infrastructure (《房屋建築和市政基礎設施工程竣工驗收規定》) promulgated and implemented by the MOHURD on December 2, 2013, upon the completion of a real estate development project, the real estate development enterprise shall submit an application to the competent department of real estate development of local government at or above the county level, where the project is located, for examination upon completion of building and for filing purposes; and to obtain the Filing Form for Acceptance and Examination upon Completion of Construction Project. A real estate project shall not be delivered before passing the acceptance examination.

INSURANCE OF REAL ESTATE PROJECTS

There are no nationwide mandatory requirements in the PRC laws, regulations and government rules requiring a real estate developer to maintain insurance for its real estate projects. According to the Construction Law of the People's Republic of China (《中華人民共和國建築法》) promulgated by the Standing Committee of the NPC on November 1, 1997 and became effective on March 1, 1998 and amended on April 22, 2011 and April 23, 2019, construction enterprises shall maintain work injury insurance and pay the insurance premium, while enterprises are encouraged to take up accident liability insurance for employees engaged in dangerous operations and pay the insurance premium. In the Opinions of the Ministry of Opinions on Strengthening the Insurance of Accidental Injury in the Construction Work (《建設部關於加強建築意外傷害保險工作的指導意見》) promulgated by the Ministry of Construction on May 23, 2003, the Ministry of Construction further emphasized the importance of the insurance of accidental injury in the construction work and put forward the detailed opinions of guidance.

REAL ESTATE TRANSACTIONS

Sale of Commodity Properties

Under the Measures for Administration of the Sales of Commodity Properties (《商品房銷售管理辦法》) (the "Sale Measures") promulgated by the Ministry of Construction on April 4, 2001 and became effective on June 1, 2001, the sale of commodity properties includes both sales prior to and after the completion of the properties.

Pre-sale of Commodity Properties

Any pre-sales of commodity properties must be conducted in accordance with the Measures for Administration of Pre-sales of Urban Commodity Properties (《城市商品房預售管理辦法》)

promulgated by the Ministry of Construction on November 15, 1994, as amended on August 15, 2001 and July 20, 2004 (the "Pre-sales Measures"). The Pre-sales Measures provides that any pre-sales of commodity properties is subject to specified procedures. If a real estate developer intends to sell commodity properties in advance, it shall apply to the real estate administrative authority to obtain a pre-sales license.

Pursuant to the Urban Real Estate Law and the Pre-sales Measures, the proceeds from the pre-sales of commodity properties shall be used to fund the development and construction of the corresponding projects.

Furthermore, under the Circular on Issues Concerning Further Strengthening the Supervision and Administration of the Real Estate Market and Improving the Pre-sale System of Commodity Properties (《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 Circular") issued by the MOHURD on April 13, 2010, all proceeds from the pre-sales of commodity properties shall be supervised and managed by relevant authorities so as to ensure that the proceeds to be used for the development and construction of the corresponding projects. The proceeds from the pre-sales would be allocated according to the construction progress, provided that adequate fund has been reserved to ensure the completion and delivery of the projects.

Measures Regarding the Supervision and Use of Pre-sale Proceeds

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. As advised by our PRC Legal Advisors, Jingtian & Gongcheng, based on the results of consultation with the MOHURD, 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.

Applicable Laws and Regulations at National Level

Pursuant to the Pre-sale Measures, and the Urban Real Estate Law (《城市房地產管理法》), the pre-sale proceeds of commodity properties may only be used to fund the property development costs of the relevant projects with the approval of the relevant supervising authorities or banks. In addition, the Pre-sale Circular provides that proceeds from pre-sales of commodity properties shall be fully deposited into a bank account supervised by the competent regulatory authorities to ensure that the proceeds would be used to fund the development of property projects. Under the Pre-sale Measures, 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.

Relevant Laws and Regulations at Local Levels

Pursuant to the Pre-sale Measures and the Pre-sale Circular, provincial, municipal and other local governments are delegated and granted the authority to formulate, and supervise the implementation of detailed requirements of pre-sale proceeds.

Xiamen

Pursuant to the Regulations on Commodity Properties of Xiamen City (《廈門市商品房預售管理規定》) promulgated by the People's Government of Xiamen on December 4, 2013 and came into effect on January 1, 2014, the Land and Housing Trading and Registration Authority (the "Registration Authority") is responsible for supervising the collection and use of pre-sale proceeds. The property developer shall sign a pre-sale proceeds supervision agreement with the Registration Authority and bank before applying for pre-sale permit. Buyers shall directly deposit the proceeds of pre-sales of commodity properties into the dedicated account. Pre-sale proceeds shall only be used within the amount approved by the Registration Authority for the purpose of purchasing necessary building materials, equipment and payment of construction fee and tax for the same project before completion, and property developer can also apply for a portion of the pre-sale proceeds as petty cash with the Registration Authority.

Zhangzhou

Housing and Urban-Rural Development Bureau of Zhangzhou issued the Implementation Opinions on the Regulation of Commodity Properties Pre-sale Proceeds of Zhangzhou Downtown (《漳州市區商品房預售資金監管實施意見》) which became effective on September 1, 2015 and was amended on April 16, 2019 and came into effect on May 1, 2019, pursuant to which, property developer shall select a supervising bank and set up a dedicated account for pre-sale proceeds and sign a supervision agreement with Housing and Construction Bureau of Zhangzhou and the supervising bank. The dedicated account shall not open any form of self-service transfer function. The property developer shall sign the standardized commercial housing sale contract with the buyer, in which the name and number of the dedicated account are clearly specified. The supervised amount (監管資金額度) of pre-sale proceeds for each pre-sale permit project is determined based on construction area and floor numbers. The property developer shall apply for the use of pre-sale proceeds under supervision within certain threshold according to the construction progress upon approval of the Housing and Construction Bureau of Zhangzhou, the requirements of which are different from the former regulation issued in 2015 as mentioned above. After retaining the prescribed supervised amount in the dedicated account, the property developer can apply for withdrawal of the remaining amount on condition that there is no arrears in construction fees and migrant workers' wages. During the outbreak of COVID-19, the General Office of People's Government of Zhangzhou issued the Measures on Effectively Cope with Epidemic, Facilitate City Construction, Stabilized and Healthy Development of Zhangzhou City (《漳州市有效應對疫情促進城市開發建設平穩健康發展的若干措施》) on February 20, 2020, pursuant to which, the supervised amount shall be reduced by RMB500 per sq.m. if no bank guarantee letter for the purchase of the relevant property is required. The pre-sale proceeds in the supervised pre-sale account shall include mortgaged loan amount which the contract has been signed online, filed and has been approved by supervising bank but not recorded.

Quanzhou

Housing and Urban-Rural Development Bureau of Quanzhou issued the Implementing Opinion on Regulation and Administration of Commodity House Pre-sale Proceeds of Quanzhou (《泉州市商品房預售資金監督管理工作實施意見》) on April 18, 2013, which came into effect on May 1, 2013. Under this opinion, before applying for pre-sale permit with the relevant government authority, a property developer is required to set up a dedicated account for each pre-sale property project that it has in Quanzhou. If the property developer has more than one property projects in Quanzhou, then it must open separate dedicated accounts to ensure each property project has one. The property developer is also required to execute a tri-party supervision agreement with the Real Estate Administrative

Department of Quanzhou and a commercial bank the property developer engaged to monitor the use of the pre-sale proceeds. Under this regulation, the pre-sale proceeds of a property developer cannot be used for any other purpose except for purchasing construction materials and equipment, and payment for office expenses, bank loans and interest, external sales agents fees, advertising fees, taxes and land transfer fees upon approval of the Real Estate Administrative Department of Quanzhou. The property developer shall prepare a pre-sale proceeds expense plan and file with the Real Estate Administrative Department before first applying for the use of pre-sale proceeds. In the event that the property developer experiences material fluctuations in its construction costs, including costs for building materials and equipment, the property developer can submit an application to the Real Estate Administrative Department of Quanzhou to amend the expense plan that it had previously filed. Property developers can apply for a certain portion of pre-sale proceeds to use office expenses with relevant government authority on condition that the pre-sale proceeds shall be preferentially used for property project.

Nan'an

The Implementing Opinion on Regulation and Administration of Commodity House Pre-sale Proceeds of Nan'an (《南安市商品房預售資金監督管理工作實施意見》) was promulgated by the People's Government of Nan'an on February 4, 2017 and became effective on the same day. The Nan'an Housing and Urban-Rural Development Bureau is responsible for guiding the supervision of the pre-sale proceeds. This opinion provides that property developers in Nan'an is required to open a dedicated account with a bank for pre-sale proceeds before applying for pre-sale permit and sign a supervision agreement with Nan'an Housing and Urban-Rural Development Bureau and the bank. The opinion further provides that the commercial housing sale contracts must specify the name and details of the dedicated account to which the proceeds shall be deposited by the property developer directly. The Administration Center for House Trading (房屋交易管理中心) will suspend the online sales contract signing system if the property developer fails to save the pre-sale proceeds to dedicated account within thirty days of the signing of the commercial housing sale contracts. The pre-sale proceeds can only be used upon the approval of Nan'an Housing and Urban-Rural Development Bureau for purpose of purchasing construction materials and equipment, and payment for office expenses, bank loans and interest, external sales agent fees, advertising fees, taxes and land transfer fees. Property developer can apply for a certain portion of pre-sale proceeds as office expenses from the Housing and urban-Rural Development Bureau on condition that the pre-sale proceeds shall be preferentially used for property project.

Fuzhou

Pursuant to 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》) which was issued by Construction Department of Fujian on December 14, 2005 and became effective on January 1, 2006, the provincial construction department is responsible for administration of commodity house pre-sale and the city and county level construction department is in charge of the commodity house pre-sale in their own administrative regions. Property developer shall set up a dedicated account for pre-sale proceeds with the bank where the project locates before applying for pre-sale permit. Pre-sale proceeds shall only be used for purchase of building materials and payment of project construction fee, tax, and bank loans for mortgage on land-use right or construction-in-progress before paying off the construction fee of the project (excluding quality warranty). Buyers shall directly deposit the pre-sale proceeds into the dedicated account.

Nanning

The Measures on the Regulation of Commodity Properties Pre-sale Proceeds of Nanning City (《南寧市商品房預售資金監管辦法》) promulgated on December 30, 2015 was abolished on March 6, 2020 and replaced by the Regulations on Commodity Properties Pre-sale Proceeds of Nanning City (《南寧市商品房預售資金監管規定》), which was issued by Housing and Urban-rural Development Bureau of Nanning on December 30, 2019 and came into effect on March 1, 2020. The City Housing and Urban-rural Development administrative department is responsible for supervising the pre-sale proceeds, and the Real Estate Fund Management Center of Nanning City (the "Nanning Management Center") is responsible for the specific supervision. The property developer shall set up a supervising account for commodity house and sign the supervision agreement with the Nanning Management Center and the bank before applying for pre-sale permit. If the property developer intends to apply for several pre-sale permits for the same project, then separate supervising accounts shall be set up. Property developer shall specify, among others, the supervising bank, supervising account for pre-sale proceeds in sales contract, and shall agree with the buyer that all purchase payment shall be directly deposited into the supervising account. Pre-sale proceeds under key supervision amount shall only be used for project construction purpose upon approval of the Nanning Management Center. The property developer could use the amount exceeding the key supervision amount at its discretion.

Guigang

General Office of People's Government of Guigang promulgated Measures on Regulation of Commodity House Pre-sale Proceeds of Guigang (《貴港市商品房預售資金監管辦法》) on March 6, 2019, pursuant to which, housing administrative department is the regulatory authority for commodity house pre-sale proceeds. Property developer sets up pre-sale proceeds supervision account on single per-sale permit basis, if there are several pre-sale permits, property developer shall set up supervision accounts separately which shall not exceed three accounts in principle. Property developer shall sign a supervision agreement with the bank in which the supervision account is opened and file the same with regulatory authority, China Banking and Insurance Regulatory Commission Guigang Bureau and People's Bank of China Guigang Branch. All pre-sale proceeds shall be deposited into the dedicated account. The regulatory authority determines the key supervised amount which shall only be used for project construction as approved by regulatory authority. The property developer could use the amount exceeding the key supervised amount at its discretion. During the outbreak of COVID-19, Housing and Urban-Rural Development Bureau of Guigang issued Measures Regarding Cope with Novel Coronavirus Disease Optimizing Project Approval and Real Estate Market Regulation (《關於應對新冠肺炎疫情優化工程項目審批及房地產市場監管措施的通知》) on February 28, 2020, which provides that property developer can apply for withdrawal of full funds deposited in supervised pre-sale account for the payment of construction progress fee and tax, purchase of material and equipment, if the unsold properties account more than 30% of the property project.

Liuzhou

On September 20, 2019, Housing and Urban-Rural Development Bureau of Liuzhou, People's Bank of China Liuzhou Branch and China Banking and Insurance Regulatory Commission Liuzhou Supervision Branch jointly issued Measures on Regulation and Use of Newly-Built Commodity Properties Pre-sale Proceeds of Liuzhou (《柳州市新建商品房預售資金監管使用辦法》) which came into effect on the same day. Housing and Urban-Rural Development Bureau of Liuzhou is responsible for the regulation of setting up, collection and use of pre-sale proceeds, while Bank of China Liuzhou Branch is responsible for guiding the supervising bank for opening the dedicated account and China

Banking and Insurance Regulatory Commission Liuzhou Supervision Branch is in charge of supervising the banks for detailed work. Property developer shall select one or more entrusted banks and enter into supervision agreement with the supervising bank before applying for pre-sale permits and all pre-sale proceeds shall be deposited into the supervision account. Key supervising amount refers to all project construction costs before completion, which shall be determined by the regulatory authority and stipulated in the supervision agreement. The use of the key supervised amount must be approved by the regulatory authority. The property developer could use any amount of the pre-sale proceeds exceeding the key supervising amount at its discretion.

Tianjin

Pursuant to the Measures on Regulation of Newly-Built Commodity Properties Pre-sale Proceeds of Tianjin (《天津市新建商品房預售資金監管辦法》) and Implementing Measures on Regulation of Newly-Built Commodity Properties Pre-sale Proceeds of Tianjin (《天津市新建商品房預售資金監管實施細則》) which were promulgated by the Land and Housing Administration Bureau of Tianjin and took effect on August 1, 2016 and October 1, 2016 respectively, the Real Estate Transaction Fund Supervision Center (the "Supervision Center") is responsible for the supervision of the pre-sale proceeds. Property developer shall open supervising account selected commercial bank in accordance with the corresponding pre-sale permit. Such accounts shall be set up on a building or buildings. Property developer shall sign a supervision agreement with the Supervision Center and commercial bank. All pre-sale proceeds shall be deposited into the supervising account directly and shall not be received by the property developer. Property developer shall assist the buyer to deposit the pre-sale proceeds to the supervising account. The Supervision Center calculates the supervised amount and supervises the entire deposit and withdrawal process. The supervised amount can only be used according to construction progress upon approval of the Supervision Center. Property developer can withdraw amounts exceeding the supervised amount, and should be preferentially used for construction of the project. During the outbreak of COVID-19, Tianjin Housing and Urban-Rural Development Committee issued Implementing Opinion Regarding Prevention and Control the Epidemic and Promoting the Resumption of Work (《關於做好疫情防控推動復工復產工作的實施意見》) on February 28, 2020, which stipulates that the approval procedures for appropriation supervised pre-sale proceeds shall be combined and simplified to promote the operation of real estate industry.

Changsha

On December 21, 2016, People's Government of Changsha City and People's Bank of China Changsha Branch jointly issued Notice on Strengthening the Regulation of Commodity Properties Pre-sale Proceeds (《關於加強商品房預售資金監管的通知》) which came into effect on the same day. The Housing and Urban-Rural Development Bureau authorizes the Real Estate Transaction Management Agency (the "Transaction Agency") to conduct the daily supervision of pre-sale proceeds. Before obtaining pre-sale permit, property developer shall execute a third party supervision agreement with bank and Transaction Agency. All pre-sale proceeds shall be deposited into the supervising account, and the Transaction Agency is responsible for ensuring the proceeds are used for the construction. The pre-sale proceeds can only be withdrawn from the bank according to the construction schedule, and sufficient proceeds should remain in the account in order to ensure the completion and delivery of the relevant projects. The supervising period for pre-sale proceeds starts from the issuance of pre-sale permit until the first registration of property ownership.

Guiyang

Pursuant to Interim Regulations on the Use of Commodity Properties Pre-sale Proceeds of Guiyang City (《貴陽市商品房預售款使用監督管理暫行規定》) promulgated by the People's Government of Guiyang, came into effect on August 1, 2002 and amended on July 11, 2019, the pre-sale proceeds must be used for construction work. Property developer shall deposit the commodity properties pre-sale fund into margin account and shall apply to relevant housing and urban-rural authority for the plan if it intends to use the pre-sale fund.

Yueyang

The General Office of People's Government of Yueyang City issued the Regulation on Commodity House Pre-sale Proceeds of Yueyang City (《岳陽市商品房預售款監管辦法》) on October 29, 2012, pursuant to which, before apply for pre-sale permit, property developer shall select a commercial bank as supervising bank, set up a designated escrow account, and sign a supervising agreement with the relevant bank and regulatory authority. Property developer can apply to regulatory authority for withdrawal the pre-sale proceeds if the balance in key escrow account exceeds a certain amount of the total investments in the subsequent construction for a relevant project.

Nantong

On April 10, 2015, Measures on Management of Commodity House Sale of Nantong City (《南通市商品房銷售管理辦法》) was promulgated by General Office of People's Government of Nantong City and came into effect on June 1, 2015. Property developer shall open a designated escrow account with commercial bank and deposit the pre-sale funds into such account for project construction.

Changzhou

On June 3, 2010, Housing Security and Real Estate Administration Bureau of Changzhou City, Pricing Bureau of Changhzou City and People's Bank of China Changzhou Branch jointly issued the Notice Regarding Further Regulating Commodity House Pre-sale (Sale) Management of Changzhou City (《關於進一步規範我市商品房預（銷）售管理的通知》), pursuant to which property developer can choose bank guarantee or setting up a designated escrow account for supervising pre-sale proceeds, pre-sale proceeds shall be used for purchase of necessary construction material, equipment, payment of construction fee, tax and other related expenses.

Zhejiang

On September 16, 2010, Housing and Rural-urban Development Bureau of Zhejiang Province, People's Bank of China Hangzhou Center Branch and China Banking Regulatory Commission Zhejiang Bureau jointly issued the Interim Measures on Regulation 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》) and came into effect on November 1, 2020, property developer shall open a designated escrow account with local bank for depositing the pre-sale proceeds. Pre-sale proceeds shall be used for construction purpose.

Sales After Completion of Commodity Properties

Under the Sale Measures, commodity properties may be put to post-completion sale only when the following conditions have been satisfied: (i) the real estate development enterprise offering to sell the post-completion buildings shall have an enterprise legal person business license and a qualification certificate of real estate development; (ii) the enterprise has obtained land use right certificates or other approval documents of land use; (iii) the enterprise has obtained the Construction Project Planning License and the Construction Work Commencement License; (iv) the commodity properties have been completed and been inspected and accepted as qualified; (v) the relocation of the original residents has been well settled; (vi) the supplementary essential facilities for supplying water, electricity, heating, gas and communication have been made ready for use, and other supplementary essential facilities and public facilities have been made ready for use, or the schedule of construction and delivery date have been specified; and (vii) the property management proposal has been completed.

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 the provisions, any real estate developer or real estate agency is required to mark the selling price explicitly and clearly for both newly-built and second-hand commercial properties.

On February 26, 2013, the General Office of the State Council issued the Notice on Continuing the 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, (i) restrictions on purchasing the real estate, (ii) increased down payment requirement for second residential properties purchase, (iii) suspending mortgage financing for second or more residential-properties purchase and (iv) 20% individual income tax rate applied to the gain from the sales of properties.

Property Mortgage

The mortgage of real estate in the PRC is mainly governed by the Property Rights Law of the People's Republic of China (《中華人民共和國物權法》), the Guarantee Law of the PRC (《中華人民共和國擔保法》), and the Measures for Administration of Mortgages of Urban Real Estate (《城市房地產抵押管理辦法》). According to these laws and regulations, land use rights, the buildings and other real fixtures may be mortgaged. When a mortgage is created on the ownership of a building legally obtained, a mortgage shall be simultaneously created on the use right of the land on which the building is located. The mortgagor and the mortgagee shall enter into a mortgage contract in writing. A system has been adopted to register the mortgages of real estate. 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 (房屋他項權證) to the mortgagee.

Lease of Properties

Both the Urban Land Regulations and the Urban Real Estate Law permit the leasing of granted land use rights and of the buildings or houses erected on the land. On December 1, 2010, MOHURD promulgated the Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》) (the "New Lease Measures"), which became effective on February 1, 2011, and replaces the Administrative Measures for Urban House Leasing (《城市房屋租賃管理辦法》). Pursuant to the New Lease Measures, parties thereto shall register and file with the local property administration authority within thirty days after entering into the lease contract. Non-compliance with such registration and filing requirements shall be subject to fines up to RMB1,000 (individuals) and RMB1,000 to 10,000 (enterprises) provided that they fail to rectify within required time limits. According to the Urban Real Estate Law, the land proceeds included in the rental income derived from any building situated on allocated land where the land use rights have been obtained through allocation, shall be turned over to the State.

Under the Contract Law of the People's Republic of China (《中華人民共和國合同法》), promulgated by the NPC on March 15, 1999, the term of a leasing contract shall not exceed 20 years.

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 and became effective on March 1, 2015 and amended on March 24, 2019, and the Implementing 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 amended on July 24, 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 the people.

REAL ESTATE FINANCING

Loans to Real Estate Development Enterprises

On August 30, 2004, the China Banking and Insurance Regulatory Commission (the "CBIRC") issued a Guideline for Commercial Banks on Risks of Real Estate Loans (《商業銀行房地產貸款風險管理指引》). According to this guideline, no loans shall be granted to projects which have not obtained requisite land use right certificates, construction land planning licenses, construction work planning permits and construction work commencement permits. The guideline also stipulates that bank loans shall only be extended to real estate developers who applied for loans and contributed not less than 35% of the total investment of the property development project by its own capital. In addition, the guideline provides that commercial banks shall set up strict approval systems for granting loans.

On July 29, 2008, the PBOC and the China Banking Regulatory Commission ("CBRC") issued the Notice on Financially Promoting the Land Saving and Efficient Use (《關於金融促進節約集約用地的通知》) which, among other things,

- restricts granting loans to real estate developers for the purpose of paying land grant premiums;
- provides that, for secured loans for land reserve, legal land use right certificates shall be obtained;
- the loan on mortgage shall not exceed 70% of the appraised value of the collateral, and the term of loan shall be no more than two years in principle;
- provides that for the real estate developer who (i) delays the commencement of development date specified in the land use right grant agreement for more than one year, (ii) has not completed one-third of the intended project, or (iii) has not invested one-fourth of the intended total project investment, loans shall be granted or extended prudently;
- prohibits granting loans to the real estate developer whose land has been idle for more than two years; and
- prohibits taking idle land as a security for loans.

On September 29, 2010, the PBOC and the CBIRC 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.

Trust Loan

On March 1, 2007, The Measures for Administration of Trust Companies (《信託公司管理辦法》), which was promulgated by the CBIRC 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 the Measures for Administration of Trust Companies, and that primarily engages in trust activities.

From October 2008 to November 2010, the CBIRC issued several regulatory notices in relation to real estate activities conducted by Trust 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 CBIRC on October 28, 2008 and became effective on the same date, pursuant to which Trust 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 licenses, construction work planning licenses and construction work commencement licenses and the property projects of which less than 35% of the total investment is funded by the real estate developers' own capital, then the 35% requirement was changed to 20% for affordable housing and ordinary commodity apartments and to 30% for other property projects as provided by 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, and then the 30% requirement was changed 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》) issued by the State Council and became effective on September 9, 2015.

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, (i) for a family member who is a first-time house buyer (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; (ii) for a family who applies loans for its second house, the down payment requirement is raised to at least 50% from 30% and also provides that the applicable interest rate must be at least 1.1 times of that of the corresponding benchmark interest rate over the same corresponding period published by the PBOC; and (iii) 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 suspend housing loans to third or more home buyers in places where house 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 CBIRC 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 CBIRC on September 24, 2015, provides that in cities that 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 CBIRC 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.

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 the People's Republic of China (《中華人民共和國環境影響評價法》), the Administrative Regulations on Environmental Protection for Development Projects (《建設項目環境保護管理條例》) 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 analysis table 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 and the construction unit will also inspect the property to ensure compliance with the applicable environmental standards and regulations before the property can be delivered to the purchasers.

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 Standing Committee of the NPC on April 29, 1998 and became effective on September 1, 1998, later amended on October 28, 2008 and became effective on May 1, 2009, and latest amended on April 23, 2019 and became effective on the same day, fire prevention facilities design and works for construction projects shall conform to State's fire prevention technical standards for engineering construction.

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 NPC 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 NPC 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 the construction of civil air defense property and investors in civil air defense are permitted to use, manage the civil air defense property in time of peace and profit therefrom. However, such use must 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 Property 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 Property (《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.

MEASURES ON STABILIZING HOUSING PRICES

The Notice on Adjusting the Business Tax Policies Concerning Transfer of Individual Housing (《關於調整個人住房轉讓營業税政策的通知》) promulgated by the Ministry of Finance of the People's Republic of China (the "MOF") and the State Taxation Administration (the "SAT") on March 30, 2015 and became effective on March 31, 2015 provides that 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 sale of an ordinary residential property purchased by an individual more than two years ago is not subject to such business tax.

The Notice of the Ministry of Finance, the State Administration of Taxation and the Ministry of Housing and Urban-Rural Development 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》) (the "Notice") promulgated on February 17, 2016 and became effective on February 22, 2016 provides that： (i) in the case of an one-and-only household residential property purchased by individuals (family members shall include the buyer, his/her spouse and underage children, same hereinafter), where the area is 90 sq.m. or below, deed tax shall be levied at the reduced rate of 1%; where the area exceeds 90 sq.m., deed tax shall be levied at the reduced rate of 1.5%; and (ii) 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.. 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 Circular of the Ministry of Housing and Urban-Rural Development 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》) (promulgated and implemented on April 1, 2017 by Ministry of Land and the MOHURD), in cities featuring obvious contradiction between the supply of and demand for housing or under pressure due to increasing housing prices and more housing land, in particular the land for ordinary commercial houses, shall be supplied to a reasonable extent, and the housing land supply shall be reduced or even suspended in cities requiring a lot of destocking of real estate. All the local authorities shall build a land purchase money inspection system to ensure that the real estate developers use their own legal funds to purchase land.

Pursuant to the Notice of MOHURD on Further Improving the Management and Control over the Real Estate Market (《住房城鄉建設部關於進一步做好房地產市場調控工作有關問題的通知》) promulgated and implemented on May 19, 2018 by the MOHURD, all regions shall take practical measures to achieve targets of stabilizing housing prices, controlling rents, reducing leverage, preventing risks, adjusting structure, and stabilizing expectations, support rigid housing demands, and resolutely curb property speculation. It is necessary to improve the supply mode of commercial houses land and establish a linkage mechanism for land price and house price so as to prevent land prices from pushing up house prices. In key cities, the proportion of residential land should be enhanced and it is suggested that residential land represent at least 25% of land set aside for urban development.

Western Taiwan Straits Economic Region

The People's Government of Fujian Province issued Circular Regarding Eight Measures on Further Strengthening Real Estate Market Regulations (《關於進一步加強房地產市場調控八條措施的通知》) on October 2, 2017, which includes, among others, strengthening the regulation of commodity housing, improving land grant measures, controlling the floor price, increasing the supply of rental housing and severely punishing the illegal activities (including property hoarding and price jacking by real estate developers). The Department of Housing and Urban-Rural Construction of Fujian Province issued Notice on Strengthening the Precise Control on and Stabilization of the Real Estate Market

(《關於加強精準調控穩定房地產市場的通知》) which provides further detailed requirements on the implementation of the aforementioned circular.

Beibu Gulf Region and Neighboring Cities

On May 25, 2017, The Department of Housing Security and Real Estate Administration of Nanning, Nanning Land and Resources Bureau, Nanning Urban-Rural Development Committee, Nanning Administration for Industry and Commerce, Price Bureau of Nanning, The People's Bank of China Nanning Branch and China Banking Regulatory Commission Guangxi Regulatory Bureau jointly promulgated the Circular on Further Strengthening Real Estate Market Control and Promoting Steady and Healthy Development (《關於進一步加強房地產市場調控促進房地產市場平穩健康發展的通知》), which was supplemented by a supplemental notice issued by the Department of Housing Security and Real Estate Administration of Nanning on September 22, 2017. Pursuant to the supplemental notice, a purchaser who purchased more than three properties (two properties for an entity) in downtown (excluding Wuming District) can only transfer the property after two years since obtaining the ownership certificate, and a new housing credit policy will also be implemented. The real estate developers are prohibited from property hoarding, and the pre-sale price applied by it shall be subject to stricter regulation.

Midstream Parts of the Yangtze River Region

Pursuant to Circular Regarding Further Stabilizing Real Estate Market (《關於進一步穩定房地產市場的通知》) issued by Housing and Urban-Rural Development Department of Hunan Province issued on July 20, 2018 and effective on July 23, 2018, pre-sale price management shall be strengthened for the newly-built commodity properties in cities or counties which the housing price rises fast. The inspection and supervision of real estate developer and agency shall also be enhanced. Market misconducts, such as property hoarding, price jacking, publishing untrue information, disturbing market order, shall be severely punished.

Beijing-Tianjin-Hebei Region

On March 31, 2017, the General Office of People's Government of Tianjin City issued Implementation Opinion on Further Strengthening Real Estate Market Control (《關於進一步深化我市房地產市場調控工作的實施意見》) which came into effect on April 1, 2017, requiring that any non-Tianjin household family with more than one residential property, Tianjin household family with more than two residential properties and any single adult (including the divorced) with more than one residential property is not allowed to purchase new or second-handed residential property (excluding residential properties in Binhai New District). A non-Tianjin household family is allowed to purchase a residential property in Tianjin only when they can provide a certificate proving a payment of social insurance or personal income tax in a successive two-year period within three years in Tianjin. The Notice on Further Regulating and Standardizing Real Estate Market Order (《關於進一步整頓規範我市房地產市場秩序的通知》), which was jointly promulgated by the Department of Land and Housing Administration of Tianjin and Tianjin Administration for Market Regulation on April 17, 2017, provides measures for regulating the behavior of property developer and property agency during sale of commodity properties. Pursuant to the Notice on Further Improving the Real Estate Market Control (《關於進一步做好我市房地產市場調控工作的通知》) issued by the General Office of People's Government of Tianjin on June 1, 2018, the supplies of land parcels and new residential properties shall be properly managed in accordance with market conditions to stabilize the housing price.

Chengdu-Chongqing Region

Pursuant to Notice on Further Strengthening Real Estate Market Control (《關於進一步加強房地產市場調控工作的通知》) issued by General Office of People's Government of Chongqing City on June 22, 2018 which came into effect on the same day, the supply of commodity properties shall be increased, and the proportion of the supply of low- and medium-price, small- and medium-sized commodity properties shall also be increased.

Yangtze River Delta Region

On October 9, 2010, Housing and Urban-Rural Development Bureau of Jiangsu, Land and Resources Department of Jiangsu, Supervision Department of Jiangsu and Price Bureau of Jiangsu jointly issued Circular Regarding Further Promoting Real Estate Market Steady and Healthy Development and Accelerating the Construction of Affordable House (《關於進一步促進房地產市場平穩健康發展加快推進保障性住房建設的通知》), which stipulates that, among others, relevant government authorities shall strengthen land supply regulations, implement preferential policies on affordable properties, and strengthen price regulations on commodity properties.

On April 23, 2017, the General Office of People's Government of Ningbo issued Circular on Maintaining and Promoting the Stabilization of Real Estate Market (《關於保持和促進我市房地產市場平穩運行的通知》), which was supplemented by its supplemental circular jointly issued by Housing and Urban-Rural Development Committee of Ningbo and Land and Resources Bureau of Ningbo on September 30, 2017 and came into effect on October 1, 2017, which stipulates enhanced restrictions on commodity properties purchase and mortgages to maintain the market stability.

Others

On May 11, 2018, the General Office of People's Government of Guiyang City promulgated Notice on Effective Promotion of the Healthy and Steady Development of Real Estate Market (《關於切實做好促進房地產市場健康穩定發展有關工作的通知》), pursuant to which that housing speculation shall be strictly restricted, newly-built commercial housing in Guiyang shall not be transferred again within three years after execution of its sales contract, housing provident fund policy will be adjusted and rental markets will also be cultivated and developed.

On June 23, 2018, the General Office of People's Government of Xi'an City promulgated Notice on Relevant Issues on Further Regulating the Transaction of Residential Properties (《關於進一步規範商品住房交易秩序有關問題的通知》), which provides that the pre-sale price of residential properties shall be subject to guidance of governmental authorities, and requires the real estate developers to conduct pre-sale in strict compliance with relevant regulations. The residential properties within the restricted area can be transferred again only if (i) two years have elapsed since its ownership certificate is obtained; or (ii) three years have elapsed since its sale contract is executed, and its ownership certificate has been obtained. Also, the illegal activities (including property hoarding and reservation by real estate developers) will be severely punished.

FOREIGN CURRENCY EXCHANGE

The principal regulations governing foreign currency exchange in the PRC are the Foreign Exchange Administrative Regulations (《外匯管理條例》) (the "SAFE Regulations") which was promulgated by the State Council and last amended on August 5, 2008. Under the SAFE Regulations, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the SAFE is obtained.

Pursuant to the Circular of the State Administration of Foreign Exchange on Issues concerning Foreign Exchange Administration over the Overseas Investment and Financing and Round-trip Investment by Domestic Residents via Special Purpose Vehicles (《國家外匯管理局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"), promulgated by SAFE and which became effective on July 4, 2014, (a) a PRC resident (the "PRC Resident") shall register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle (the "Overseas SPV"), that is directly established or controlled by the PRC Resident for the purpose of conducting investment or financing; and (b) 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.

Pursuant to the 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》) (the "Circular 13"), which was promulgated on February 13, 2015 and with effect from June 1, 2015, the foreign exchange registration under domestic direct investment and the foreign exchange registration under overseas direct investment are directly reviewed and handled by banks in accordance with the Circular 13, and the SAFE and its branches shall perform indirect regulation over the foreign exchange registration via banks.

TAXES

Enterprise Income Tax

According to the EIT Law which was promulgated on March 16, 2007 and amended on February 24, 2017 and December 29, 2018, a unified income tax rate of 25% will be applied towards foreign investment and foreign enterprises which have set up institutions or facilities in the PRC as well as PRC enterprises. Under the EIT Law, enterprises established outside of China whose "de facto management bodies" are located in China are considered "resident enterprises" and will generally be subject to the unified 25% enterprise income tax rate as to their global income.

Furthermore, pursuant to the EIT Law and the Implementation Rules on the Enterprise Income Tax (《企業所得税法實施條例》) which was promulgated on December 6, 2007 and with effect from January 1, 2008 and amended on April 23, 2019, a withholding tax rate of 10% will be applicable to any dividend payable by foreign-invested enterprises to their non-PRC 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所得避免雙重徵税和防止偷漏税的安排》) signed on August 21, 2006 and applicable in Hong Kong to income derived in any year of assessment commencing on or after April 1, 2007 and in mainland China to any year commencing on or after January 1, 2007, a company incorporated in Hong Kong will be subject to withholding income tax at a rate of 5% on 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 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. In addition, the Announcement of the State Administration of Taxation on Issues concerning the "Beneficial Owner" in Tax Treaties (《國家稅務總局關於稅收協定中"受益所有人"有關問題的公告》) promulgated on February 3, 2018 and became effective on April 1, 2018, defined the "beneficial owner" as a person who owns or controls income or the rights or property based on which the income is generated, and introduced various factors to adversely impact the recognition of such "beneficiary owners". 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 amended on June 15, 2018, and October 14, 2019, which will come into effect on January 1, 2020 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 Non-residents 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.

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 revised on February 6, 2016 and last amended on November 19, 2017 and its implementation rules, all entities or individuals in the PRC engaging in the sale of goods, the provision of processing services, repairs and replacement services, the sale services, intangible assets, immovables, and the importation of goods are required to pay value-added tax (the "VAT").

Pursuant to the Announcement of the SAT on Promulgating the Interim Administrative Measures for the Collection of Value-added Tax on the Sale of Self-developed Real Estate Projects by Real Estate Developers (《國家稅務總局關於發佈＜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＞的公告》) which was promulgated on March 31, 2016 and with effect from May 1, 2016 and amended on June 15, 2018, real estate developer shall pay VAT for the sales of its self-developed real estate project.

Circular regarding the Pilot Program on Comprehensive Implementation of VAT 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 Ministry of Finance and the SAT on March 23, 2016, effective on May 1, 2016 and amended by Notice on Pilot Policies of Levying VAT in Lieu of Business Tax for Construction Services and Other Sectors (《關於建築服務等

營改增試點政策的通知》) on July 11, 2017 and Announcement on Policies to Deepen VAT Reform (《關於深化增值税改革有關政策的公告》) on March 20, 2019 provides that upon approval by the State Council, the pilot program of replacing business tax with VAT 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 VAT instead of business tax. According to the appendix of this notice, 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 VAT and shall, instead of business tax, pay VAT. The sale of real property and the secondhand housing transaction shall adopt this notice as well. 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 VAT (《國務院關於廢止<中華人民共和國營業税暫行條例>和修改<中華人民共和國增值税暫行條例>的決定》) which was promulgated on November 19, 2017 and came into effect on the same day, business tax is officially replaced by VAT.

Land Appreciation Tax

Under the Interim Regulations on Land Appreciation Tax of the PRC (《中華人民共和國土地增值税暫行條例》) promulgated by the State Council on December 13, 1993 and last amended on January 8, 2011 as well as its implementation rules issued on January 27, 1995 (《中華人民共和國土地增值税暫行條例實施細則》), land appreciation tax is payable on the appreciation value derived from the transfer of State-owned land use rights and buildings or other facilities on such land, after deducting the deductible items.

LABOR PROTECTION

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) which were separately with effect from January 1, 1995 (latest amended on December 29, 2018) and January 1, 2008 (amended on December 28, 2012), respectively, labor contracts shall be concluded if labor relationships are to be established between the employer and the employees.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) which was promulgated on October 28, 2010 and with effect from July 1, 2011 and latest amended on December 29, 2018, employees shall participate in basic pension insurance, basic medical insurance and unemployment insurance. Basic pension, medical and unemployment insurance contributions shall be paid by both employers and employees. Employees shall also participate in work-related injury insurance and maternity insurance. Work-related injury insurance and maternity insurance contributions shall be paid by employers rather than employees. An employer shall make registration with the local social insurance agency in accordance with the provisions of the Social Insurance Law of PRC. Moreover, an employer shall declare and make social insurance contributions in full and on time. Pursuant to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》) which was promulgated on April 3, 1999 and amended on March 24, 2002 and March 24, 2019, employers shall undertake registration at the competent administrative center of housing provident fund and then, upon the examination by such administrative center of housing provident fund, undergo the procedures of opening the account of housing provident fund for their employees at the relevant bank. Enterprises are also obliged to timely pay and deposit housing provident fund for their employees in full amount.

INTELLECTUAL PROPERTY RIGHTS

Regulations on Trademarks

The Trademark Law of the PRC (《中華人民共和國商標法》) was promulgated in August 1982 and amended on February 22, 1993, October 27, 2001, August 30, 2013, and latest amended on April 23, 2019 and came into effect on November 1, 2019) and Implementation Regulations on the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) was promulgated on August 3, 2002 by the State Council and amended on April 29, 2014. These laws and regulations provide the basic legal framework for the regulations of trademarks in China. In China, registered trademarks include commodity trademarks, service trademarks, collective marks and certificate marks.

Regulations on Domain Names

The Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) was promulgated by the Ministry of Industry and Information Technology of the PRC on August 24, 2017 and became effective on November 1, 2017. These measures regulate the registration of domain names in Chinese with the Internet country code of ".cn".

The Measures on Top Level Domain Names Dispute Resolution (《中國互聯網絡信息中心域名爭議解決辦法》) were promulgated by the China Internet Network Information Center on September 1, 2014 and became effective on the same date. These measures require domain name disputes to be submitted to institutions authorized by the China Internet Network Information Center for resolution.

Regulations on Copyright

The Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) was promulgated on September 7, 1990 and then took effect on June 1, 1991 and was amended in 2001 and in 2010, provides that Chinese citizens, legal persons, or other organizations shall, whether published or not, own copyright in their copyrightable works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software.

HISTORY AND DEVELOPMENT

Early History

Our history can be traced back to April 2010, when Good First HK, a company controlled by Ms. Wong, our Controlling Shareholder, acquired Xiamen Datang through its acquisition of a total of 70% of the issued share capital of Dynasty Cayman (the "**70% Acquisition**") from Mr. Sung Wei-Chien, Mr. Erik Helmut Meitz and Mr. Yu Ching-Mai, respectively, all of whom are Independent Third Parties. Immediately after the completion of the 70% Acquisition, Dynasty Cayman became owned as to 70% by Good First HK and 30% by Gold Faith, a company incorporated in the BVI with limited liabilities and owned as to approximately 66.6% by Mr. Sung Wei-Chien, 16.7% by Mr. Yu Ching-Mai and 16.7% by Mr. Shi Jui-Chieh, each being an Independent Third Party. Prior to the completion of the 70% Acquisition, it was agreed between Gold Faith and Good First HK that (i) Gold Faith would only be beneficially interested in 30% interests in all the eight project companies then subsisting and thus the profits generated from the projects then developed by such eight project companies engaged in property development in the PRC (the "**Gold Faith Interest**"); and (ii) Gold Faith would not be interested in any new project companies formed or acquired by our Group or in any new projects developed by our Group. As such, despite Gold Faith was the then registered shareholder of Dynasty Cayman holding 30% of the issued share capital of Dynasty Cayman at that time, Ms. Wong, through Good First HK, has in fact been beneficially and effectively interested in 100% of the interest in all of the projects of our Group (except for the Gold Faith Interest) prior to the issue and allotment of shares by Dynasty Cook pursuant to a share incentive scheme in December 2018, details of which are set out in "— Reorganization — Adoption of share incentive scheme" below. Dynasty Cayman is an investment holding company, and is our Controlling Shareholder. Xiamen Datang, which was indirectly wholly owned by Dynasty Cayman, is the onshore holding company of our Group. Xiamen Datang and its subsidiaries are principally engaged in property development.

Since 1995, Ms. Wong had invested in various businesses in the PRC through Fuxin Group, including property development. See "Relationship with Controlling Shareholders — Overview". Subsequent to the completion of the 70% Acquisition, Ms. Wong's investment in property development businesses were consolidated under Xiamen Datang, save as disclosed in "Relationship with Controlling Shareholders — Delineation of business — Other businesses of our Controlling Shareholders". Over the years, Ms. Wong has built up a professional management team for the property development business of our Group led by Mr. Wu Di, our executive Director. Since January 2011, Ms. Wong decided to entrust the ongoing operations and management of our business to Mr. Wu and the management team, while she herself pursues other goal such as to focus on other non-real estate business, and only remains our Controlling Shareholder. Mr. Wu Di first became acquainted with Ms. Wong in 1980s through her late husband when Mr. Wu was his student at Xiamen Institute of Aquatic Products (廈門水產學院) (now known as Fisheries College of Jimei University (集美大學水產學院)). Ms. Wong's late husband established Xiamen Fuxin to conduct property development business in Xiamen in early 1990s and invited Mr. Wu to join. Mr. Wu Di has been working in and managing certain companies (including Fuxin Group) engaged in finance and property development and controlled by Ms. Wong and her late husband since then.

As the shareholders of Gold Faith do not intend to continue to pursue the property development business in the PRC and are not interested in the Listing, they decided to cease to hold interests in Dynasty Cayman and disposed of their respective investments in the eight project companies. As such, on September 12, 2019, Good First BVI entered into a sale and purchase agreement with Gold Faith to acquire the remaining 30% of the issued share capital of Dynasty Cayman from Gold Faith at a consideration of approximately RMB77.6 million which has been fully settled on October 14, 2019. The consideration was determined upon arm's length negotiation with the shareholders of Gold Faith with reference to the net asset value of the eight project companies as of August 31, 2019 (or the date of transfers in respect of the two companies disposed of prior to August 31, 2019) that Gold Faith had interest in. All of the shareholders of Gold Faith are Independent Third Parties save as being the shareholders of Gold Faith. Upon its completion, Dynasty Cayman became indirectly wholly owned by Ms. Wong through Good First BVI and Good First HK.

Business Development Milestones

The following events set forth the key milestones in the history of our business development:

Year	Event
2010	We acquired Xiamen Datang in 2010.
2011	We expanded our property development business from Xiamen to Zhangzhou.
2015	We expanded our property development business into Tianjin.
2017	We expanded our property development business into Changsha through our acquisition of Hunan Xingrong Investment Co., Ltd.
2017	We were awarded the "Top 10 Property Developers in Nanning" jointly issued by the Guangxi Real Estate Association, CRIC and News Channel of Guangxi TV.
2017	We were designated as one of the service providers to the BRICS summit in Xiamen.
2018	We were ranked first among the property developers in terms of contracted sales amount in urban areas of Zhangzhou and second among property developers in terms of contracted sales amount in Nanning, respectively, by CRIC.
2019	We expanded our property development business into Liuzhou, Guigang, Fuzhou and Putian.
2019	We were recognized as one of the Top 10 Advanced Brands of Real Estate Property Development of China jointly by China Real Estate Top 10 Research Team, a research center jointly set up by the Enterprise Research Institute, Development Research Center of the State Council, Center for Real Estate, Tsinghua University and China Index Academy. We expanded our property development business into Chongqing.
2020	We were ranked 88th among the Top 500 Real Estate Property Developers in China in terms of comprehensive strength by China Real Estate Evaluation Center. We expanded our property development business into Ningbo, Nantong and Taizhou.

OUR CORPORATE DEVELOPMENTS

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on December 14, 2018. As of the date of incorporation, the authorized share capital of our Company was US$50,000 divided into 50,000 ordinary shares of US$1.00 each, among which one fully-paid Share was issued and allotted to the initial subscriber which is an Independent Third Party at par and such Share was transferred to Dynasty Cook at par on the same day.

Our Principal Operating Subsidiaries

We carry out our business through various subsidiaries in the PRC. Our principal operating subsidiaries comprise our major holding companies and/or subsidiaries which contributed a substantial amount of our Group's revenue and profit during the Track Record Period. Details of the major corporate developments including the major shareholding changes of our principal operating subsidiaries in the PRC are set out below.

Xiamen Datang

Xiamen Datang was established in the PRC as a limited liability company on August 29, 1997 with an initial registered capital of US$3.0 million which was fully paid up in cash. As of the date of its establishment, Xiamen Datang was wholly owned by an Independent Third Party. Xiamen Datang commenced business in August 1997.

Subsequent to a series of equity transfer and changes in registered capital between August 1997 and April 2010, Xiamen Datang became indirectly wholly owned by Dynasty Cayman through Dynasty Cook since April 2010 with a registered capital of US$9.0 million and controlled by Ms. Wong. As of October 15, 2018, the registered capital of Xiamen Datang was increased to US$111,941,200 and was directly wholly owned by Dynasty Cook.

As part of the Reorganization, Xiamen Datang became owned as to approximately 40.30% by Xiamen Tangjia and 59.70% by Datang Investment. See "— Reorganization" in this section below for more details.

Xiamen Datang and its subsidiaries have been principally engaged in property development since their establishment.

Guangxi Tangmei

Guangxi Tangmei was established in the PRC as a limited liability company on July 30, 2015 with an initial registered capital of RMB18.0 million which was fully paid up in cash. As of the date of its establishment, Guangxi Tangmei was wholly owned by Xiamen Datang. Guangxi Tangmei commenced business in August 2015.

On April 18, 2016, the registered capital of Guangxi Tangmei was increased to RMB34.0 million through a capital injection in the amount of RMB16.0 million by Shouyu Guangkong Asset Management Co., Ltd. (首譽光控資產管理有限公司) ("**Shouyu Guangkong**"), an Independent Third Party and an asset management service provider. Upon completion of such capital injection, Guangxi Tangmei was held as to approximately 52.94% by Xiamen Datang and 47.06% by Shouyu Guangkong, which was held as a security of a financing arrangement between Guangxi Tangmei and Shouyu Guangkong. On July 4, 2019, upon the full repayment of the loan under such financing arrangement, Shouyu Guangkong transferred the 47.06% equity interest in Guangxi Tangmei back to Xiamen Datang at a consideration of RMB16.0 million, which is equal to the amount originally contributed by Shouyu Guangkong pursuant to the financing arrangement. Upon completion of such transfer, Guangxi Tangmei became wholly owned by Xiamen Datang.

Guangxi Tangmei is the project company for the development of Nanning Dynasty Shengshi (南寧大唐盛世).

Guangxi Datang Shijia

Guangxi Datang Shijia was established in the PRC as a limited liability company on December 4, 2013 with an initial registered capital of RMB50.0 million which was fully paid up in cash. As of the date of its establishment, Guangxi Datang Shijia was wholly owned by Xiamen Datang. There has been no change in the shareholding of Guangxi Datang Shijia since then. Guangxi Datang Shijia commenced business in December 2013.

Guangxi Datang Shijia is the project company for the development of Longgang Dynasty Royalty (龍崗大唐世家) and Longgang Dynasty Youth (龍崗大唐果).

Zhangzhou Tangmen

Zhangzhou Tangmen was established in the PRC as a limited liability company on July 31, 2013 with an initial registered capital of RMB10.0 million which was fully paid up in cash. As of the date of its establishment, Zhangzhou Tangmen was wholly owned by Xiamen Datang. Zhangzhou Tangmen commenced business in April 2014.

On January 15, 2014, Xiamen Datang transferred its 49% equity interest in Zhangzhou Tangmen to Chongqing Guangde Anqin Investment Center (Limited Partnership) (重慶光德安勤投資中心(有限合夥)) ("**Chongqing Guangde Anqin**"), an Independent Third Party and a trust financing service provider, which entered into a trust financing arrangement with Zhangzhou Tangmen, at a consideration of RMB4.9 million, which was determined after arm's length negotiations with reference to the registered capital of Zhangzhou Tangmen at the time of the transfer. Upon completion of such transfer, Zhangzhou Tangmen was held as to 51% by Xiamen Datang and 49% by Chongqing Guangde Anqin which was held as a security of such trust financing arrangement.

On March 31, 2015, upon the full repayment of the loan under such financing arrangement, Chongqing Guangde Anqin re-transferred the 49% equity interest in Zhangzhou Tangmen back to Xiamen Datang pursuant to the financing arrangement at a consideration of RMB4.9 million, which was equal to the consideration originally paid by Chongqing Guangde Anqin when the same equity interest was transferred to the trust financing provider as security. Upon completion of such transfer, Zhangzhou Tangmen became wholly owned by Xiamen Datang.

On July 29, 2019, the registered capital of Zhangzhou Tangmen was increased to RMB60.0 million through a capital injection in the amount of RMB50.0 million by Xiamen Datang. Upon completion of such capital injection, Zhangzhou Tangmen remained wholly owned by Xiamen Datang.

Zhangzhou Tangmen is the project company for the development of Zhangzhou Bay Dynasty Royalty (漳州港大唐世家).

Zhangzhou Xindi

Zhangzhou Xindi was established in the PRC as a limited liability company on December 16, 2005 with an initial registered capital of RMB10.0 million which was fully paid up in cash. As of the date of its establishment, Zhangzhou Xindi was owned as to 90% by Xiamen Xindi and 10% by Xiamen Fuxin. Zhangzhou Xindi commenced business in December 2005.

On January 11, 2013, Xiamen Xindi and Xiamen Fuxin transferred their respective 80% and 10% equity interest in Zhangzhou Xindi to Xiamen Datang at a total consideration of RMB9.0 million, which was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Xindi at the time of the transfer. Upon completion of such transfers, Zhangzhou Xindi became owned as to 90% by Xiamen Datang and 10% by Xiamen Xindi.

On December 30, 2015, Xiamen Xindi transferred its 10% equity interest in Zhangzhou Xindi to Xiamen Datang at a consideration of RMB1.0 million, which was determined after arm's length negotiations with reference to the registered capital of Zhangzhou Xindi at the time of the transfer. Upon completion of such transfer, Zhangzhou Xindi became wholly owned by Xiamen Datang.

Zhangzhou Xindi is the project company for the development of Zhangzhou Dynasty Impression (漳州大唐印象).

Zhangzhou Datang

Zhangzhou Datang was established in the PRC as a limited liability company on February 27, 2012 with an initial registered capital of RMB10.0 million which was fully paid up in cash. As of the date of its establishment, Zhangzhou Datang was owned as to 30% by Xiamen Datang and 70% by Zhangzhou Xindi. Zhangzhou Datang commenced business in March 2012.

On September 29, 2012, Zhangzhou Xindi transferred its 21% equity interest in Zhangzhou Datang to Xiamen Datang at a consideration of RMB2.1 million, which was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Datang at the time of the transfer. Upon completion of such transfer, Zhangzhou Datang became owned as to 51% by Xiamen Datang and 49% by Zhangzhou Xindi. On January 14, 2013, Zhangzhou Xindi transferred its 10% and 39% equity interest in Zhangzhou Datang to Xiamen Xindi and Xiamen Datang, at a consideration of RMB1.0 million and RMB3.9 million, respectively, each of which was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Datang at the time of such transfers. Upon completion of such transfers, Zhangzhou Datang became owned as to 90% by Xiamen Datang and 10% by Xiamen Xindi. Subsequent to two capital injections by Xiamen Datang and Xiamen Xindi in April 2014 and May 2014, the registered capital of Zhangzhou Datang was increased to RMB50.0 million, and Zhangzhou Datang remained owned as to 90% by Xiamen Datang and 10% by Xiamen Xindi. On January 29, 2016, Xiamen Xindi transferred its 10% equity interest in Zhangzhou Datang to Xiamen Datang at a consideration of RMB5.0 million, which was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Datang at the time of the transfer. Upon completion of such transfer, Zhangzhou Datang became wholly owned by Xiamen Datang.

Zhangzhou Datang is the project company for the development of Zhangzhou Dynasty Royalty (漳州大唐世家).

Tianjin Xinghuafu

Tianjin Xinghuafu was established in the PRC as a limited liability company on August 24, 2010 with an initial registered capital of RMB50.0 million which was fully paid up in cash. As of the date of its establishment, Tianjin Xinghuafu was owned as to 70% by Shanghai Zhongxing (Group) Co., Ltd. (上海中星(集團)有限公司) ("**Shanghai Zhongxing**") and 30% by China Enterprise Holdings Company Ltd. (中華企業股份有限公司) ("**China Enterprise**"). Each of Shanghai Zhongxing and China Enterprise is an Independent Third Party. Tianjin Xinghuafu commenced business in August 2010.

The registered capital of Tianjin Xinghuafu was increased to RMB1,050 million in February 2011, and Tianjin Xinghuafu remained owned as to 70% by Shanghai Zhongxing and 30% by China Enterprise. On December 31, 2015, each of Shanghai Zhongxing and China Enterprise transferred its respective 70% and 30% of the equity interest in Tianjin Xinghuafu to Tianjin Datang Real Estate Development Co., Ltd. (天津大唐房地產開發有限公司) ("**Tianjin Datang**"), an indirectly wholly-owned subsidiary of our Company at a total consideration of RMB1,070.9 million, which was determined after arm's length negotiation with reference to the net asset value of Tianjin Xinghuafu as of July 31, 2015. Upon completion of such transfers, Tianjin Xinghuafu became our wholly-owned subsidiary. On February 19, 2019, the registered capital of Tianjin Xinghuafu was increased to RMB1,200 million through a capital injection in the amount of RMB150.0 million by Xiamen Datang. Upon completion of such capital injection, Tianjin Xinghuafu became owned as to 87.5% by Tianjin Datang and 12.5% by Xiamen Datang.

Tianjin Xinghuafu is the project company for the development of Tang Yayuan (唐雅苑), Bisong Garden (比松花園) and Tang Jinyuan (唐槿苑).

Zhangzhou Tangzhuang

Zhangzhou Tangzhuang was established in the PRC as a limited liability company on January 29, 2014 with an initial registered capital of RMB2.0 million which was fully paid up in cash. As of the date of its establishment, Zhangzhou Tangzhuang became wholly owned by Xiamen Datang. Zhangzhou Tangzhuang commenced business in November 2015.

On December 11, 2015, the registered capital of Zhangzhou Tangzhuang was increased to RMB10.0 million through a capital injection in the amount of RMB8.0 million by Xiamen Datang. Upon completion of such capital injection, Zhangzhou Tangzhuang remained wholly owned by Xiamen Datang.

Zhangzhou Tangzhuang is the project company for the development of Panda Villa (熊貓墅).

Guangxi Xindi

Guangxi Xindi was established in the PRC as a limited liability company on October 28, 2009 with an initial registered capital of RMB5.0 million which was fully paid up in cash. As of the date of its establishment, Guangxi Xindi was wholly owned by Xiamen Xindi. Guangxi Xindi commenced business in December 2013.

On May 14, 2013, the registered capital of Guangxi Xindi was increased to RMB50.0 million through a capital injection of RMB45.0 million by Xiamen Xindi. On October 23, 2013, Xiamen Xindi transferred its entire equity interest in Guangxi Xindi to Xiamen Datang at a consideration of RMB50.0 million, which was determined after arm's length negotiation with reference to the registered capital of Guangxi Xindi at the time of the transfer. Upon completion of such transfer, Guangxi Xindi became wholly owned by Xiamen Datang. On May 20, 2014, Xiamen Datang transferred its 49% equity interest in Guangxi Xindi to Shanghai Pulai Investment Center (Limited Partnership) (上海普萊投資中心(有限合夥)) ("**Shanghai Pulai**"), an Independent Third Party and an asset management service provider, which entered into a financing arrangement with Guangxi Xindi, at a consideration of RMB24.5 million, which was determined after arm's length negotiations with reference to the registered capital of Guangxi Xindi at the time of the transfer. Upon completion of such transfer, Guangxi Xindi was held as to 51% by Xiamen Datang and 49% by Shanghai Pulai, which was held as a security of such trust financing arrangement.

On November 25, 2016, upon the full repayment of the loan under such financing arrangement, Shanghai Pulai re-transferred the 49% shares in Guangxi Xindi back to Xiamen Datang pursuant to the financing arrangement at a consideration of RMB24.5 million, which was equal to the consideration originally paid by Shanghai Pulai when the same equity interest was transferred to asset management service provider as security. Upon completion of such transfer, Guangxi Xindi became wholly-owned by Xiamen Datang.

Guangxi Xindi is the project company for the development of Nanning Dynasty Tiancheng Phases I & II (南寧大唐天城一期和二期).

Tianjin Haihui

Tianjin Haihui was established in the PRC as a limited liability company on January 18, 2010 with an initial registered capital of RMB50.0 million which was fully paid up in cash. As of the date of its establishment, Tianjin Haihui was wholly owned by Qingdao Haier Real Estate Group Co., Ltd. (青島海爾地產集團有限公司) ("**Qingdao Haier**"), an Independent Third Party. Tianjin Haihui commenced business in January 2010.

Subsequent to a series of division, merger and reduction and increase of registered capital of Tianjin Haihui, in March 2016, Tianjin Haihui remained wholly owned by Qingdao Haier with a registered capital of RMB50.0 million. On December 19, 2016 and April 17, 2017, Qingdao Haier transferred its 60% and 40% of equity interest in Tianjin Haihui to Xiamen Datang, respectively, at a total consideration of RMB2,098.9 million, which was determined after arm's length negotiation with reference to the asset and financial position of Tianjin Haihui as of November 14, 2016. Upon completion of such transfers, Tianjin Haihui became wholly owned by Xiamen Datang.

Tianjin Haihui is the project company for the development of Gelin Town (格林小鎮), Guanya Garden (觀雅庭院), Tangsheng Yayuan (唐晟雅苑), Tangyun Yayuan (唐韻雅苑) and Tangxi Yayuan (唐璽雅苑).

Zhangzhou Tangsheng

Zhangzhou Tangsheng was established in the PRC on June 21, 2016 with an initial registered capital of RMB30.0 million. As of the date of its establishment, Zhangzhou Tangsheng was wholly-owned by Xiamen Datang. Zhangzhou Tangsheng commenced business in June 2016.

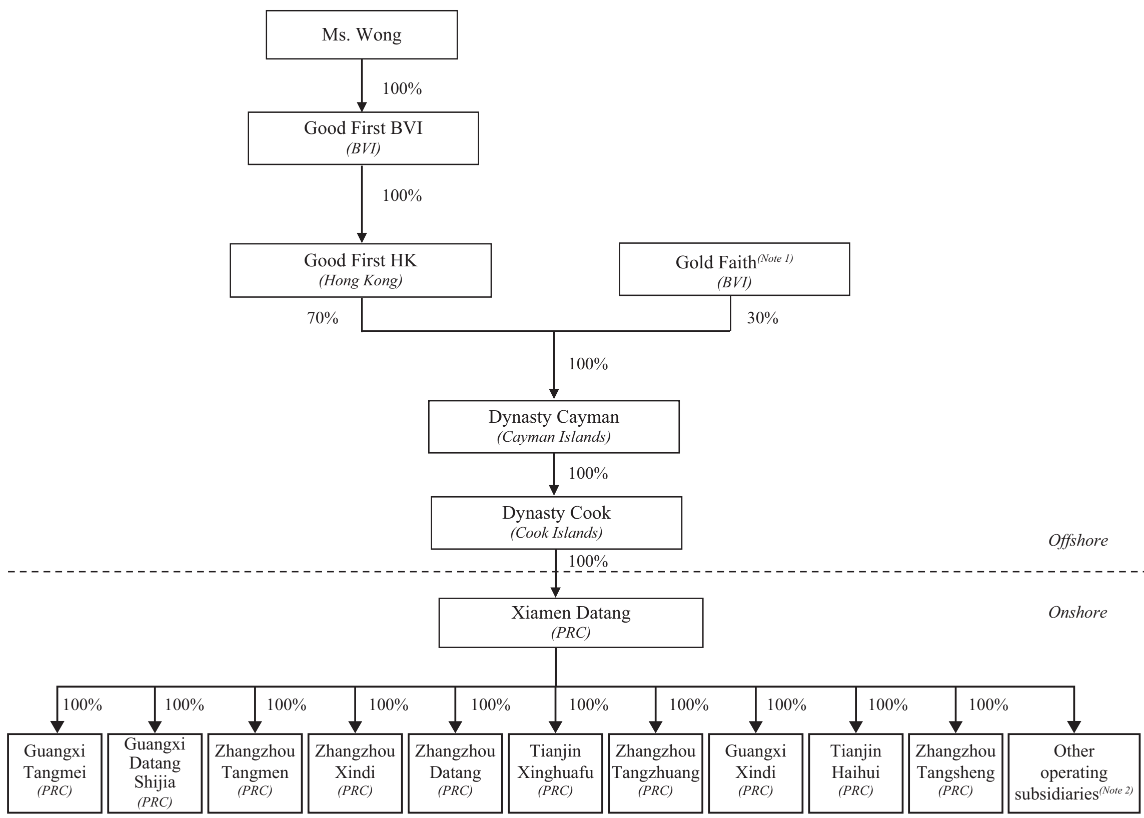
On January 18, 2017, Xiamen Datang transferred its 70% equity interest in Zhangzhou Tangsheng to Daye Trust Co., Ltd. (大業信託責任有限公司) ("**Daye Trust**"), an Independent Third Party and a trust financing service provider, which entered into a trust financing arrangement with Zhangzhou Tangsheng, at a consideration of RMB21.0 million, which was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Tangsheng at the time of the transfer. Upon completion of such transfer, Zhangzhou Tangsheng was held as to 30% by Xiamen Datang and 70% by Daye Trust.

On September 15, 2017, upon partial repayment of the loan under such financing arrangement, Daye Trust re-transferred its 21% equity interest in Zhangzhou Tangsheng back to Xiamen Datang pursuant to the financing arrangement at a consideration of RMB6.3 million, which was equivalent to the consideration paid by Daye Trust when such equity interest was transferred to the trust financing provider as security. On January 22, 2019, upon full repayment of the remaining loan under such financing arrangement, Daye Trust re-transferred the remaining 49% equity interest in Zhangzhou Tangsheng back to Xiamen Datang pursuant to the financing arrangement at a consideration of RMB14.7 million, which was equivalent to the consideration paid by Daye Trust when such equity interest was transferred to the trust financing provider as security. Upon completion of such transfers, Zhangzhou Tangsheng became wholly owned by Xiamen Datang.

Zhangzhou Tangsheng is the project company for the development of Mingmen Impression (名門印象).

REORGANIZATION

The following chart sets out our simplified shareholding structure before the Reorganization:



Notes:

(1) Gold Faith was only beneficially interested in the Gold Faith Interest. See "— History and Development — Early history" above for details.

(2) The total assets, profits and revenue of all of these other operating subsidiaries were less than 10% of the total assets, profits and revenue of our Group for each of the years ended December 31, 2017, 2018 and 2019, or less than 5% of the total assets, profits and revenue of our Group for the year ended December 31, 2019 (or if less, the period since the establishment of the subsidiary).

In preparation for the Listing, the following Reorganization steps were implemented to establish our Group:

1. Acquisition of Teyigou (Fujian) Industrial Co., Ltd. (特意購(福建)實業有限公司) ("Teyigou")

Teyigou was established in the PRC on January 16, 2009 as a limited liability company with an initial registered capital of US$98.0 million which was owned as to 50% by Good First HK, our Controlling Shareholder, and 50% by Ting Cao (C.I.) Holding Corp., an Independent Third Party, prior to the acquisition. As Teyigou is principally engaged in the development and operation of commercial properties in Fujian Province, for the purpose of elimination of potential competition with our Controlling Shareholders, on September 30, 2018, Xiamen Datang acquired the 50% of the equity interest held by Good First HK in Teyigou for a consideration of approximately RMB189.3 million. The consideration was determined after arm's length negotiation with reference to a valuation of Teyigou conducted by an Independent Third Party valuer and was fully settled in cash on June 21, 2019. Upon completion of such transfer, Teyigou became indirectly owned as to 50% by our Group and became a joint venture of our Group.

2. Incorporation of our Company

On December 14, 2018, our Company was incorporated in the Cayman Islands as an exempted company with limited liability. As of the date of incorporation, the authorized share capital of our Company was US$50,000 divided into 50,000 ordinary shares of US$1.00 each, among which one fully-paid Share was issued and allotted to the initial subscriber, which is an Independent Third Party at par and such Share was transferred to Dynasty Cook at par on the same day. On April 30, 2019, one Share was issued and allotted to Dynasty Cook, the details of which are set out in "— Reorganization — 4. Transfer of Xiamen Datang and incorporation of Xiamen Tangjia" below for more details.

Pursuant to the written resolutions passed by our directors and sole shareholder on November 5, 2019, respectively, the authorized share capital of our Company was US$50,000 divided into 5,000,000 Shares with a par value of US$0.01 each. Upon completion of such subdivision, 200 Shares were issued and allotted to Dynasty Cook and our Company remained directly wholly owned by Dynasty Cook. On the same date, additional 727,073 Shares were issued and allotted to Dynasty Cook at par, taking into account that Dynasty Cook has injected a total of approximately RMB297.9 million to our Group between November 2018 and June 2019.

On November 5, 2019, 50,606 Shares were issued and allotted to Fujia at a consideration of US$13,404,500, which was determined after arm's length negotiation with reference to the valuation of Xiamen Datang as of December 31, 2017. Shares held by Fujia may be used for share incentive plan(s) in the future.

3. Incorporation of offshore subsidiaries

Datang Investment was incorporated in Hong Kong as a limited liability company on January 30, 2019. On the same date, one ordinary share of Datang Investment was issued and allotted to our Company at a subscription price of HK$1.00. Upon completion of such issue and allotment, Datang Investment became directly wholly owned by our Company.

Dynasty Management was incorporated in the BVI as a limited liability company on June 19, 2019. Dynasty Management was authorized to issue up to a maximum of 100 ordinary shares of a single class without par value and 100 ordinary shares were issued and allotted to our Company at a consideration of US$100. Upon completion of such issue and allotment, Dynasty Management became directly wholly owned by our Company.

Dynasty Development was incorporated in Hong Kong as a limited liability company on June 27, 2019. On the same date, 100 ordinary shares were issued and allotted to Dynasty Management at a subscription price of HK$100. Upon completion of such issue and allotment, Dynasty Development was wholly owned by Dynasty Management.

4. Transfer of Xiamen Datang and incorporation of Xiamen Tangjia

On April 24, 2019, our Company acquired the entire equity interest in Xiamen Datang from Dynasty Cook. In consideration of the acquisition, one Share was issued and allotted to Dynasty Cook on April 30, 2019. Upon completion of such transfer, Xiamen Datang became directly wholly-owned by our Company.

On May 13, 2019, Datang Investment acquired the entire equity interest in Xiamen Datang from our Company. In consideration of the acquisition, 10 shares of Datang Investment were issued and allotted to our Company on June 11, 2019. Upon completion of such transfer, Xiamen Datang became directly wholly owned by Datang Investment.

On May 9, 2019, Xiamen Tangjia was established in the PRC as a wholly-foreign owned enterprise with a registered capital of US$1.0 million, which was wholly owned by Datang Investment. On July 31, 2019, Datang Investment transferred its entire equity interest in Xiamen Tangjia to Dynasty Development at nil consideration. The consideration was determined after arm's length negotiation as the registered capital of Xiamen Tangjia has not been paid up at the time of transfer. Upon completion of the equity transfer, Xiamen Tangjia became directly wholly owned by Dynasty Development.

On October 23, 2019, Xiamen Tangjia agreed to contribute approximately US$254.6 million, of which US$75,561,800 as an increase in the registered capital of Xiamen Datang, and US$179,035,100 to be credited as capital reserve. Such contribution will be paid up pursuant to the articles of association of Xiamen Datang, and Xiamen Datang became owned as to approximately 40.3% by Xiamen Tangjia and 59.7% by Datang Investment.

5. Adoption of Share Incentive Scheme

In November 2018, Dynasty Cook decided to inject more capital in Xiamen Datang to reduce its debt asset ratio for the benefit of its future development. At the same time, Ms. Wong decided to grant the shares under the share incentive scheme adopted in January 2018 (as amended and supplemented in February 2018) to the Management Shareholders (as defined below) in order to retain talent, promote the long-term sustainable development of our Group and achieve mutual gain for our Company, employees and Shareholders. On December 1, 2018, Dynasty Cook issued and allotted 7,000 shares to MeiDi at a consideration of RMB196.7 million and 2,000 shares to Tangjia at a consideration of RMB56.2 million. On the same date, Dynasty Cook issued and allotted 14,000 shares to Good First HK at a consideration of RMB393.4 million. Upon completion of such issue and allotment, Dynasty Cook became owned as to approximately 30.30% by Dynasty Cayman, 21.21% by MeiDi, 6.06% by Tangjia and 42.42% by Good First HK.

Pursuant to the supplemental agreement to the share incentive scheme executed in February 2018, the Management Shareholders (as defined below) agreed that the valuation basis for the share incentive scheme would be the valuation of the total of (i) the valuation of Xiamen Datang, and (ii) the net asset and liabilities of the holding company in which the Management Shareholders (as defined below) would hold shares in. As such, the consideration was determined after arm's length negotiation with reference to the post-money valuation of Dynasty Cook (being the holding company in which the Management Shareholders would hold shares in) taking into account (a) the planned capital injection to be contributed by Good First HK, MeiDi and Tangjia; and (b) the pre-money valuation of Dynasty Cook as of December 31, 2017 of approximately RMB281.0 million by an Independent Third Party valuer, which had taken into account of (i) the valuation of Xiamen Datang, one of the then subsidiaries of Dynasty Cook, as of December 31, 2017; and (ii) the valuation of other assets and liabilities held by Dynasty Cook as of December 31, 2017, which was valued by an Independent Third Party valuer using the same method as the valuation of Dynasty Cook (i.e., the cost approach and income approach).

The other assets and liabilities held by Dynasty Cook included the equity interests in four property development companies held by Dynasty Cook and certain payables to Good First HK. All of the property development projects held by the four property development companies have been completed and delivered prior to January 1, 2017. As such, these companies were not included in the listing group. Certain payables to Good First HK were mainly financial costs calculated and agreed between Good First HK and Dynasty Cook based on the Good First Support (as defined below) and were arrangements among the Shareholders of our Group. Since the completion of the 70% Acquisition in 2010, Good First HK, a company indirectly wholly owned by Ms. Wong, and its related parties have (i) provided substantial amount of net advances to Dynasty Cook and its subsidiaries (the "**Net Advances**"); and (ii) granted guarantees in favor of financial institutions as security of loans to Dynasty Cook and its subsidiaries (the "**Guarantees**", together with the Net Advances, the "**Good First Support**") from time to time. Pursuant to an agreement between Dynasty Cook and Good First HK dated December 31, 2017, in consideration of the Good First Support provided upon the completion of the 70% Acquisition in 2010 and up to December 31, 2017, Dynasty Cook agreed to pay a total of approximately RMB840.0 million to Good First HK (the "**Dynasty Cook Payables**"), which was agreed to be waived by Good First HK if Dynasty Cook becomes wholly owned by Ms. Wong. Such Dynasty Cook Payables were derived primarily from the accrued financial expenses (the "**Financial Costs**") comprising (i) interest for the Net Advances, and (ii) annual guarantee fees, both of which are comparable to market rate. Following the acquisition of the 30% of the issued share capital of Dynasty Cayman from Gold Faith in September 2019, Dynasty Cook became indirectly wholly-owned by Ms. Wong and as such, the Dynasty Cook Payables were waived by a waiver letter issued by Good First HK on September 30, 2019 and the Dynasty Cook Payables have never been paid by Dynasty Cook to Good First HK in this regard.

At the time of the above issue and allotment, the Reorganization plan has not been finalized and the listing vehicle has yet to be determined. As such, it was agreed among Dynasty Cook, MeiDi and Tangjia that the respective consideration for the above issue and allotment would be paid after the listing vehicle has been confirmed or incorporated to facilitate the administrative arrangement and fund flow. Neither MeiDi nor Tangjia derived any economic benefits from or exercised any rights (save as in relation to passing a special resolution to repurchase shares of Dynasty Cook, details of which are further set out below in this section) in relation to the holding of the shares of Dynasty Cook during the interim period before MeiDi and Tangjia became our direct Shareholders. For the benefits of the future development of Xiamen Datang, Dynasty Cook injected capital to Xiamen Datang in batches from November 2018 to June 2019.

MeiDi was incorporated in the BVI on April 20, 2018 as a special purpose vehicle to hold the shares of Dynasty Cook awarded to Mr. Wu Di (吳迪), our executive Director. As of the date of incorporation, 100 shares of MeiDi were issued and allotted to Mr. Wu and MeiDi was wholly owned by Mr. Wu. Mr. Wu was awarded the shares in Dynasty Cook in recognition of (i) the importance of his position as the chairman of the Board of Xiamen Datang; and (ii) his valuable and long-term contribution to our Group, especially his leadership in the expansion of our property development business.

Tangjia was incorporated in the BVI on April 23, 2018 as a special purpose vehicle to hold the shares of Dynasty Cook awarded to a group of our Directors and senior management. As of the date of incorporation, Ms. Zhang Jianhua (張建華), our executive Director held 92 shares, representing 92% of the issued share capital of Tangjia, and each of the eight selected directors and senior management of our Group, including Mr. Hao Shengchun and Mr. Tang Guozhong, who are our executive Directors held one share, representing 1% of the issued share capital of Tangjia.

At the time of the incorporation of Tangjia, the grantees under the share incentive scheme were not yet fully confirmed. As such, it was agreed that in addition to the one share of Tangjia held for herself, Ms. Zhang Jianhua, as a representative of the directors and senior management, would initially hold another 91 shares of Tangjia for future incentive purpose. Subsequent to the incorporation of our Company and Ms. Wong's decision to directly hold the shares for future incentive purpose through Fujia, the shares of Tangjia held by each of the selected director and senior management were reallocated and Ms. Zhang Jianhua transferred the respective shares to each of the selected directors and senior management pursuant to a supplemental agreement entered into in October 2019. The following table sets forth the details of the share transfers among Ms. Zhang Jianhua and the other selected directors and senior management:

Transferor	Number of shares transferred	Percentage of transferred shares	Transferee	Consideration(Note 1)	Basis of consideration	Date of Transfer
Chen Yongning(Note 2) . . .	1	1%	Zhang Jianhua	US$1	Par value of the share of Tangjia	October 15, 2019
Zhang Jianhua	19	19%	Hao Shengchun	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	9	9%	Tang Guozhong	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	9	9%	Lin Ruiyan	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	9	9%	Wang Xuting	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	9	9%	Ng Yan	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	9	9%	Mi Yuanyuan	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	9	9%	Liu Weiping	US$1	Nominal consideration	October 29, 2019
Zhang Jianhua	10	10%	Zhang Huojin	US$1	Nominal consideration	October 29, 2019

Notes:

(1) Each of the considerations has been fully settled.

(2) Chen Yongning returned the share of Dynasty Cook granted to him as he ceased to be an employee of our Group.

Subsequent to the above share transfers, Tangjia became owned as to 20% by Mr. Hao Shengchun, 10% by each of Mr. Tang Guozhong, Ms. Zhang Jianhua and six of the senior management of our Group on October 29, 2019. All the shareholders of Tangjia and Mr. Wu Di are our management shareholders (the "**Management Shareholders**").

Upon the incorporation of our Company, with a view to enabling MeiDi and Tangjia to hold the interests in our Group through their direct shareholding in our Company, on October 22, 2019, Dynasty Cook repurchased its 7,000 shares and 2,000 shares from MeiDi and Tangjia, respectively at a consideration of US$1 as the subscription price of the shares held by MeiDi or Tangjia were not paid up. The repurchased shares have been subsequently canceled. Upon completion of the such repurchase and cancelation, Dynasty Cook became owned as to approximately 58.33% by Good First HK and 41.67% by Dynasty Cayman. As the Reorganization plan (including the selection of the listing vehicle) was only finalized in September 2019, the cancellation of Dynasty Cook's shares and the settlement of the considerations were only completed in October 2019.

Upon confirmation of our Company as the listing vehicle and taken into account the group structure upon completion of the Reorganization, pursuant to a supplemental agreement to the share incentive scheme executed in October 2019, the Management Shareholders agreed that the consideration basis for the issue and allotment of the Shares to them would be the valuation of Xiamen Datang plus the net asset and liabilities of our Company (instead of Dynasty Cook). On November 5, 2019, 212,121 Shares and 10,000 Shares were issued and allotted by our Company to each of MeiDi and Tangjia, respectively, at a consideration of US$56,186,700 and US$2,648,800, respectively.*(Note 1)* Such consideration was determined after arm's length negotiation with reference to the post-money valuation of our Company taking into account (i) the valuation of Xiamen Datang as of December 31, 2017 of approximately RMB1,105.7 million by an Independent Third Party valuer, through which we carry out our property development business in the PRC; and (ii) the net asset of our Company (having taken into account the capital injection by Dynasty Cook between November 2018 and June 2019 and the planned capital injection to be contributed by MeiDi, Tangjia and Fujia). Upon completion of such issue and allotment, our Company became owned as to approximately 72.73% by Dynasty Cook, 21.21% by MeiDi, 1.00% by Tangjia and 5.06% by Fujia. The Shares held by Mr. Wu Di through MeiDi will be subject to lock-up for a period of six months after Listing. Unless approved by our Company, the respective shares held by the Management Shareholders in our Company through MeiDi and Tangjia (as the case may be) are not allowed to be transferred or pledged for a period of four years after the date of issue (the "**Restricted Period**"). If any of the Management Shareholders ceases to be an employee of our Group within the Restricted Period, the shares held by such individual in MeiDi or Tangjia shall be returned to a person designated by Tangjia at the original subscription price, unless waived by our Board. Our Directors confirmed that as of the date of this Prospectus, there has not been any disputes among our Group and the Management Shareholders in relation to the share incentive scheme, and the Management Shareholders confirmed that there will not be any potential disputes among our Group and themselves.

Our PRC Legal Advisors have confirmed that all the equity transfers and capital increase in respect of the PRC subsidiaries of our Company as described above were properly and legally completed and all necessary approvals and registrations from the relevant PRC authorities have been obtained and completed.

MAJOR DISPOSALS

1. Disposal of Guangxi Fuxin

Guangxi Fuxin was established in the PRC on January 6, 2014 as a limited liability company, and was wholly owned by Xiamen Datang prior to the disposal. With a view to acquiring the remaining

Note:

(1) Part of the considerations paid by MeiDi and all of the considerations paid by Tangjia were lent by Good First HK, one of our Controlling Shareholders, on normal commercial terms at an interest rate of 8% per annum. The amount borrowed by MeiDi will be repaid to Good First HK in three installments by the end of August 2021, and the first installment was paid on January 22, 2020 and February 4, 2020, respectively. The amount borrowed by Tangjia will be repaid to Good First HK by October 2023.

office units developed by Guangxi Fuxin as its headquarters, Guangxi Road and Bridge Engineering Group Co., Ltd (廣西路橋工程集團有限公司) ("**Guangxi R&B**") entered into an equity transfer agreement with Xiamen Datang and Guangxi Fuxin on June 13, 2018, pursuant to which Xiamen Datang disposed of its entire equity interests in Guangxi Fuxin to Guangxi R&B at a consideration of approximately RMB360.8 million. Such consideration was determined after arm's length negotiation with reference to the value of the properties held by Guangxi Fuxin at the time of such transfer and was fully settled in cash on September 18, 2019. Guangxi R&B is an Independent Third Party and is ultimately wholly owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region (廣西壯族自治區人民政府國有資產監督管理委員會). Save as aforementioned, neither Guangxi R&B nor the State-owned Assets Supervision and Administration Commission of the People's Government of Guangxi Zhuang Autonomous Region has any past or present relationship with our Group or its subsidiaries, their directors, senior management, shareholders or their respective associates. Upon completion of such transfer, Guangxi Fuxin ceased to be a subsidiary of our Company and our Company is no longer interested in Guangxi Fuxin.

2. Disposal of Nanchang Datang Real Estate Co., Ltd. (南昌大唐房地產有限公司) ("Nanchang Datang"), Nanchang Tangmen Real Estate Co., Ltd. (南昌唐門房地產有限公司) ("Nanchang Tangmen") and Yingtan Datang Real Estate Co., Ltd. (鷹潭大唐房地產有限公司) ("Yingtan Datang")

Nanchang Datang was established in the PRC on July 19, 2012 as a limited liability company, and was owned as to 70% by Xiamen Datang and 30% by Xiamen Senboda Investment Consulting Co., Ltd. (廈門森博達投資顧問有限公司) ("**Xiamen Senboda**"), a company ultimately owned by Ms. Li Rong (李蓉), prior to the disposal. Nanchang Tangmen was established in the PRC on February 6, 2013 as a limited liability company, and was owned as to 70% by Xiamen Datang and 30% by Xiamen Senboda prior to the disposal. Yingtan Datang was established in the PRC on November 15, 2013 as a limited liability company, and was owned as to 56% by Xiamen Datang, 33.5% by Xiamen Senboda and 10.5% by Chongqing Yafeng Electrical Co., Ltd. (重慶雅豐電器有限公司) ("**Chongqing Yafeng**"). All of Nanchang Datang, Nanchang Tangmen and Yingtan Datang were established for the purpose of property development in Jiangxi Province. Given that Jiangxi Province will no longer be our Group's current development focus, pursuant to an equity transfer agreement entered into between Xiamen Datang, Jiangxi Huixin Real Estate Co., Ltd. (江西匯信房地產有限公司) ("**Jiangxi Huixin**"), a company ultimately owned by Ms. Li Rong (李蓉), and Xiamen Senboda dated January 9, 2018, Xiamen Datang disposed of its respective equity interests in Nanchang Datang, Nanchang Tangmen and Yingtan Datang to Jiangxi Huixin and Xiamen Senboda, respectively, at a total consideration of RMB102.6 million. The consideration was determined after arm's length negotiation with reference to the valuation conducted by an Independent Third Party valuer as of February 28, 2018, and was fully settled. Each of Ms. Li Rong (李蓉), Chongqing Yafeng, Jiangxi Huixin and Xiamen Senboda is an Independent Third Party save for their respective interests in Nanchang Datang, Nanchang Tangmen and Yingtan Datang. Save as aforementioned, none of Ms. Li Rong, Chongqing Yafeng, Jiangxi Huixin or Xiamen Senboda has any past or present relationship with our Group or its subsidiaries, their directors, senior management, shareholders or their respective associates. Upon completion of such transfers, each of Nanchang Datang, Nanchang Tangmen and Yingtan Datang ceased to be a subsidiary of our Company and our Company is no longer interested in such Companies.

3. Disposal of Shaanxi Datang Real Estate Co., Ltd. (陝西大唐房地產有限公司) ("Shaanxi Datang")

Shaanxi Datang was established in the PRC on April 2, 2002 as a limited liability company for the purpose of property development and was owned as to 70% by Xiamen Datang and 30% by Dynasty Cook prior to the disposal. Given that all the properties developed by Shaanxi Datang have been completed and delivered to the property owners and Shaanxi Datang has no active business operation since May 2015, on September 3, 2019, Xiamen Datang transferred its 70% equity interest in Shaanxi Datang to Xiamen Gefusite Real Estate Co., Ltd. (廈門歌福斯特地產有限公司) ("**Xiamen Gefusite**") at a consideration of approximately RMB36.4 million. The consideration was determined after arm's length negotiation with reference to the net asset value of Shaanxi Datang of approximately RMB36.4 million as of August 31, 2019 and was settled in cash on September 27, 2019. Xiamen Gefusite is ultimately owned as to 82% by Mr. Wu Di, our executive Director, and 18% by Mr. Xiao Shan (肖善), Mr. Qiu Guolong (邱國龍) and Lhasa Economic and Technology Development Zone Xinxin Hehe Investment Enterprise (Limited Partnership) (拉薩經濟技術開發區信新和合投資企業(有限合夥)), all being Independent Third Parties. Save for Mr. Qiu Guolong being a director of Fuxin Group, none of Mr. Xiao Shan, Mr. Qiu Guolong and Lhasa Economic and Technology Development Zone Xinxin Hehe Investment Enterprise (Limited Partnership) has any past or present relationship with our Group or its subsidiaries, their directors, senior management, shareholders or their respective associates. Upon completion of such transfer, Shaanxi Datang ceased to be a subsidiary of our Company and our Company is no longer interested in Shaanxi Datang.

As confirmed by our Directors, each of the disposed companies had complied with the 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 its disposal. As confirmed by our PRC Legal Advisors, (i) the relevant SAIC procedures and steps involved in the aforesaid disposals had been properly and legally completed; and (ii) each of the disposed companies did not have any material non-compliance with the relevant and applicable PRC laws and regulations.

MATERIAL ACQUISITIONS BEFORE AND DURING THE TRACK RECORD PERIOD

Before and during the Track Record Period, our Group has acquired the equity interests of the following companies for the purpose of expanding our business:

Name of target company	Date of acquisition	Subject matter	Transferors	Transferees	Consideration of the equity transfer	Basis of considerations	Financing method for settling the considerations	Settlement date	Property projects under development/ land held as of the acquisition date
Before the Track Record Period									
Tianjin Xinghuafu	December 24, 2015	100% equity interest	Shanghai Zhongxing*(Note 2)* and China Enterprise*(Note 2)*	Tianjin Datang	RMB1,070.9 million	Net asset value of Tianjin Xinghuafu as of July 31, 2015	RMB930 million settled by loan provided by an asset management service provider and RMB140.9 million settled by internal resources	November 15, 2016	Nil*(Note 13)*
Guangxi Xindi	October 23, 2013	100% equity interest	Xiamen Xindi*(Note 3)*	Xiamen Datang	RMB50.0 million	Registered capital of Guangxi Xindi	Internal resources	December 31, 2013	Nil*(Note 14)*
Zhangzhou Xindi	January 11, 2013	90% equity interest	Xiamen Xindi*(Note 3)* and Xiamen Fuxin*(Note 3)*	Xiamen Datang	RMB9.0 million	Registered capital of Zhangzhou Xindi	Internal resources	January 31, 2013	Nil*(Note 15)*
	December 30, 2015	10% equity interest	Xiamen Xindi	Xiamen Datang	RMB1.0 million	Registered capital of Zhangzhou Xindi	Internal resources	December 31, 2015	

Name of target company	Date of acquisition	Subject matter	Transferors	Transferees	Consideration of the equity transfer	Basis of considerations	Financing method for settling the considerations	Settlement date	Property projects under development/ land held as of the acquisition date
Zhangzhou Datang(Note 1)	September 29, 2012	21% equity interest	Zhangzhou Xindi(Note 3)	Xiamen Datang	RMB2.1 million	Registered capital of Zhangzhou Datang	Internal resources	November 30, 2012	Nil(Note 16)
	January 14, 2013	10% equity interest	Zhangzhou Xindi(Note 3)	Xiamen Xindi	RMB1.0 million	Registered capital of Zhangzhou Datang	Internal resources	June 28, 2013	
		39% equity interest		Xiamen Datang	RMB3.9 million	Registered capital of Zhangzhou Datang	Internal resources	January 31, 2013	
	January 29, 2016	10% equity interest	Xiamen Xindi(Note 3)	Xiamen Datang	RMB5.0 million	Registered capital of Zhangzhou Datang	Internal resources	March 31, 2016	
Xiamen Dazu Real Estate Development Co., Ltd. (廈門市大族房地產開發有限責任公司) ("**Xiamen Dazu**")	June 21, 2016	100% equity interest	Dazu Holdings Group Co., Ltd. (大族控股集團有限公司) ("**Dazu Holdings**")(Note 2) and Gao Yunfeng (高雲峰)(Note 2)	Xiamen Datang	RMB220.0 million	Asset and financial position of Xiamen Dazu as of March 31, 2016	Internal resources	March 22, 2017	Tong'an Shuiyunjian (同安·水雲間)(Note 9)
Xiamen Jingding Sports Culture Development Co., Ltd. (廈門京鼎體育文化發展有限公司) ("**Xiamen Jingding**")	June 3, 2016	100% equity interest	Elite Group (H.K.) Limited (香港京鼎集團有限公司) ("**Elite Group**")(Note 2)	Xiamen Datang	RMB310.8 million	Asset and financial position of Xiamen Jingding as of February 29, 2016	Internal resources	September 12, 2016	Xiamen Dynasty Center (廈門大唐中心) Phases 1 to 5 (Note 10)
Tianjin Haihui(Note 11)	December 19, 2016	100% equity interest(Note 4)	Qingdao Haier(Note 2)	Xiamen Datang	RMB2,170 million	Asset and financial position of Tianjin Haihui as of November 14, 2016	RMB1,200 million settled by bank loan obtained by the Group and RMB970 million settled by internal resources	August 8, 2017	Guanya Garden (觀雅庭院), Tangsheng Yayuan (唐晟雅苑) and Tangyun Yayuan (唐韻雅苑)(Note 9)
During the Track Record Period									
Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司) ("**Hunan Xingrong**")	January 10, 2018	100% equity interest(Note 5)	Qingdao Haier	Xiamen Datang	RMB1,920.0 million	Asset and financial position of Hunan Xingrong as of April 30, 2017	RMB1,152 million settled by bank loan obtained by the Group and RMB768 million settled by internal resources	January 22, 2019	Changsha Dynasty Impression — Yufu (長沙大唐印象•御府), Changsha Dynasty Impression — Yuxi (長沙大唐印象•御璽), Changsha Dynasty Impression — Yuyuan (長沙大唐印象•御園)(Note 9) and Changsha Repulse Bay (長沙淺水灣)
Guangxi Sanmenjiang Real Estate Investment Co., Ltd.(廣西三門江置業投資有限公司) ("**Guangxi Sanmenjiang**")	August 23, 2019 and August 26, 2019	40% equity interest and 11% equity interest(Note 6)	Guangxi Zhuang Autonomous Region State-owned Sanmenjiang Forest Farm (廣西壯族自治區國有三門江林場) (**"Sanmenjiang Forest Farm"**)(Note 2) and Guangxi Yuhe Investment Co., Ltd. (廣西宇和投資有限公司) (**"Guangxi Yuhe"**)(Note 2)	Guangxi Tangrun Investment Co., Ltd. (廣西唐潤投資有限公司) ("**Guangxi Tangrun**")	RMB395.12 million(Note 12)	Asset and financial position of Guangxi Sanmenjiang as of July 31, 2018	Internal resources	June 30, 2020	Liuzhou Dynasty Residence (柳州大唐觀邸)(Note 9)
Shenzhen Tanghui Investment Holding Limited (深圳市唐匯投資控股有限公司) ("**Shenzhen Tanghui**")	November 21, 2019	30% equity interest(Note 8)	Xizang Pengli Enterprises Management Services Co., Ltd. (西藏鵬力企業管理服務有限公司) (**"Xizang Pengli"**)(Note 2)	Xiamen Tangpeng Enterprises Management Services Co., Ltd. (廈門唐鵬企業管理服務有限公司) ("**Xiamen Tangpeng**")	RMB198.9 million	30% of the total liabilities of Shenzhen Tanghui(Note 7)	Internal resources	November 21, 2019	Nil(Note 17)

Notes:

1. Zhangzhou Datang was owned as to 30% by Xiamen Datang as of the date of its establishment, and became our subsidiary upon the completion of the transfer of its 21% interest.

2. Save for Elite Group (which was indirectly owned as to 45.23% by Mr. Wu Di, our executive Director, at the time of acquisition), Xizang Pengli (which is a shareholder of Xiamen Tangpeng as to 49%), none of Shanghai Zhongxing, China Enterprise, Dazu Holdings, Gao Yunfeng, Qingdao Haier, Sanmenjiang Forest Farm and Guangxi Yuhe (and their ultimate beneficial owners, where applicable) have any past or present relationship with our Group and its subsidiaries, their directors, senior management, shareholders or their respective associates.
3. Each of Xiamen Xindi, Xiamen Fuxin and Zhangzhou Xindi is an associate of Ms. Wong.
4. The transfer of 100% equity interest was completed in two stages. The first stage of 60% equity interest was transferred on December 19, 2016 and the second stage of 40% equity interest was transferred on April 17, 2017.
5. The transfer of 100% equity interest was completed in three stages. The first stage of 30% equity interest and the second stage of 21% equity interest were transferred on October 19, 2017 and January 10, 2018, respectively. Upon completion of the second stage transfer, Hunan Xingrong became our subsidiary. The remaining 49% of the equity interest was transferred on December 4, 2018.
6. Guangxi Sanmenjiang was owned as to 51% by Guangxi Tangrun, our wholly-owned subsidiary, 40% by Guangxi Hesheng Investment Co., Ltd. (廣西禾生投資有限責任公司) ("**Guangxi Hesheng**") and 9% by Guangxi Yuhe. Guangxi Sanmenjiang became a joint venture of our Group upon completion of the transfers of its 40% and 11% interest. Each of Guangxi Hesheng and Guangxi Yuhe is an Independent Third Party.
7. Taking into account that the shareholders of Shenzhen Tanghui have paid a total of approximately RMB663.2 million to Shenzhen Tanghui as advances from shareholders according to their respective shareholding percentage, for the purpose of operation of an urban renewal project of Shenzhen Tanghui's non-wholly owned subsidiary Shenzhen Huiyin Real Estate Co., Ltd. (深圳市匯銀置業有限公司) ("**Shenzhen Huiyin**"), prior to the acquisition, Xiamen Tangpeng agreed to pay a total of approximately RMB198.9 million to Shenzhen Tanghui as advances from shareholder, which is equivalent to approximately 30% of the total advances from shareholders of Shenzhen Tanghui and was settled on November 14, 2019. All of the advances from shareholders has been utilized for the operation of urban renewal project of Shenzhen Huiyin.
8. Shenzhen Tanghui was owned as to 30% by Xiamen Tangpeng, 43.45% by Xizang Pengli, 21.57% by Shenzhen Huijin Property Co., Ltd. (深圳市滙金置地有限公司) ("**Shenzhen Huijin**") and 5% by Zhongyuan Xinchuang (Shenzhen) Technology Co., Ltd. (中源新創(深圳)科技有限公司) ("**Zhongyuan Xinchuang**") and became an associate of our Group upon completion of the transfer of its 30% interest. Each of Shenzhen Huijin and Zhongyuan Xinchuang is an Independent Third Party.
9. As of the date of the acquisition, the land parcels for Tong'an Shuiyunjian (同安 · 水雲間), Guanya Garden (觀雅庭院), Tangsheng Yayuan (唐晟雅苑), Tangyun Yayuan (唐韻雅苑), Changsha Dynasty Impression — Yufu (長沙大唐印象•御府), Changsha Dynasty Impression — Yuxi (長沙大唐印象•御璽), Changsha Dynasty Impression — Yuyuan (長沙大唐印象•御園) and Liuzhou Dynasty Residence (柳州大唐觀邸) were held by the relevant target companies for future development purpose.
10. As of the date of the acquisition, Phases 1, 2 and 3 of Xiamen Dynasty Center (廈門大唐中心) was completed, while the land parcels for Phases 4 and 5 were held by Xiamen Jingding for future development purpose.
11. Gelin Town (格林小鎮) was developed by Tianjin Haihui. As of the date of the acquisition, Gelin Town (格林小鎮) was completed but not fully sold out.
12. The consideration comprised of (i) approximately RMB386.5 million agreed to be paid by Guangxi Tangrun as advances from shareholders to Guangxi Sanmenjiang to be used for its project development taking into account that Guangxi Sanmenjiang had already paid a certain amount of land premium since 2012 and acquired the land in the same year; and (ii) approximately RMB8.62 million as cash consideration for the acquisition of 51% equity interests.
13. Tianjin Xinghuafu is the project company for the development of Tang Yayuan (唐雅苑), Bisong Garden (比松花園), and Tang Jinyuan (唐槿苑). As of the date of acquisition, Tianjin Xinhuafu had entered into land grant contracts for three land parcels in Tianjin with a total site area of approximately 246,158 sq.m. for the development of Tang Yayuan, Bisong Garden, and Tang Jinyuan, respectively. The total land premium for the three land parcels was RMB968.5 million and was fully paid up by Tianjin Xinghuafu as of the date of the acquisition. The consideration for the acquisition of Tianjin Xinghuafu was determined after arm's length negotiation with reference to the net asset value of Tianjin Xinghuafu as of July 31, 2015. As of the Latest Practicable Date, Tang Yayuan and Bisong Garden were completed while Tang Jinyuan was under development. See "Business — Description of Projects — Property projects developed by subsidiaries" for details.
14. Guangxi Xindi was acquired for the purpose of consolidation of the property development business of our Controlling Shareholders. As of the date of the acquisition, Guangxi Xindi had no business operations and did not hold any land parcels. The consideration for the acquisition of Guangxi Xindi was determined after arm's length negotiation with reference to the registered capital of Guangxi Xindi which was fully paid up as of the date of the acquisition. Guangxi Xindi acquired the land parcels for the development of Nanning Dynasty Tiancheng Phases I & II (南寧大唐天城一期及二期) after the acquisition. As of the Latest Practicable Date, Nanning Dynasty Tiancheng Phases I & II was completed. See "Business — Description of Projects — Property projects developed by subsidiaries" for details.
15. Zhangzhou Xindi was acquired for the purpose of consolidation of the property development business of our Controlling Shareholders. As of the date of the acquisition, Zhangzhou Xindi had no business operations and did not hold any land parcels. The consideration for the acquisition of Zhangzhou Xindi was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Xindi which was fully paid up as of the date of the acquisition. Zhangzhou Xindi acquired the land parcels for the development of Zhangzhou Dynasty Impression (漳州大唐印象) after the acquisition. As of the Latest Practicable Date, Zhangzhou Dynasty Impression was completed. See "Business — Description of Projects — Property projects developed by subsidiaries" for details.
16. Zhangzhou Datang is the project company for the development of Zhangzhou Dynasty Royalty (漳州大唐世家). As of the date of first acquisition on September 29, 2012, Zhangzhou Datang had entered into land grant contracts for land parcels in Zhangzhou, Fujian with a total site area of approximately 94,432 sq.m. for the development of Zhangzhou Dynasty Royalty. The land premium for the land parcels of approximately RMB170.0 million was fully paid up by Zhangzhou Datang as of the date of the first acquisition. The consideration for the acquisition of Zhangzhou Datang was determined after arm's length negotiation with reference to the registered capital of Zhangzhou Datang which was fully paid up as of the date of the acquisition. As of the Latest Practicable Date, Zhangzhou Dynasty Royalty was completed. See "Business — Description of Projects — Property projects developed by subsidiaries" for details.
17. The acquisition of the 30% of the equity interest in Shenzhen Tanghui was for the development of an urban renewal project in Shenzhen, Guangdong province through Shenzhen Huiyin. As of the date of the acquisition, Shenzhen Huiyin had filed the planning application for the urban renewal development project in Shenzhen and did not hold any land parcels. As of the Latest Practicable Date, the planning application was approved by the local government. It is expected that Shenzhen Huiyin will obtain the respective land parcels in the first quarter of 2021.

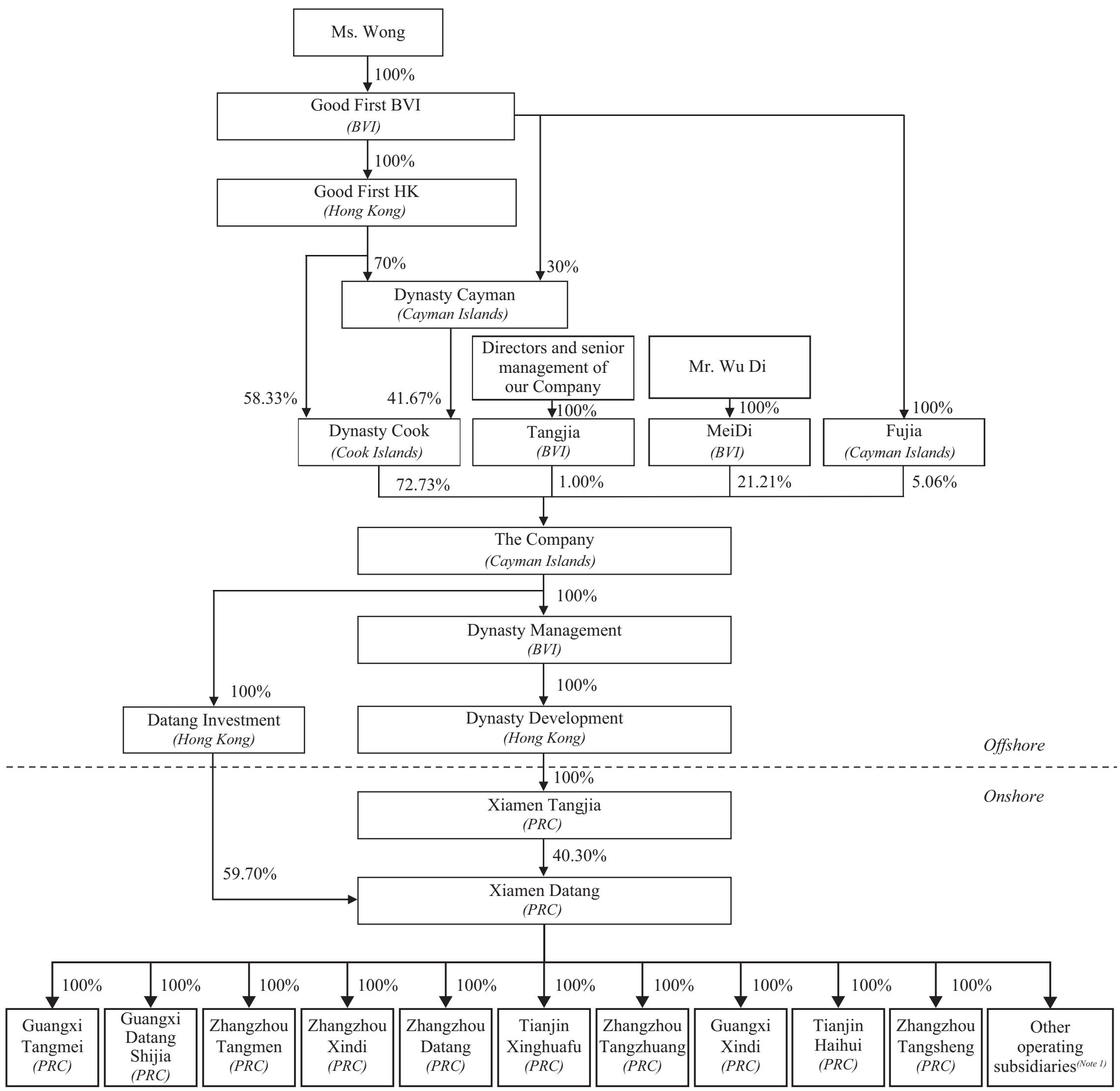
ACQUISITION AFTER THE TRACK RECORD PERIOD

Since the end of the Track Record Period, for the purpose of expanding its business, the Group has entered into an agreement to acquire the equity interest of a company. See "Waivers from Strict Compliance with the Listing Rules — Post-Track Record Period Acquisition" for more details.

The purpose of the Acquisition was to invest in a third-party property development project, so as to enable our Group to further develop property project and to broaden our revenue base.

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

The following chart sets out our simplified shareholding structure immediately following the completion of the Reorganization but immediately before the completion of the Capitalization Issue and the Global Offering:



Note:

(1) The total assets, profits and revenue of all of these other operating subsidiaries were less than 10% of the total assets, profits and revenue of our Group for each of the years ended December 31, 2017, 2018 and 2019, or less than 5% of the total assets, profits and revenue of our Group for the year ended December 31, 2019 (or if less, the period since the establishment of the subsidiary).

INCREASE OF AUTHORIZED SHARE CAPITAL

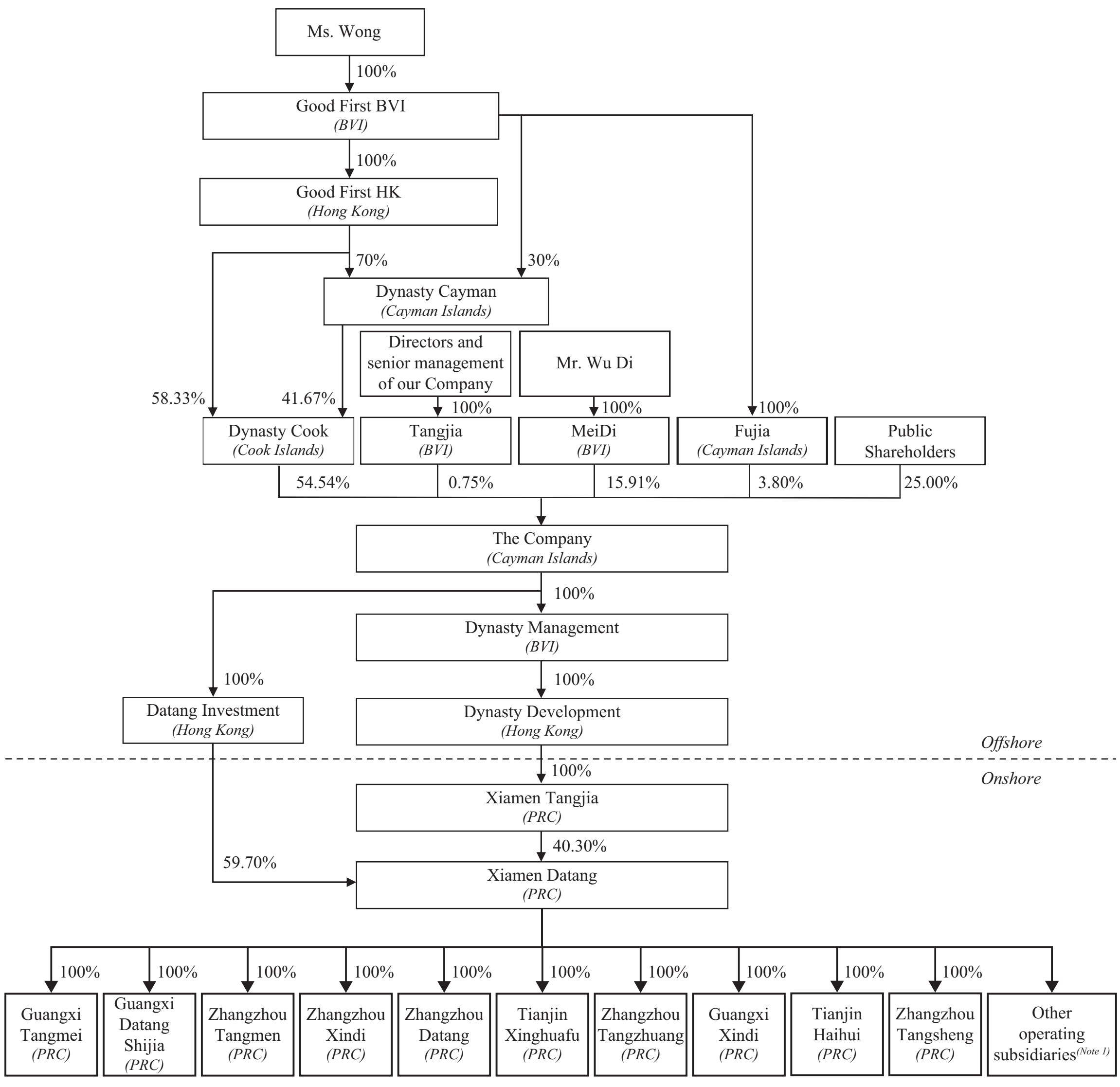
On November 20, 2020, our Company increased its authorized share capital to US$50,000,000 by the creation of 4,995,000,000 additional Shares of nominal value of US$0.01 each.

CAPITALIZATION ISSUE

Pursuant to the resolutions of our Shareholders passed on November 20, 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 US$9,990,000 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 999,000,000 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 UPON COMPLETION OF THE CAPITALIZATION ISSUE AND THE GLOBAL OFFERING

The following chart sets out our simplified shareholding structure immediately following the completion of the Reorganization, the Capitalization Issue and the Global Offering (assuming the Over-allotment Option and options which may be granted under the Share Option Scheme are not exercised) is set out as follows:



Note:

(1) The total assets, profits and revenue of all of these other operating subsidiaries were less than 10% of the total assets, profits and revenue of our Group for each of the years ended December 31, 2017, 2018 and 2019, or less than 5% of the total assets, profits and revenue of our Group for the year ended December 31, 2019 (or if less, the period since the establishment of the subsidiary).

PRC REGULATORY REQUIREMENTS

The Rules on the Mergers and Acquisitions of Domestic Enterprise by Foreign Investors in the PRC

According to the "Provisions Regarding 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**"), where a domestic company, enterprise or natural person intends to acquire its or his/her related domestic company in the name of an offshore company which it or he/she lawfully established or controls, the acquisition shall be subject to the examination and approval of the MOFCOM; and where a domestic company or natural person holds an equity interest in a domestic company through an offshore special purpose company by paying the acquisition price with equity interests, the overseas listing of that special purpose company shall be subject to approval by the CSRC. As advised by our PRC Legal Advisors, since Ms. Wong is a Hong Kong permanent resident but not a domestic natural person defined under the M&A Rules, Article 11 of the M&A Rules is not applicable to the acquisitions of Xiamen Datang by our Company and Datang Investment respectively.

SAFE Registration in the PRC

Pursuant to SAFE Circular No. 37 issued by SAFE on July 4, 2014, where the PRC individual residents conduct investment in offshore special purpose vehicles with their legitimate onshore and offshore assets or equities, they must register with local SAFE branches with respect to their investments. SAFE Circular No. 37 also requires the PRC residents to file changes to their registration where their offshore special purpose vehicles undergo material events such as the change of basic information including PRC residence, name and operation period, as well as capital increase or decrease, share transfer or exchange, merger or division.

As advised by our PRC Legal Advisors, all of the applicable Management Shareholders had completed the foreign exchange registration procedure for domestic resident making overseas investment in October 2018, November 2018 and November 2019 respectively.

You should read this Prospectus in its entirety before you decide to invest in the Offer Shares, and not rely solely on key or summarized information. The financial information in this section has been extracted without material adjustment from "Appendix I — Accountant's Report." All market statistics quoted in this Prospectus, unless otherwise specified, are derived from an industry report issued by Jones Lang LaSalle. For the qualifications of Jones Lang LaSalle as well as details of the industry report, see "Industry Overview."

OVERVIEW

We are a property developer in China focusing on the development of residential and commercial properties in selected economic regions. We have expanded our business into mainly six economic regions in China, including the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region. We also hold leading market positions in certain local property markets. In 2020, we were ranked 88th among the Top 500 Real Estate Property Developers in China in terms of comprehensive strength(1) by China Real Estate Association and China Real Estate Appraisal Center(2). In 2018 and 2019, we were ranked first and third, respectively, among property developers in urban areas of Zhangzhou in terms of contracted sales amount(3) by the CRIC. In 2018 and 2019, we were one of the top three property developers in Nanning in terms of contracted sales amount(3) by the CRIC.

We are primarily engaged in the development of residential properties that target customers with a demand for their first homes or first or second home upgrades. We also develop commercial properties, including office buildings, hotels, shopping centers and others, which we believe will help diversify our source of income. We hold a portion of our commercial properties for long-term investment.

As of August 31, 2020, we had 105 property development projects developed by our subsidiaries, joint ventures and associates at various stages of development.

- As of August 31, 2020, we had 68 property development projects developed through our subsidiaries at various stages of development with an estimated total GFA of approximately 7.8 million sq.m., including (i) completed properties available for sale or lease with an aggregate GFA of approximately 1.0 million sq.m., (ii) properties under development with an aggregate GFA of approximately 4.9 million sq.m. and (iii) properties held for future development with an aggregate estimated GFA of approximately 1.9 million sq.m.; and

Notes:

(1) Comprehensive strength is assessed by China Real Estate Association and China Real Estate Appraisal Center using seven main factors, including operational scale, profitability, risk management, growth potential, operational performance, ability to innovate and social responsibility. Each of the main seven factors is evaluated from a number of aspects or based on a number of metrics, such as total assets and total GFA sold.

(2) China Real Estate Appraisal Center is jointly set up by China Real Estate and Housing Research Association, China Enterprises Evaluation Association, the Real Estate Research and Appraisal Center of Peking University, Shanghai E-House Real Estate Research Institute and Sina Technology China Co., Ltd.

(3) The contracted sales amount used by the CRIC's ranking assessment for Nanning was calculated on a pro rata basis of our share of equity in the projects that we participate in, while the contracted sales amount for Zhangzhou was calculated on the basis that we held the entire equity interest in all of the property projects we operate, irrespective of whether we owned the entire property interest or a portion thereof through joint ventures or associates.

- As of August 31, 2020, the property projects developed by our joint ventures and associates had an estimated total GFA attributable to us of approximately 3.4 million sq.m., including (i) completed properties available for sale or lease with an aggregate GFA attributable to us of approximately 29,258 sq.m., (ii) properties under development with an aggregate GFA attributable to us of approximately 2.3 million sq.m. and (iii) properties held for future development with an aggregate estimated GFA attributable to us of approximately 1.1 million sq.m.

We mainly attribute our success to our distinctive property designs, standardized property development process, multiple land acquisition methods and prudent financial policies, all of which enable us to replicate our success as we expand in the PRC market and increase our brand value. Our three residential property series, namely, the Youth Series (大唐果系), Royalty Series (世家系) and Impression Series (印象系), are targeted at the first-time home buyers, the first-time home upgraders and the second-time home upgraders, respectively. Each series has its own positioning and can be tailored for local customers based on specific needs. Depending on the customer preference and architectural history of the local market, we also select and infuse different Chinese design elements into the design of our properties. We have received numerous awards and recognitions for our property designs. Our Dynasty Zhenguan (大唐臻觀) received the recognition of "Best Condo Interior Design" from Property Guru in 2018. In 2017, our Tong'an Shuiyunjian (同安·水雲間) in Xiamen received the "Oscar Comfortable Living Award for Residential Properties in Xiamen" from Xiamen Press Media Group, Xiamen Cultural and Broadcast Media Group and Xiamen Evening News.

Our revenue grew at a CAGR of approximately 42.0% from RMB4,019.3 million for 2017 to RMB8,108.0 million for 2019. Our revenue amounted to RMB2,526.1 million for the first half of 2019 and RMB1,785.4 million for the first half of 2020. Our net profit grew at a CAGR of 23.2% from approximately from RMB413.2 million for 2017 to RMB627.4 million for 2019. Our net profit amounted to RMB369.4 million for the first half of 2019 and RMB90.0 million for the first half of 2020.

OUR BUSINESS STRENGTHS

We believe that the following competitive strengths have enabled and will continue to enable us to take advantage of the growth potential of and to compete effectively in the PRC real estate market.

A Property Developer with a Strong Presence in Selected Regions in China

We are a property developer in China focusing on developing residential and commercial properties in selected economic regions in the PRC. In 2020, we were ranked 88th among the Top 500 Real Estate Property Developers in China in terms of comprehensive strength by China Real Estate Association and China Real Estate Appraisal Center. We also hold leading market positions in certain local property markets. In 2018 and 2019, we were ranked first and third, respectively, among property developers in urban areas of Zhangzhou in terms of contracted sales amount by the CRIC. In 2018 and 2019, we were one of the top three property developers in Nanning in terms of contracted sales amount by the CRIC.

Leveraging our in-depth industry knowledge and experience and following our strategic national expansion, we have grown from a regional residential property developer in the Western

Taiwan Strait Economic Region to an established property developer with property projects in the six economic regions in China, including the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region as of August 31, 2020. We believe these six regions are among the most economically prosperous areas in China and expect each to further develop in the coming years. For each of the six economic regions:

- *Western Taiwan Strait Economic Region.* We focus on Xiamen, Zhangzhou, Quanzhou and Fuzhou as our core cities for development. As of August 31, 2020, we had 39 property projects developed by our subsidiaries and joint ventures and associates in various development stages in this region, with an aggregate GFA attributable to us of approximately 3.0 million sq.m. of our total land bank as of the same date.
- *Beibu Gulf Region and Neighboring Cities.* We focus on Nanning as a core city for development. As of August 31, 2020, we had 34 property projects developed by our subsidiaries and joint ventures and associates in various development stages in this region, with an aggregate GFA attributable to us of approximately 4.5 million sq.m. of our total land bank as of the same date.
- *Beijing-Tianjin-Hebei Region.* We focus on Tianjin as a core city for development. As of August 31, 2020, we had nine property projects developed by our subsidiaries and joint ventures and associates in various development stages in this region, with an aggregate GFA attributable to us of approximately 1.0 million sq.m. of our total land bank as of the same date.
- *Midstream Parts of Yangtze River Region.* We focus on Changsha as a core city for development. As of August 31, 2020, we had seven property projects developed by our subsidiaries and joint ventures and associates in various development stages in this region, with an aggregate GFA attributable to us of approximately 1.5 million sq.m. of our total land bank as of the same date.
- *Yangtze River Delta Region*. We focus on Nantong, Ningbo and Taizhou as our core cities for development. As of August 31, 2020, we had eight property projects developed by our subsidiaries and joint ventures and associates in various development stages in this region, with an aggregate GFA attributable to us of approximately 0.6 million sq.m. of our total land bank as of the same date.
- *Chengdu-Chongqing Region*. We focus on Chongqing as our core city for development. As of August 31, 2020, we had five property projects developed by our joint ventures and associates in various development stages in this region, with an aggregate GFA attributable to us of approximately 0.5 million sq.m. of our total land bank as of the same date.

As of August 31, 2020, we had a total GFA attributable to us of approximately 7.2 million sq.m. of properties under development and 3.0 million sq.m. GFA attributable to us of properties held for future development in the PRC. Our total revenue increased at a CAGR of approximately 42.0% from RMB4,019.3 million for 2017 to RMB8,108.0 million for 2019. Our revenue amounted to RMB2,526.1 million for the first half of 2019 and RMB1,785.4 million for the first half of 2020.

As a property developer in China with a strong presence in six economic regions in China focusing on providing products and services, we believe we are well-positioned to capture market opportunities in the regions and cities where we operate and will be able to continue to achieve success in the future.

Offering Customer-oriented Products with Distinctive Designs that Enhance the Value of Residential Properties under our "Datang" Brand

We emphasize our focuses on developing products that cater to the needs and preferences of our target customers, and designing properties that reflect our Chinese design philosophy for residential properties under the "Datang" brand. Our products are known in the market for being customer-oriented and exhibiting Chinese architectural design elements, which are often favored by our customers.

With respect to offering customer-oriented products, our strategy is to design and provide different product designs based on in-depth studies about the preferences and needs of our potential customers in local markets. We start to formulate our preliminary design plans for a property project when we begin to assess a land parcel for acquisition. Our design teams work with other teams such as land acquisition, sales and marketing to study the needs and tastes of the local market, before deciding on the type of products and designs to be offered. We have developed three main series of residential properties, including the Youth series (大唐果系), Royalty series (世家系) and Impression series (印象系), targeting first-time home buyers, the Royalty series and Impression series are generally offered to first-time home upgraders and second-time home upgraders, respectively. As each of the series has its own positioning and can be tailored for the local customers based on specific needs, we believe that this differential positioning strategy best leverages our property development capabilities and help us attract customers of different ages and income levels, and maintain sustainable growth in the long run.

With respect to offering our own Chinese style-designed products, our strategy is to adopt and thoroughly implement a design philosophy that best reflects our goal of providing "Chinese Designs for Properties in the New Century," while following our design philosophy of respecting the Chinese culture, incorporating Chinese-style elements into our property designs, and maintaining quality. In practice, we strive to infuse culture- and locale-appropriate traditional Chinese design elements into the designs of our residential property projects. We do this by conducting in-depth studies about the history of the relevant Chinese architecture in the local market, and endeavor to use design elements with proper consideration. We have built a design database containing design templates based on our accumulated studies and our knowledge about Chinese architecture. Although there is no completely pre-fixed design template for any of our product designs, in general, we tend to distinguish the differences in our property designs for our three main series of residential properties at the Group level as follows:

- *Youth series (大唐果系)*. As this series is primarily targeted at first-time home buyers, we generally use more modernized design elements in the property designs. For example, elements of the Hui Style (徽派) in the Chinese architectural design, such as white high walls (白牆) and crow-stepped gable (馬頭牆), tend to be incorporated into the property designs for this series. Examples include our Longgang Dynasty Youth (龍崗大唐果) and Xingning Dynasty Youth (興寧大唐果).
- *Royalty series (世家系)*. Our royalty series generally incorporate design elements from the Tang dynasty, which tend to include elements that are rich in color, balanced, and elaborate without being overly complicated, such as red columns, pitched roof at the four ends (四坡水屋頂) and convex-shaped (官帽) roof. In terms of landscaping, properties

under the Royalty series tend to have ‘view-in-view’ (園中有園) garden designs for gardens or community landscaping. Examples include our Tong’an Dynasty Royalty (同安大唐世家) and Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期).

- *Impression series (印象系)*. Our properties under the Impression series are generally higher-end products aimed at offering comfortable living experiences for the residents and showcasing architecture that exhibit a blend of design elements from the Hui Style and Tang dynasty, which we have termed the “new Chinese style.” Examples include our Zhangzhou Dynasty Impression (漳州大唐印象) and Changsha Repulse Bay (長沙淺水灣).

We pride ourselves in our in-house design capabilities and close external collaboration with other PRC well-known architectural firms such as Xiamen Yingzao Architectural Design Co., Ltd. and PT Architecture Design (Shanghai) Co., Ltd. As a result of our continued efforts to offer products with distinctive designs, we have earned numerous awards and industry accolades for our properties. In 2018, our Dynasty Zhenguan (大唐臻觀) in Nanning received the recognition of “Best Condo Interior Design” from Property Guru. In 2017, our Tong’an Shuiyunjian (同安•水雲間) in Xiamen received the “Oscar Comfortable Living Award for Residential Properties in Xiamen” from Xiamen Press Media Group, Xiamen Cultural and Broadcast Media Group and Xiamen Evening News. In 2016, our Tang Yayuan (唐雅苑) received the “Best Value Residential Property in Tianjin” from house.qq.com.

We believe that our customer-oriented offerings and tailored Chinese-style designs have differentiated us from other property developers in the PRC and helped us to achieve favorable selling prices. We consider that these strengths will continue to help us achieve economic success in the future.

Established Standardized Property Development Process and Efficient Operating System to Ensure Rapid Development and Quality Products

We have established a standardized property development process that encompasses the entire value chain of property development from land parcel selection, land acquisition, financing, design and planning, construction, quality control, sales and marketing, delivery to after-sales. We have formulated a number of standardized operational manuals based on our extensive property development knowledge and experience, in which we set out detailed guidance for our various teams located in different cities across China with respect to all material aspects of their daily operations. These operational manuals are updated from time to time, taking into consideration of feedbacks from internal teams as appropriate. Specific procedures are set out in the operational manuals with respect to relevant management systems at different levels, and incentives are provided for relevant operational areas. We believe these standardized operational manuals enable us to quickly replicate our property development success into new regions and cities at a cost-effective manner while maintaining efficiency.

In addition to the detailed standardized operational manuals, we also built and maintained a centralized information system on our construction contractors and construction materials suppliers. The system provides the track records and works assessments of the construction contractors and suppliers with which we work, and is regularly updated based on new information and internal feedbacks. This helps the teams at the Group and regional or city levels to exchange relevant information in a timely manner and also allows us to select experienced and high quality construction contractors and suppliers for our projects.

Guided by the procedures set out in our standardized operational manuals and supported by the centralized information system, we are generally able to make thorough and detailed assessment of our property development costs and sales prices. These assessment, in turn, enable us to better control our cost of sales and timing for pre-sales and delivery, while ensuring consistent product quality which, in turn, allow us to achieve quick asset turnover. We believe this process will also help us to replicate our success as we enter into new markets and eventually enhance our profitability.

Quality Land Bank and Diversified Land Acquisition Methods

As of August 31, 2020, the projects developed by our subsidiaries and joint ventures and associates had an estimated total GFA attributable to us of approximately 11.2 million sq.m., including completed properties available for sale or lease with an aggregate estimated GFA attributable to us of approximately 1.0 million sq.m., properties under development with an aggregate estimated GFA attributable to us of approximately 7.2 million sq.m., and properties held for future development with an aggregate estimated GFA attributable to us of approximately 3.0 million sq.m. We believe that our land bank is sufficient for our operational needs in the near future. We assess a variety of factors in considering target land parcels, including but not limited to, the national and local market conditions, the operational activities of our relevant project company at the local level that would be involved in the development of the land parcel, the supply and demand situation of the relevant city, the availability of land acquisition methods to us, the positioning and overall strategic value of the land parcel to our national expansion plan, market trends, and potential appreciation value of the land parcel. By undertaking such an in-depth assessment, we gain a deep understanding of the relevant market and the strategic value of potential land to us. We aim to closely monitor the relevant land markets to capture available opportunities.

To ensure sustainable growth, we have developed a series of strategies to replenish our land bank through multiple land acquisition channels, including land tenders, auctions, listing-for-sale, acquisition of equity interests of project companies from third parties and partnership with other property developers. In addition to the commonly used public tenders, auctions and listing-for-sale process, we have successfully partnered with other property developers to set up joint ventures and associates to acquire valuable land parcels for property development by leveraging our brand name and execution capabilities. In general, we tend to elect to work with locally established property developers when entering into new property markets. We also acquire land through acquisition of equity interest in project companies owned by third parties. During the Track Record Period, we completed our acquisition of four project companies through equity acquisition, with a total GFA attributable to us of approximately 0.8 million sq.m. as of August 31, 2020.

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.

Prudent Financial Policies and Proactive Cost-Control Measures

We place great emphasis on formulating and implementing prudent financial policies that balance progressivity and stability in mid-to-long-term growth. In managing our financial operations, we prepare annual financial forecasts, conduct monthly cash flow balance assessment meetings, and make a number of periodic cash flow forecasts on a rolling basis. These forecasts and reports are collected and transmitted in our internal information system in a timely manner from all levels, in order to allow the relevant finance and management personnel to review the data, monitor development and sales progress on our property projects and make relevant decisions based on the most up-to-date information. Pursuant to our standardized operational procedures, alerts for specific items such as cash position and the maturity status of our borrowings are monitored on a regular basis. By using proper oversight procedures and following our standardized operational procedures, we generally manage to secure land parcels, realize scheduled timetable for property design, construction commencement, sales and property delivery, maintain good financial standing while adjusting to changes in real estate industry, and capturing valuable investment opportunities during our expansion. In addition, we have multiple funding channels to optimize out capital structure and liquidity.

We have established stable relationships with a number of banks and/or financial institutions in the PRC over the years. These relationship help provide us with various financing sources to fund our business operations. In addition, we use working capital efficiently through well-delineated fund deployment for our property development business.

We also proactively manage our cost to utilize our working capital more efficiently to maintain healthy profit margins. We employ a number of cost-control measures to proactively manage costs relating to various stages of our property development, including land acquisition, construction and operational stages. For example, we have set up a centralized supplier data system to better control our procurement costs. Also, the overall cost approval system for the Group imposes certain cost limits set for a property project as determined by the management and relevant finance department before the start of the project. We closely monitor our cost structure to ensure that relevant costs do not exceed the pre-fixed cost budgets for property projects.

We believe our prudent financial policies and proactive cost-control measures have enabled us achieve economic success in the past and will continue to propel our future growth and success.

Experienced, Capable and Visionary Management Team to Support Our Long-Term Growth

Our success has been, and will continue to be, dependent on our experienced, capable and visionary management team that is actively involved in our operational management on a daily basis. Many of our executive Directors and senior management team members have over 15 years of real estate industry experiences in China, including extensive experiences relating to business strategies, property development and operational management. In particular, our Chairman, Mr. Wu Di, has over 20 years of real estate industry experience and holds numerous high-profile positions in the industry. See "Directors and Senior Management" for more details. He provides visionary guidance and in-depth insight to our management and operations. Each of our president, Mr. Hao Shengchun, and our vice Chairman, Mr. Tang Guozhong has over 20 years of work experiences in the real estate industry. The collective experiences and knowledge of our Board members and senior management team have helped us to execute our expansion plans and continuously grow.

We consider our employees are key contributors to our growth and that our success and ability to maintain our competitiveness depend on the well-being, performance and skills of our staff. For example, we offer leadership training programs to our mid-level and senior management and we sponsor selected employees to attend EMBA program at Xiamen University. We also provide regular training programs, such as the Seal Training Program ("海豹培訓計劃") for entry-level employees, Star Training Program ("星青年培訓計劃") for our entry-to-mid-level employees with outstanding work performance and Dynasty Iron Army Program ("大唐鐵軍") for sales and marketing personnel.

We believe that our experienced, capable and visionary management team, supported by our professional employees, will continue to support our long-term growth and help maximize value to our shareholders.

OUR BUSINESS STRATEGIES

We intend to implement the following business strategies in order to achieve our goal of becoming a leading property development company in China, providing quality products and services to our customers:

Continue Our Strategic Expansion into Selected City Clusters and Further Solidify Our Position in the PRC Market

We intend to continue expanding our property development business in or into a number of cities in certain major City Clusters in China, including but not limited to, Xiamen, Zhangzhou, Quanzhou and Fuzhou in the Western Taiwan Strait City Cluster, Nanning in the Beibu Gulf City Cluster, Tianjin in the Beijing-Tianjin-Hebei City Cluster, Changsha in the midstream parts of the Yangtze River City Cluster, Chongqing in Chengdu-Chongqing Region, Shenzhen in Guangdong-Hong Kong-Macao Greater Bay Area and Hangzhou, Nantong, Taizhou and Ningbo in the Yangtze Delta City Cluster.

After years of property development operations, we have developed solid presence in most of the cities where we operate. We also intend to expand into cities with high growth potential by leveraging our brand name, product quality, distinctive design and property development experiences. In selecting a new market, we generally consider, among other factors, growth potential economic condition, capital requirements and anticipated profitability of potential projects. We believe that, with our proven track record, particularly in the Western Taiwan Strait Economic Region and Beibu Gulf Region and Neighboring Cities, we are well-positioned to gain additional market share in our existing markets and further expand to other selected cities with high growth potential in the PRC.

Continue to Deliver Quality Properties Using Our Standardized Property Development Procedures to Increase Operational Efficiency and Further Expand Our Business

We plan to continue to utilize our standardized property development procedures to enhance our operating efficiency and ensure consistency in the quality of our products. We believe that the implementation of our standardized property development procedures is key to maintaining our operational efficiency which, in turn, help to ensure that we provide quality products to our customers. We believe that quality products will enable us to capture market shares in our existing markets and new markets. We intend to continue to conduct in-depth studies of target customers in new markets and enhance the feedback collection from our customers, as well as assessment of cost control measures used for our existing property projects to further improve our operating procedures in terms of quality and cost management.

We also plan to further expand our business by continuing to cooperate with other property developers, particularly in new markets where we have limited experience. In selecting property developers as our business partners, we plan to work with those who are well-established in the respective local markets and share common business concepts with us. We believe that, by leveraging our strengths and experiences in property development, we can further expand our business in China and achieve sustainable growth in the long run.

Further Enhance Our Customer-oriented Product Offerings and Increase Customer Loyalty and Enhance Our Brand Value

We believe our success is attributable to our customer-oriented product offerings which increase our customers' loyalty and enhance our brand value. As our customers' needs are constantly evolving, we believe that we should aim to further enhance our property designs and tailor product offerings based on the preferences and demands of our target customers, who are mainly first-time homebuyers and first-time and second-time upgraders of residential properties. We plan to optimize our product portfolio to better serve the needs of our target customers, while further fine-tuning our products for the different geographical areas to suit various types of land reserves and to best appeal to target customers in different cities with their different demands and purchasing power. We intend to continue to pay close attention to details so that the design of our products will bring convenience to our customers based on their lifestyle and habits. Additionally, we plan to continue conducting our customer satisfaction surveys, and improve our product offerings based on our customers' feedbacks to enhance our brand value.

Continue to Implement Prudent Financial policies, Optimize Our Capital Structure and Actively Explore Business Opportunities with Other Property Developers

We will continue to adhere to our prudent financial policies. We plan to continue to improve our capital management system and closely monitor our capital structure and liquidity position. We will continue to maintain our established cooperation relationships with reputable banks and financial institutions. Furthermore, we will continue to explore various financing opportunities to improve our capital structure and reduce our cost of capital. We will also continue to actively explore business opportunities with other reputable property developers to help us reduce the capital commitments in connection with land acquisitions and other property development costs. We believe the above-mentioned initiatives will enable our business to continue to grow in a healthy and sustainable manner.

Enhance Our Human Resource Management and Increase Our Talent Reserves

With our business expansion in China, our demand for quality talent will continue to increase. We intend to continue to enhance our human resource management and increase our talent reserves. We plan to continue to actively develop, retain and attract a talented workforce through comprehensive training programs tailored for different levels of employees, such as the EMBA program at Xiamen University for employees with outstanding work performance and Dynasty Iron Army Program for sales and marketing personnel, competitive remuneration packages and co-investment opportunities in our property projects. We provide various training programs for our employees with different levels of experience. See "— Our Business Strengths — Experienced, capable and visionary management team to support our long-term growth" for more details on our training programs.

We offer our employees performance-based incentives on top of a competitive salary, based on their qualifications, experience and performance. We plan to further implement various employee recognition initiatives to increase morale and motivate high-quality work performance. We are confident that the aforementioned measures will enable us to attract, retain, motivate and foster skilled and talented employees and to align the interest of our employees with that of our investors.

OUR PROPERTY DEVELOPMENT BUSINESS

Overview

We develop a variety of residential and commercial properties. Our residential properties are generally categorized into the three series as set forth below:

- *Youth series (大唐果系)*: Our properties of Youth series generally target first-time purchasers. Properties under the Youth series generally feature homes with modern and creative designs. Examples of such properties include Longgang Dynasty Youth (龍崗大唐果) and Xingning Dynasty Youth (興寧大唐果);

- *Royalty series (世家系)*: Our properties of Royalty series generally target first-time home upgraders. Properties under the Royalty series generally feature traditional Chinese-style architectural designs and landscaping. Examples of such properties include Wuxiang Lanting Mansion (五象瀾庭府) and Jinjiang Dynasty Mansion (晉江大唐府); and

- *Impression series (印象系)*: Our properties of Impression series generally target second-time home upgraders. Properties of Impression series feature mid-to-large-sized homes with a combination of traditional Chinese design and modern design elements, and aim to offer a more comfortable and/or luxurious living environment. Examples of such properties include Zhangzhou Dynasty Impression (漳州大唐印象) and Tanfu Impression (檀府印象).

We also develop commercial properties, which include hotels, office buildings, shopping centers and others. Such commercial properties are generally integrated with or in the vicinity of our residential properties.

As of August 31, 2020, we had 105 property development projects at various stages of development, including 68 projects developed by our subsidiaries and 37 projects developed by our joint ventures and associates. As of August 31, 2020, our projects had an aggregate GFA attributable to us of approximately 11.2 million sq.m., including (i) the total GFA available for sale and total leasable GFA for completed properties of approximately 1.0 million sq.m., (ii) the total GFA for properties under development of approximately 7.2 million sq.m. and (iii) the total GFA for properties held for future development of approximately 3.0 million sq.m.

Based on our internal record and current plan, and subject to changes resulting from changes of market condition and our adjustment of the development plan of the projects, for all projects developed by our subsidiaries as of June 30, 2020, our total estimated future development costs as of June 30, 2020 were RMB20,465.2 million, among which RMB8,137.4 million is expected to be incurred in the second half of 2020, and the rest is expected to be incurred in 2021 and thereafter. We plan to finance our property projects primarily by using our cash flow generated from pre-sales of property projects, bank loans and other borrowings, and funds raised from capital markets, such as the net proceeds to be received from the Global Offering.

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 classifications of properties in the Property Valuation Report and the Accountant's Report:

This Prospectus	Property Valuation Report	Accountant's Report
Completed properties, comprising properties for which we have obtained certificates of completion issued by the relevant government authorities	Group I — Properties held and occupied by the Group in the PRC	Property, plant and equipment
	Group II — Properties held for sale by the Group in the PRC	Completed properties held for sale
	Group III — Properties held for investment by the Group in the PRC	Investment properties
Properties under development, comprising properties for which we have obtained the construction work commencement permits but not yet the certificates of completion	Group III — Properties held for investment by the Group in the PRC	Investment properties
	Group IV — Properties held under development by the Group in the PRC	Properties under development
Properties held for future development for which we have obtained (i) the land use rights certificates and intend to hold for future development and (ii) properties for which we have not obtained the land use rights certificates, but have entered into the land grant contracts . . .	Group III — Properties held for investment by the Group in the PRC	Investment properties
	Group V — Properties held for future development by the Group in the PRC	Properties under development
	Group VI — Properties contracted to be acquired by the Group in the PRC	Prepayments for acquisition of land

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

- when we have received the land use rights certificates or real estate title certificates, as specified in such land use rights certificates or real estate title certificates; and
- before we have received the land use rights certificates or real estate title certificates, as specified in the relevant land grant contracts related to the projects.

Total GFA is calculated as follows:

- for projects and phases that are completed, based upon the relevant property completion certificate or property inspection report;
- for projects and phases that are under development, based upon the relevant construction work planning permit, or based on other documentation issued by relevant government authorities, if the construction work planning permit is not available; and
- for projects and phases that are held for future development, based upon the total GFA indicated in the property master plans or our internal records and development plans, which may be subject to change.

Total GFA as used in this Prospectus is comprised of saleable GFA and non-saleable GFA. Non-saleable GFA as used in this Prospectus refers to certain communal facilities and ancillary facilities, such as certain underground GFA and spaces for security offices, for which pre-sale permits will not be issued.

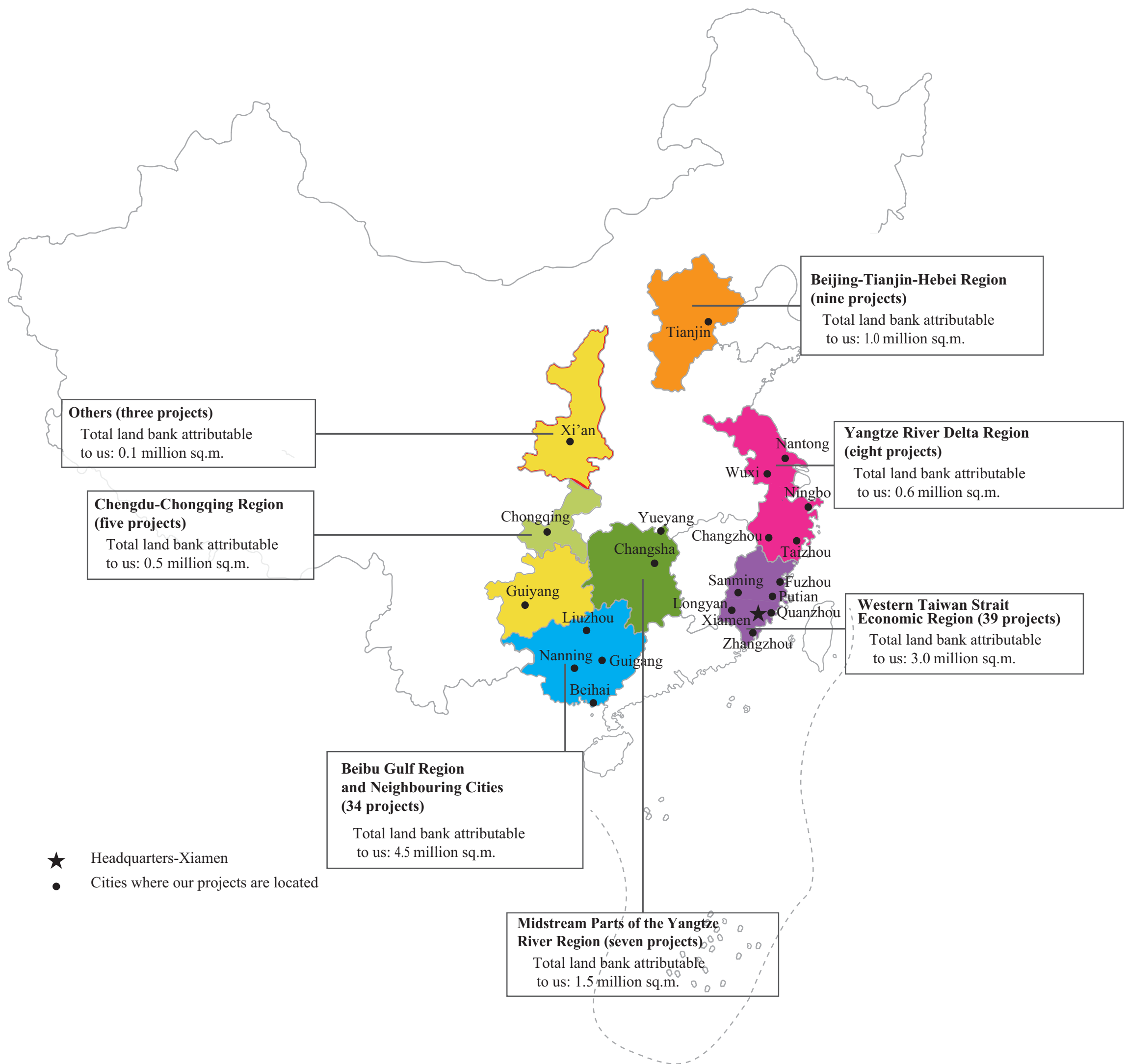
Total saleable GFA is calculated as follows:

- for projects and phases that are completed, based on the relevant property ownership certificate or property inspection report;
- for projects and phases under development, based upon the relevant pre-sale permit, or based on the construction work planning permit if the pre-sale permit is not available, or based upon other documentation issued by relevant government authorities if the construction work planning permit is not available; and
- for projects and phases that are held for future development, based upon 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.

Saleable GFA in this Prospectus refers to the total GFA exclusive of non-saleable GFA. Saleable GFA is further divided into saleable GFA pre-sold/sold and saleable GFA unsold. A property is pre-sold when we have executed the purchase contract but not 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 that customer. A property is considered unsold when it has not been pre-sold or sold but is available for sale.

As some of our projects comprise multiple-phase developments on a rolling basis, these projects may include different phases that are at various stages of completion, under development or held for future development.

The following map shows the geographical locations and key information of our property development developed by our subsidiaries and joint ventures and associates as of August 31, 2020:



Land Bank and Property Portfolio

Our land bank equals to the sum of (i) total GFA available for sale or lease by us 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, (iii) total estimated GFA for properties held for future development. Total land bank attributable to us represents (i) the total land bank of projects developed by our subsidiaries and (ii) the total land bank attributable to us of projects developed by our joint ventures and associates. All of the other shareholders of the joint ventures and associates through which we had developed property projects during the Track Record Period are Independent Third Parties.

The following table sets forth the breakdown of total land bank attributable to us of our property portfolio as of August 31, 2020 in terms of geographical location:

	Number of Projects	Completed GFA Unsold/Rentable GFA	Planned GFA under Development	Estimated GFA for Future Development	Total Land Bank Attributable to Us[(1)]	% of Our Total Land Bank Attributable to Us[(1)]
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Property Projects Developed by Our Subsidiaries						
Western Taiwan Strait Economic Region						
Xiamen	6	70,703	84,816	92,238	247,757	2.2
Quanzhou	3	194,976	1,424	—	196,400	1.8
Zhangzhou	13	119,989	836,636	349,548	1,306,173	11.7
Fuzhou	2	—	178,821	53,597	232,418	2.1
Putian	1	—	—	142,154	142,154	1.3
Subtotal	**25**	**385,668**	**1,101,697**	**637,536**	**2,124,900**	**19.0**
Beibu Gulf Region and Neighboring Cities						
Nanning	16	486,845	1,579,761	105,349	2,171,955	19.4
Liuzhou	2	—	362,079	—	362,079	3.2
Guigang	1	—	191,686	—	191,686	1.7
Subtotal	**19**	**486,845**	**2,133,526**	**105,349**	**2,725,720**	**24.4**
Beijing-Tianjin-Hebei Region						
Tianjin	9	43,972	944,503	38,659	1,027,134	9.2
Subtotal	**9**	**43,972**	**944,503**	**38,659**	**1,027,134**	**9.2**
Midstream Parts of the Yangtze River Region						
Changsha	4	48,357	351,323	10,120	409,800	3.7
Yueyang	2	—	157,399	652,801	810,200	7.2
Subtotal	**6**	**48,357**	**508,722**	**662,920**	**1,219,999**	**10.9**
Yangtze River Delta Region						
Nantong	1	—	97,778	—	97,778	0.9
Wuxi	1	—	—	130,325	130,325	1.2
Changzhou	1	—	—	140,205	140,205	1.3
Ningbo	2	—	113,391	39,882	153,273	1.4
Taizhou	1	—	—	41,620	41,620	0.4
Subtotal	**6**	**—**	**211,169**	**352,032**	**563,201**	**5.0**
Others						
Xi'an	2	—	—	82,961	82,961	0.7
Guiyang	1	14,323	—	—	14,323	0.1
Subtotal	**3**	**14,323**	**—**	**82,961**	**97,284**	**0.9**
Total	**68**	**979,165**	**4,899,617**	**1,879,457**	**7,758,238**	**69.4**

	Number of Projects	Completed GFA Unsold/Rentable GFA	Planned GFA under Development	Estimated GFA for Future Development	Total Land Bank Attributable to Us[(1)]	% of Our Total Land Bank Attributable to Us[(1)]
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Property Projects Developed by Our Joint Ventures and Associates						
Western Taiwan Strait Economic Region						
Putian	1	—	88,383	—	88,383	0.8
Quanzhou	5	—	257,460	64,862	322,322	2.9
Zhangzhou	5	—	183,355	34,391	217,746	1.9
Fuzhou	1	—	123,094	—	123,094	1.1
Longyan	1	—	—	41,294	41,294	0.4
Sanming	1	—	—	49,439	49,439	0.4
Subtotal	**14**	**—**	**652,292**	**189,986**	**842,277**	**7.5**
Beibu Gulf Region and Neighboring Cities						
Nanning	10	23,935	1,031,868	426,479	1,482,281	13.3
Liuzhou	1	—	105,425	38,357	143,782	1.3
Guigang	2	—	103,893	—	103,893	0.9
Beihai	2	5,324	—	—	5,324	0.0
Subtotal	**15**	**29,258**	**1,241,186**	**464,836**	**1,735,281**	**15.5**
Midstream Parts of the Yangtze River Region						
Changsha	1	—	—	296,942	296,942	2.7
Subtotal	**1**	**—**	**—**	**296,942**	**296,942**	**2.7**
Yangtze River Delta Region						
Ningbo	1	—	21,675	—	21,675	0.2
Taizhou	1	—	—	48,712	48,712	0.4
Subtotal	**2**	**—**	**21,675**	**48,712**	**70,387**	**0.6**
Chengdu-Chongqing Region						
Chongqing	4	—	221,206	—	221,206	2.0
Yibin	1	—	150,513	101,320	251,834	2.3
Subtotal	**5**	**—**	**371,720**	101,320	473,040	**4.2**
Attributable total	**37**	**29,258**	**2,286,873**	**1,101,797**	**3,417,928**	**30.6**
Total land bank attributable to us	**105**	**1,008,423**	**7,186,490**	**2,981,254**	**11,176,166**	**100.0**

Note:

(1) For projects held by our joint ventures and associates, the GFA will be adjusted by our Group's attributable interest in the respective project. Total land bank equals to the sum of (i) total GFA available for sale or lease by us 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, (iii) total estimated GFA for properties held for future development.

We derived most of our revenue from sale of properties during the Track Record Period. The table below sets forth our certain key operating indicators for our sales of properties during the Track Record Period:

	For the year ended December 31,												For the six months ended June 30,							
	2017				2018				2019				2019				2020			
	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin
	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000 *(unaudited)*	(in sq.m.)	(RMB per sq.m.)	(%)	RMB'000	(in sq.m.)	(RMB per sq.m.)	(%)
Residential Properties . . .	2,750,239	428,631	6,416	21.3	4,206,749	468,871	8,972	25.5	6,889,870	639,095	10,781	27.0	1,992,514	171,291	11,632	36.6	1,380,520	126,368	10,925	20.0
Commercial Properties . . .	592,340	47,977	12,234	50.4	893,063	85,586	10,435	43.4	592,771	50,922	11,641	39.3	292,653	24,039	12,174	49.1	178,780	15,512	11,525	39.2
Car Parks	60,601	18,728	3,236	18.6	130,813	40,722	3,212	12.5	289,739	71,347	4,061	11.8	139,743	22,399	6,239	30.4	24,561	6,589	3,727	25.6
Total / Overall	**3,403,180**	**495,336**	**6,870**	**26.3**	**5,230,625**	**595,179**	**8,788**	**28.3**	**7,772,380**	**761,363**	**10,209**	**27.4**	**2,424,910**	**217,729**	**11,137**	**37.8**	**1,583,861**	**148,469**	**10,668**	**22.3**

Our Property Projects

The table below sets forth the details of our property development projects developed by our subsidiaries and joint ventures and associates as of August 31, 2020:

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
Property Projects Developed by Subsidiaries																		
Western Taiwan Strait Economic Region																		
Xiamen																		
1. Tong'an Shuiyunjian (同安·水雲間)	15,000	—	—	—	—	84,816	81,001	24,594	—	—	December 2017	May 2018	December 2020	403.0	78.7	100.00%	876.6	2
Residential		—	—	—	—	56,003	56,003	24,594	—	—								
Ancillary		—	—	—	—	1,917	—	—	—	—								
Car parks		—	—	—	—	26,896	24,998	—	—	—								
2. Xiamen Dynasty Center (廈門大唐中心)	93,166	132,236	38,131	—	38,131	—	—	—	—	27,918	November 2005	—	March 2024	370.0	255.9	100.00%	1,064.7	3
Phases 1, 2 and 3	65,249	132,236	38,131	—	38,131	—	—	—	—	—								
Stadium		38,845	541	—	541	—	—	—	—	—								
Commercial		60,766	37,590	—	37,590	—	—	—	—	—								
Hotel		32,625	—	—	—	—	—	—	—	—								
Phases 4 and 5	27,918	—	—	—	—	—	—	—	—	27,918	March 2021	—	March 2024					
Hotel		—	—	—	—	—	—	—	—	15,007								
Commercial		—	—	—	—	—	—	—	—	12,911								
3. Tong'an Dynasty Hotel (同安大唐酒店)	16,850	—	—	—	—	—	—	—	—	64,320	January 2021	—	October 2022	30.6	537.5	100.00%	105.0	4
Commercial		—	—	—	—	—	—	—	—	12,000								
Hotel		—	—	—	—	—	—	—	—	36,000								
Car parks		—	—	—	—	—	—	—	—	16,320								
4. Tong'an Dynasty Royalty (同安大唐世家)	35,516	124,105	120,264	5,355	15,564	—	—	—	—	—	June 2005	October 2006	May 2016	150.3	N/A	100.00%	108.2	1
Residential		62,696	62,696	—	—	—	—	—	—	—								
Commercial		34,032	34,032	2,014	15,564	—	—	—	—	—								
Storage Room		1,708	1,708	—	—	—	—	—	—	—								
Ancillary		2,648	—	—	—	—	—	—	—	—								
Car parks		23,021	21,829	3,341	—	—	—	—	—	—								
5. Dynasty Business Center (大唐商務中心)	—	6,958	6,958	—	6,958	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A	100.00%	62.5	5
Office		6,958	6,958	—	6,958	—	—	—	—	—								
6. Xiamen Dynasty Royalty Phase 6 (廈門大唐世家六期)	—	4,694	4,694	—	4,694	—	—	—	—	—	N/A	N/A	N/A	N/A	N/A	100.00%	15.5	6
Commercial		4,694	4,694	—	4,694	—	—	—	—	—								
Quanzhou																		
7. Yuanchang Longting Huafu (源昌隆庭華府)	24,203	81,933	68,013	68,013	—	—	—	—	—	—	April 2018	June 2018	June 2020	289.2	32.7	25.00%[15]	127.9	8
Residential		59,903	59,903	59,903	—	—	—	—	—	—								
Commercial		2,189	2,189	2,189	—	—	—	—	—	—								
Ancillary		2,112	—	—	—	—	—	—	—	—								
Car parks		17,729	5,921	5,921	—	—	—	—	—	—								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
8. Nan'an Dynasty Royalty (南安大唐世家)	19,806	66,049	54,258	54,258	—	—	—	—	—	—	April 2018	August 2018	August 2020	245.8	29.4	25.00%[15]	97.6	9
Residential		49,016	49,016	49,016	—	—	—	—	—	—								
Commercial		1,551	1,551	1,551	—	—	—	—	—	—								
Ancillary		2,655	—	—	—	—	—	—	—	—								
Car parks		12,827	3,691	3,691	—	—	—	—	—	—								
9. Luojiang Dynasty Royalty (洛江大唐世家)	56,484	180,376	148,920	72,705	—	1,424	1,412	—	—	—	May 2018	June 2018	December 2020	903.8	97.5	50.00%[15]	362.6	10
Residential		124,742	124,742	48,527	—	—	—	—	—	—								
Commercial		13,986	13,986	13,986	—	1,412	1,412	—	—	—								
Ancillary		5,412	—	—	—	12	—	—	—	—								
Car parks		36,235	10,192	10,192	—	—	—	—	—	—								
Zhangzhou																		
10. Zhangzhou Bay Dynasty Royalty (漳州港大唐世家)	58,479	166,750	161,232	29,222	—	—	—	—	—	—	February 2014	July 2014	December 2017	711.6	N/A	100.00%	N/A	N/A
Residential		120,546	120,546	63	—	—	—	—	—	—								
Commercial		6,701	6,701	290	—	—	—	—	—	—								
Ancillary		3,264	—	—	—	—	—	—	—	—								
Car parks		36,239	33,985	28,870	—	—	—	—	—	—								
11. Panda Villa (熊貓墅)	39,780	86,492	70,698	3,219	—	—	—	—	—	—	August 2016	August 2016	December 2018	476.1	N/A	100.00%	N/A	N/A
Residential		61,850	61,850	1,834	—	—	—	—	—	—								
Commercial		1,186	1,186	1,037	—	—	—	—	—	—								
Ancillary		8,920	—	—	—	—	—	—	—	—								
Car parks		14,535	7,662	348	—	—	—	—	—	—								
12. Jiaomei Dynasty Royalty (角美大唐世家)	41,558	—	—	—	—	174,541	136,727	22,548	—	—	December 2017	May 2018	April 2021	1,762.0	146.0	67.00%[15]	1,217.9	12
Residential		—	—	—	—	119,537	104,830	22,548	—	—								
Commercial		—	—	—	—	812	812	—	—	—								
Ancillary		—	—	—	—	5,128	—	—	—	—								
Car parks		—	—	—	—	49,064	31,086	—	—	—								
13. Dynasty Happy Lane (大唐幸福里)	75,975	—	—	—	—	176,128	154,246	133,333	—	—	May 2018	July 2018	November 2020	579.9	141.9	64.18%[15]	464.7	13
Residential		—	—	—	—	122,418	122,418	122,418	—	—								
Commercial		—	—	—	—	6,547	6,035	5,630	—	—								
Ancillary		—	—	—	—	10,830	—	—	—	—								
Car parks		—	—	—	—	36,333	25,793	5,285	—	—								
14. Zhangzhou Dynasty Royalty (漳州大唐世家)	94,432	242,158	213,120	16,080	—	—	—	—	—	—	April 2013	September 2013	December 2017	734.3	N/A	100.00%	N/A	N/A
Residential		165,791	165,466	1,065	—	—	—	—	—	—								
Commercial		9,071	9,071	1,223	—	—	—	—	—	—								
Ancillary		15,014	—	—	—	—	—	—	—	—								
Car parks		52,283	38,583	13,791	—	—	—	—	—	—								
15. Zhangzhou Dynasty Impression (漳州大唐印象)	44,687	168,297	138,296	8,557	—	—	—	—	—	—	January 2016	May 2016	December 2018	1,140.6	N/A	100.00%	N/A	N/A
Residential		101,050	101,050	819	—	—	—	—	—	—								
Residential-Resettlement		15,892	—	—	—	—	—	—	—	—								
Commercial		12,379	12,379	1,855	—	—	—	—	—	—								
Ancillary		3,079	—	—	—	—	—	—	—	—								
Car parks		35,897	24,867	5,883	—	—	—	—	—	—								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
16. Yunxiao Dynasty Impression (雲霄大唐印象)	19,302	—	—	—	—	75,127	68,756	59,683	—	—	April 2018	May 2018	September 2020	326.7	79.3	80.00%[15]	381.3	14
Residential		—	—	—	—	50,684	50,683	50,418	—	—								
Commercial		—	—	—	—	5,894	5,894	5,894	—	—								
Ancillary		—	—	—	—	2,250	—	—	—	—								
Car parks		—	—	—	—	16,299	12,179	3,371	—	—								
17. Mingmen Impression (名門印象)	53,338	200,261	183,380	59,585	3,326	—	—	—	—	—	July 2017	November 2017	December 2019	2,252.4	N/A	100.00%	695.6	15
Residential		130,687	130,687	18,810	—	—	—	—	—	—								
Commercial		14,240	14,240	2,323	3,326	—	—	—	—	—								
Ancillary		2,942	—	—	—	—	—	—	—	—								
Car parks		52,391	38,452	38,452	—	—	—	—	—	—								
18. Tianlai Town Phase I (天籟小鎮一期)	73,607	—	—	—	—	2,116	—	—	—	92,779	May 2019	August 2021	November 2022	57.5	237.4	70.00%[15]	78.0	16
Residential		—	—	—	—	—	—	—	—	62,086								
Ancillary		—	—	—	—	2,116	—	—	—	7,648								
Car parks		—	—	—	—	—	—	—	—	23,045								
19. Tianlai Town Phase II (天籟小鎮二期)	86,754	—	—	—	—	—	—	—	—	113,546	November 2020	September 2021	May 2023	117.9	376.3	70.00%[15]	82.7	20
20. Dynasty Jinxiu Royalty (大唐錦繡世家)	48,278	—	—	—	—	139,310	126,056	71,933	—	—	March 2020	May 2020	February 2022	235.5	404.1	70.00%	215.7	21
Residential		—	—	—	—	99,842	99,842	71,933	—	—								
Commercial		—	—	—	—	3,017	3,017	—	—	—								
Ancillary		—	—	—	—	5,640	—	—	—	—								
Car parks		—	—	—	—	30,811	23,197	—	—	—								
21. Zhangzhou Dynasty Chunfengli (漳州大唐春風里)	41,073	—	—	—	—	140,193	125,902	1,583	—	—	January 2020	June 2020	January 2022	266.7	394.0	51.00%[15]	146.4	18
Residential		—	—	—	—	98,343	98,343	—	—	—								
Commercial		—	—	—	—	2,638	2,638	1,583	—	—								
Ancillary		—	—	—	—	3,719	—	—	—	—								
Car parks		—	—	—	—	35,492	24,921	—	—	—								
22. Yango Dynasty Feili Impression (陽光城大唐翡麗印象)	83,810	—	—	—	—	129,221	116,900	—	—	143,223	July 2020	September 2020	April 2023	1,194.9	751.3	50.00%	610.1	22
Residential		—	—	—	—	96,420	96,420	—	—	99,085								
Commercial		—	—	—	—	847	847	—	—	2,226								
Ancillary		—	—	—	—	4,733	—	—	—	6,716								
Car parks		—	—	—	—	27,221	19,633	—	—	35,197								
Fuzhou																		
23. Dynasty Shuxiang Yazhu (大唐·書香雅築)	54,189	—	—	—	—	178,821	106,417	21,046	—	—	November 2019	November 2019	December 2021	973.3	400.1	100.00%	896.3	25
Residential		—	—	—	—	70,270	70,270	20,090	—	—								
Residential-Resettlement		—	—	—	—	60,007	—	—	—	—								
Commercial		—	—	—	—	1,599	1,599	955	—	—								
Ancillary		—	—	—	—	5,209	—	—	—	—								
Car parks		—	—	—	—	41,736	34,548	—	—	—								

Project/Phases	Site Area[1]	Completed				Under Development			Held for Future Development		Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
		Total completed GFA[2]	Total saleable/ rentable GFA[3]	Total saleable GFA unsold[4]	Rentable GFA[5]	Planned GFA under development[2]	Saleable/ Rentable GFA[6]	Total saleable GFA pre-sold	GFA with land use right certificate not yet obtained	Total estimated GFA for future development[1]								
	(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 RMB million)	(in RMB million)		(in RMB million)	
24. Pukou Dynasty Royalty (浦口大唐世家)	15,954	—	—	—	—	—	—	—	53,597	53,597	August 2020	November 2020	December 2022	—	527.6	90.00%	N/A	27
Residential		—	—	—	—	—	—	—	24,152	24,152								
Commercial-Resettlement		—	—	—	—	—	—	—	2,715	2,715								
Office		—	—	—	—	—	—	—	5,990	5,990								
Office-Resettlement		—	—	—	—	—	—	—	7,295	7,295								
Ancillary		—	—	—	—	—	—	—	1,327	1,327								
Car Parks		—	—	—	—	—	—	—	12,117	12,117								
Putian																		
25. Putian Yuhu Project (莆田玉湖項目)	37,695	—	—	—	—	—	—	—	142,154	142,154	October 2020	December 2020	June 2023	—	1,690.1	100.00%	N/A	24
Residential		—	—	—	—	—	—	—	98,163	98,163								
Commercia		—	—	—	—	—	—	—	11,088	11,088								
Ancillary		—	—	—	—	—	—	—	4,283	4,283								
Car Parks		—	—	—	—	—	—	—	28,620	28,620								
Beibu Gulf Region and Neighboring Cities																		
Nanning																		
26. Nanning Dynasty Tianyue (南寧大唐天悅)	28,320	—	—	—	—	132,987	112,084	75,720	—	—	November 2018	December 2018	December 2020	449.0	214.3	55.55%[15]	326.2	28
Residential		—	—	—	—	82,215	82,215	75,167	—	—								
Residential-Resettlement		—	—	—	—	2,065	—	—	—	—								
Commercial		—	—	—	—	441	441	—	—	—								
Ancillary		—	—	—	—	11,562	—	—	—	—								
Car parks		—	—	—	—	36,702	29,428	554	—	—								
27. Nanning Dynasty Tiancheng Phases I & II (南寧大唐天城一期和二期)	25,027	258,006	207,848	6,434	67,846	—	—	—	—	—	October 2014	October 2014	November 2019	1,741.7	N/A	100.00%	599.8	29
Residential		56,249	56,249	322	—	—	—	—	—	—								
Residential-Resettlement		26,530	—	—	—	—	—	—	—	—								
Commercial		67,846	67,846	—	67,846	—	—	—	—	—								
Commercial-Resettlement		2,563	—	—	—	—	—	—	—	—								
Office		38,215	38,215	783	—	—	—	—	—	—								
Office-Resettlement		303	—	—	—	—	—	—	—	—								
Ancillary		3,457	—	—	—	—	—	—	—	—								
Car parks		62,844	45,539	5,329	—	—	—	—	—	—								
28. Nanning Dynasty Tiancheng Phase III (南寧大唐天城三期)	19,141	—	—	—	—	169,618	103,198	68,148	—	—	November 2017	November 2017	November 2020	824.1	218.8	100.00%	880.5	30
Residential		—	—	—	—	57,746	57,746	57,505	—	—								
Residential-Resettlement		—	—	—	—	41,308	—	—	—	—								
Commercial		—	—	—	—	21,238	21,238	4,646	—	—								
Commercial-Resettlement		—	—	—	—	1,925	—	—	—	—								
Ancillary		—	—	—	—	10,991	—	—	—	—								
Car parks		—	—	—	—	36,410	24,214	5,996	—	—								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
29. Anji Dynasty Royalty (安吉大唐世家)	27,962	—	—	—	—	147,171	126,978	66,912	—	—	August 2019	October 2019	November 2021	449.5	327.7	70.00%[15]	447.9	31
Residential		—	—	—	—	100,133	100,133	65,747	—	—								
Commercial		—	—	—	—	2,614	2,614	—	—	—								
Ancillary		—	—	—	—	12,558	—	—	—	—								
Car parks		—	—	—	—	31,866	24,231	1,166	—	—								
30. Xingning Dynasty Youth (興寧大唐果)	24,786	—	—	—	—	126,314	78,040	68,676	—	—	July 2018	August 2018	November 2020	574.2	129.4	76.92%[15]	408.1	32
Residential		—	—	—	—	60,951	60,951	60,694	—	—								
Residential-Resettlement		—	—	—	—	22,140	—	—	—	—								
Commercial		—	—	—	—	1,476	1,476	310	—	—								
Commercial-Resettlement		—	—	—	—	1,502	—	—	—	—								
Ancillary		—	—	—	—	11,140	—	—	—	—								
Car parks		—	—	—	—	20,092	15,613	7,671	—	—								
Car parks-Resettlement		—	—	—	—	9,012	—	—	—	—								
31. Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期)	157,832	795,865	323,649	46,062	—	84,323	63,480	49,416	—	—	June 2016	September 2016	December 2020	2,850.7	13.2	100.00%	462.8	33
Phase 1	62,939	334,303	7,905	198	—	—	—	—	—	—	June 2016	January 2018	December 2017					
Residential-Resettlement		225,368	—	—	—	—	—	—	—	—								
Commercial		7,905	7,905	198	—	—	—	—	—	—								
Commercial-Resettlement		26,976	—	—	—	—	—	—	—	—								
Ancillary		15,899	—	—	—	—	—	—	—	—								
Car parks-Resettlement		58,156	—	—	—	—	—	—	—	—								
Phase 2	94,893	461,562	315,745	45,864	—	84,323	63,480	49,416	—	—	August 2016	September 2016	December 2020					
Residential		261,608	261,608	1,144	—	26,185	26,185	26,185	—	—								
Residential-Resettlement		71,864	—	—	—	—	—	—	—	—								
Commercial		16,227	16,227	6,811	—	—	—	—	—	—								
Ancillary		53,954	—	—	—	1,168	—	—	—	—								
Car parks		50,940	37,909	37,909	—	50,113	37,295	23,231	—	—								
Car parks-Resettlement		6,969	—	—	—	6,856	—	—	—	—								
32. Nanning Dynasty Shengshi Phase III (南寧大唐盛世三期)	87,048	—	—	—	—	512,303	413,185	281,506	—	—	May 2018	June 2018	September 2021	1,167.9	476.3	100.00%	1,837.1	34
Residential		—	—	—	—	304,689	304,689	260,209	—	—								
Residential-Resettlement		—	—	—	—	29,462	—	—	—	—								
Commercial		—	—	—	—	11,998	11,998	6,952	—	—								
Commercial-Resettlement		—	—	—	—	222	—	—	—	—								
Ancillary		—	—	—	—	36,278	—	—	—	—								
Car parks		—	—	—	—	123,507	96,498	14,346	—	—								
Car parks-Resettlement		—	—	—	—	6,146	—	—	—	—								
33. Longgang Dynasty Youth (龍崗大唐果)	37,626	205,249	118,984	14,738	—	—	—	—	—	—	January 2015	July 2015	June 2018	669.1	N/A	100.00%	N/A	N/A
Residential		83,513	83,513	1,378	—	—	—	—	—	—								
Residential-Resettlement		54,305	—	—	—	—	—	—	—	—								
Commercial		12,279	12,279	1,041	—	—	—	—	—	—								

Project/Phases	Site Area(1)	Completed: Total completed GFA(2)	Completed: Total saleable/ rentable GFA(3)	Completed: Total saleable GFA unsold(4)	Completed: Rentable GFA(5)	Under Development: Planned GFA under development(2)	Under Development: Saleable/ Rentable GFA(6)	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development(1)	Actual/ Estimated commencement date for construction(7)	Actual/ Estimated commencement date for pre-sale of properties(8)	Actual/ Estimated completion date for construction(9)	Development costs incurred as of June 30, 2020(10)	Estimated future development costs as of June 30, 2020(11)	Group's attributable interests(12)	Group's attributable market value(13)	Ref to Property Valuation Report(14)
	(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 RMB million)	(in RMB million)		(in RMB million)	
Commercial-Resettlement		3,382	—	—	—	—	—	—	—	—								
Ancillary		8,414	—	—	—	—	—	—	—	—								
Car parks		32,655	23,192	12,319	—	—	—	—	—	—								
Car parks-Resettlement		10,700	—	—														
34. Longgang Dynasty Royalty (龍崗大唐世家)	109,878	584,878	336,880	35,555	5,128	—	—	—	—	—	September 2014	April 2015	January 2020	2,053.0	N/A	100.00%	146.5	35
Residential		236,489	236,489	3,294		—	—	—	—	—								
Residential-Resettlement		151,985	—	—	—	—	—	—	—	—								
Commercial		38,211	38,211	788	5,128	—	—	—	—	—								
Commercial-Resettlement		9,737	—	—	—	—	—	—	—	—								
Ancillary		25,360	—	—	—	—	—	—	—	—								
Car parks		90,509	62,179	31,473	—	—	—	—	—	—								
Car parks-Resettlement		32,586	—	—	—	—	—	—	—	—								
35. Wuxiang Dynasty Youth (五象大唐果)	23,817	—	—	—	—	102,193	57,896	47,293	—	—	November 2018	December 2018	November 2020	457.6	112.1	96.88%(15)	476.4	36
Residential		—	—	—	—	46,986	46,986	46,082	—	—								
Residential-Resettlement		—	—	—	—	16,923	—	—	—	—								
Commercial-Resettlement		—	—	—	—	7,014	—	—	—	—								
Ancillary		—	—	—	—	6,184	—	—	—	—								
Car parks		—	—	—	—	16,782	10,910	1,212	—	—								
Car parks-Resettlement		—	—	—	—	8,305	—	—	—	—								
36. Dynasty International Center (大唐國際中心)	11,545	78,235	60,584	4,909	34,979	—	—	—	—	—	January 2016	October 2016	June 2018	213.6	N/A	100.00%	371.0	37
Commercial		10,695	10,695	3,120	1,774	—	—	—	—	—								
Office		36,929	36,929	1,789	20,245	—	—	—	—	—								
Hotel		10,229	—	—	—	—	—	—	—	—								
Ancillary		2,477	—	—	—	—	—	—	—	—								
Car parks		17,905	12,960	—	12,960	—	—	—	—	—								
37. Dynasty Zhenguan (大唐臻觀)	45,582	20,466	17,635	1,648	—	196,024	166,595	60,233	—	—	November 2017	March 2018	June 2021	2,302.9	297.1	85.00%(15)	1,965.5	38
Residential		17,635	17,635	1,648	—	119,302	119,302	59,932	—	—								
Ancillary		2,831	—	—	—	14,640	—	—	—	—								
Car Parks		—	—	—	—	62,082	47,294	301	—	—								
38. Xingning Dynasty Impression (興寧大唐印象)	95,750	293,034	267,389	267,389	—	42,393	22,198	5,322	—	—	May 2018	May 2018	November 2020	2,055.4	300.6	40.00%(15)	1,117.9	39
Phase 1		76,373	64,985	64,985	—	—	—	—	—	—	May 2018	May 2018	July 2020					
Residential		59,379	58,350	58,350	—	—	—	—	—	—								
Commercial		6,635	6,635	6,635	—	—	—	—	—	—								
Ancillary		10,358	—	—	—	—	—	—	—	—								
Phase 2		85,596	76,879	76,879	—	42,393	22,198	5,322	—	—	July 2018	July 2018	November 2020					
Residential		71,645	71,645	71,645	—	—	—	—	—	—								
Commercial		5,234	5,234	5,234	—	—	—	—	—	—								
Ancillary		8,717	—	—	—	—	—	—	—	—								
Car Parks		—	—	—	—	42,393	22,198	5,322	—	—								
Phase 3		131,065	125,525	125,525	—	—	—	—	—	—	November 2018	December 2018	June 2020					
Residential		79,897	79,897	79,897	—	—	—	—	—	—								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
Commercial		12,115	12,115	12,115	—	—	—	—	—	—								
Ancillary		5,540	—	—	—	—	—	—	—	—								
Car Parks		33,513	33,513	33,513	—	—	—	—	—	—								
39. Nanning Yunxitai (南寧雲璽台)	20,014	—	—	—	—	66,435	58,619	12,414	—	—	February 2020	March 2020	December 2021	241.4	199.4	25.00%[15]	70.5	46
Residential		—	—	—	—	47,348	47,348	12,414	—	—								
Commercial		—	—	—	—	2,189	2,189	—	—	—								
Ancillary		—	—	—	—	5,314	—	—	—	—								
Car Parks		—	—	—	—	11,585	9,083	—	—	—								
40. Dynasty Shengshi Xuhui Mansion(大唐盛世旭輝府)	25,405	—	—	—	—	—	—	—	105,349	105,349	September 2020	September 2020	March 2023	—	804.9	100.00%	N/A	49
Residential		—	—	—	—	—	—	—	70,747	70,747								
Commercial		—	—	—	—	—	—	—	3,811	3,811								
Ancillary		—	—	—	—	—	—	—	9,796	9,796								
Car Parks		—	—	—	—	—	—	—	20,995	20,995								
41. Nanning Headquarters No.1 (南寧總部一號)	—	2,158	2,158	—	2,158	—	—	—	—	—	January 2015	May 2017	December 2016	N/A	N/A	100.00%	26.2	40
Commercial		2,158	2,158	—	2,158	—	—	—	—	—								
Liuzhou																		
42. Dynasty Biyuan West Garden (大唐碧園西園)	56,797	—	—	—	—	193,493	183,459	18,206	—	—	September 2019	December 2019	September 2022	570.8	423.1	78.46%[15]	452.8	51
Residential		—	—	—	—	128,191	128,191	18,206	—	—								
Commercial		—	—	—	—	2,259	2,259	—	—	—								
Ancillary		—	—	—	—	4,304	—	—	—	—								
Car Parks		—	—	—	—	58,740	53,010	—	—	—								
43. Dynasty Biyuan East Garden (大唐碧園東園)	45,246	—	—	—	—	168,586	160,165	—	—	—	May 2020	June 2021	March 2024	467.6	449.6	100.00%	470.6	52
Residential		—	—	—	—	113,357	113,357	—	—	—								
Commercial		—	—	—	—	1,928	1,928	—	—	—								
Ancillary		—	—	—	—	5,240	—	—	—	—								
Car parks		—	—	—	—	48,061	44,880	—	—	—								
Guigang																		
44. Guigang Dynasty Royalty (貴港大唐世家)	42,076	—	—	—	—	191,686	179,935	48,892	—	—	November 2019	December 2019	August 2022	315.4	420.2	100.00%	335.0	54
Residential		—	—	—	—	144,439	144,439	48,892	—	—								
Commercial		—	—	—	—	1,371	1,371	—	—	—								
Ancillary		—	—	—	—	4,068	—	—	—	—								
Car parks		—	—	—	—	41,809	34,125	—	—	—								
Beijing-Tianjin-Hebei Region																		
Tianjin																		
45. Tang Yayuan (唐雅苑)	146,195	248,922	218,366	16,524	—	—	—	—	—	—	April 2016	May 2016	June 2018	1,881.4	N/A	100.00%	31.9	55
Residential		191,485	191,485	266	—	—	—	—	—	—								
Ancillary		9,722	—	—	—	—	—	—	—	—								
Car parks		47,715	26,881	16,258	—	—	—	—	—	—								

		Completed				Under Development			Held for Future Development									
Project/Phases	Site Area[1]	Total completed GFA[2]	Total saleable/ rentable GFA[3]	Total saleable GFA unsold[4]	Rentable GFA[5]	Planned GFA under development[2]	Saleable/ Rentable GFA[6]	Total saleable GFA pre-sold	GFA with land use right certificate not yet obtained	Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
46. Bisong Garden (比松花園)	56,351	168,769	143,545	19,788	—	—	—	—	—	—	May 2017	September 2017	November 2019	1,077.2	N/A	100.00%	78.3	56
Residential		102,487	102,487	103	—	—	—	—	—	—								
Commercial		18,399	18,399	3,734	—	—	—	—	—	—								
Ancillary		3,883	—	—	—	—	—	—	—	—								
Car parks		44,000	22,659	15,951	—	—	—	—	—	—								
47. Tang Jinyuan (唐槿苑)	43,612	—	—	—	—	83,176	67,177	35,394	—	—	April 2018	August 2018	December 2020	399.6	215.2	100.00%	612.3	58
Residential		—	—	—	—	56,873	56,873	35,394	—	—								
Ancillary		—	—	—	—	2,903	—	—	—	—								
Car parks		—	—	—	—	23,400	10,304	—	—	—								
48. Vision Commercial Square (左岸商業廣場)	74,076	3,121	3,121	—	3,121	117,117	97,558	—	—	—	November 2014	July 2015	December 2020	516.6	233.0	100.00%	564.7	57
Commercial		3,121	3,121	—	3,121	85,819	85,819	—	—	—								
Ancillary		—	—	—	—	866	—	—	—	—								
Car parks		—	—	—	—	30,432	11,740	—	—	—								
49. Gelin Town (格林小鎮)	220,739	214,888	193,677	1,481	—	—	—	—	—	—	November 2010	November 2010	September 2016	679.0	N/A	100.00%	N/A	N/A
Residential		193,677	193,677	1,481	—	—	—	—	—	—								
Ancillary		8,682	—	—	—	—	—	—	—	—								
Car parks		12,529	—	—	—	—	—	—	—	—								
50. Guanya Garden (觀雅庭院)	37,084	137,855	132,631	3,059	—	—	—	—	—	—	April 2017	September 2017	December 2019	1,178.6	N/A	100.00%	50.5	59
Residential		129,750	129,750	178	—	—	—	—	—	—								
Commercial		2,881	2,881	2,881	—	—	—	—	—	—								
Ancillary		5,224	—	—	—	—	—	—	—	—								
51. Tangsheng Yayuan (唐晟雅苑)	198,873	—	—	—	—	333,281	296,505	56,191	—	—	April 2018	September 2018	December 2020	1,460.2	586.8	100.00%	1,560.9	60
Residential		—	—	—	—	212,594	212,594	56,191	—	—								
Ancillary		—	—	—	—	5,414	—	—	—	—								
Car parks		—	—	—	—	115,273	83,911	—	—	—								
52. Tangxi Yayuan (唐璽雅苑)	35,627	—	—	—	—	127,950	107,934	16,594	—	—	March 2019	September 2019	December 2021	242.2	475.6	100.00%	300.0	61
Residential		—	—	—	—	91,590	91,590	16,594	—	—								
Ancillary		—	—	—	—	8,659	—	—	—	—								
Car parks		—	—	—	—	27,702	16,345	—	—	—								
53. Tangyun Yayuan (唐韻雅苑)	97,911	—	—	—	—	282,979	236,322	—	—	38,659	March 2020	December 2020	December 2022	639.8	1,323.0	100.00%	647.7	62
Residential		—	—	—	—	167,554	167,554	—	—	38,659								
Ancillary		—	—	—	—	20,096	—	—	—	—								
Car parks		—	—	—	—	95,329	68,768	—	—	—								
Midstream Parts of the Yangtze River Region																		
Changsha																		
54. Changsha Repulse Bay (長沙淺水灣)	133,163	155,034	147,472	48,357	—	5,705	5,705	—	—	—	September 2011	December 2011	December 2021	1,088.0	62.7	100.00%	872.4	63
Residential		130,384	130,384	42,096	—	—	—	—	—	—								
Commercial		—	—	—	—	5,705	5,705	—	—	—								
Ancillary		6,507	—	—	—	—	—	—	—	—								
Car parks		18,144	17,088	6,261	—	—	—	—	—	—								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
55. Changsha Dynasty Impression— Yufu (長沙大唐印象• 御府)	38,394	—	—	—	—	119,453	104,600	87,151	—	—	August 2018	December 2018	November 2020	853.9	0.3	100.00%	926.5	64
Residential		—	—	—	—	86,946	86,946	86,563	—	—								
Commercial		—	—	—	—	587	587	587	—	—								
Ancillary		—	—	—	—	3,339	—	—	—	—								
Car parks		—	—	—	—	28,580	17,067	—	—	—								
56. Changsha Dynasty Impression— Yuxi (長沙大唐印象•御璽)	81,362	—	—	—	—	192,726	181,464	89,728	—	—	August 2018	September 2019	November 2021	1,062.5	557.7	100.00%	1,125.6	65
Residential		—	—	—	—	150,376	150,376	89,728	—	—								
Ancillary		—	—	—	—	4,620	—	—	—	—								
Car Parks		—	—	—	—	37,729	31,088	—	—	—								
57. Changsha Dynasty Impression— Yuyuan (長沙大唐印象•御園)	21,083	—	—	—	—	33,439	33,241	1,821	—	10,120	November 2019	August 2020	November 2021	216.2	177.3	100.00%	220.9	66
Residential		—	—	—	—	23,364	23,364	1,821	—	—								
Commercial		—	—	—	—	—	—	—	—	10,120								
Ancillary		—	—	—	—	198	—	—	—	—								
Car parks		—	—	—	—	9,877	9,877	—	—	—								
Yueyang																		
58. Yueyang Dynasty Royalty Phases I & II & III (岳陽大唐世家一二和三期)	122,085	—	—	—	—	157,399	153,010	57,986	—	247,574	November 2019	January 2020	June 2022	358.5	1,024.6	100.00%	381.1	68
Phase 1	22,431	—	—	—	—	83,733	81,205	57,986	—	—	November 2019	January 2020	December 2021					
Residential		—	—	—	—	64,229	64,229	56,593	—	—								
Commercial		—	—	—	—	2,258	2,258	1,392	—	—								
Ancillary		—	—	—	—	1,831	—	—	—	—								
Car Parks		—	—	—	—	15,416	14,718	—	—	—								
Phase 2	45,298	—	—	—	—	73,665	71,805	—	—	77,566	May 2020	July 2020	June 2022					
Residential		—	—	—	—	55,513	55,513	—	—	60,462								
Commercial		—	—	—	—	3,581	3,581	—	—	1,609								
Ancillary		—	—	—	—	1,860	—	—	—	2,100								
Car Parks		—	—	—	—	12,711	12,711	—	—	13,395								
Phase 3	54,356	—	—	—	—	—	—	—	—	170,009	June 2021	October 2021	June 2022					
Residential		—	—	—	—	—	—	—	—	126,126								
Commercial		—	—	—	—	—	—	—	—	2,700								
Ancillary		—	—	—	—	—	—	—	—	7,000								
Car Parks		—	—	—	—	—	—	—	—	34,183								
59. Yueyang Dynasty Royalty Phases IV & V (岳陽大唐世家四五期)	124,892	—	—	—	—	—	—	—	405,227	405,227	June 2021	October 2021	June 2023	39.9	1,321.3	100.00%	N/A	69
Phase 4	69,065	—	—	—	—	—	—	—	210,474	210,474	June 2021	October 2021	June 2023					
Residential		—	—	—	—	—	—	—	168,762	168,762								
Commercial		—	—	—	—	—	—	—	1,800	1,800								
Ancillary		—	—	—	—	—	—	—	2,100	2,100								
Car Parks		—	—	—	—	—	—	—	37,812	37,812								
Phase 5	55,827	—	—	—	—	—	—	—	194,752	194,752	June 2021	October 2021	June 2023					
Residential		—	—	—	—	—	—	—	151,065	151,065								
Commercial		—	—	—	—	—	—	—	3,300	3,300								
Ancillary		—	—	—	—	—	—	—	1,950	1,950								
Car Parks		—	—	—	—	—	—	—	38,437	38,437								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
Yangtze River Delta Region																		
Nantong																		
60. Nantong Dynasty Zhongnan Yuehu (南通大唐中南閱湖)	60,240	—	—	—	—	97,778	87,376	—	—	—	June 2020	August 2020	April 2022	365.4	424.6	55.00%	206.0	76
Residential		—	—	—	—	70,135	70,135	—	—	—								
Ancillary		—	—	—	—	2,153	—	—	—	—								
Car Parks		—	—	—	—	25,490	17,241	—	—	—								
Wuxi																		
61. Wuxi Lanyue Yayuan (無錫蘭樾雅院)	47,112	—	—	—	—	—	—	—	130,325	130,325	October 2020	January 2021	March 2023	—	850.4	100.00%	N/A	78
Residential		—	—	—	—	—	—	—	101,740	101,740								
Ancillary		—	—	—	—	—	—	—	1,692	1,692								
Car Parks		—	—	—	—	—	—	—	26,892	26,892								
Changzhou																		
62. Changzhou Dynasty Zhongnan Shangyuecheng (常州大唐中南上悅城)	53,338	—	—	—	—	—	—	—	—	140,205	September 2020	November 2020	October 2022	—	1,218.3	51.00%	345.8	77
Residential		—	—	—	—	—	—	—	—	104,231								
Ancillary		—	—	—	—	—	—	—	—	2,374								
Car Parks		—	—	—	—	—	—	—	—	33,600								
Ningbo																		
63. Chenyue Royalty (辰悅世家)	38,013	—	—	—	—	113,391	103,382	—	—	—	June 2020	October 2020	July 2022	218.2	389.4	51.00%	118.5	79
Residential		—	—	—	—	82,874	82,874	—	—	—								
Ancillary		—	—	—	—	1,097	—	—	—	—								
Car parks		—	—	—	—	29,420	20,509	—	—	—								
64. Jinxia Road 30 Mu Residential Parcel (錦霞路30畝住宅地塊)	20,338	—	—	—	—	—	—	—	39,882	39,882	December 2020	March 2021	January 2023	—	256.8	100.00%	N/A	80
Residential		—	—	—	—	—	—	—	23,673	23,673								
Ancillary		—	—	—	—	—	—	—	902	902								
Car Parks		—	—	—	—	—	—	—	15,306	15,306								
Taizhou																		
65. Taizhou Nanguan Impression (台州南官印象)	16,048	—	—	—	—	—	—	—	41,620	41,620	September 2020	December 2020	October 2022	—	557.7	81.00%	N/A	81
Residential		—	—	—	—	—	—	—	28,952	28,952								
Ancillary		—	—	—	—	—	—	—	729	729								
Car Parks		—	—	—	—	—	—	—	11,940	11,940								
Others																		
Xi'an																		
66. Xi'an Dynasty Youth (West District) (西安大唐果(西區))	14,359	—	—	—	—	—	—	—	—	43,346	March 2021	October 2021	December 2023	29.5	121.5	100.00%	85.7	70
Residential		—	—	—	—	—	—	—	—	36,655								
Commercial		—	—	—	—	—	—	—	—	2,384								
Ancillary		—	—	—	—	—	—	—	—	165								
Car parks		—	—	—	—	—	—	—	—	4,142								

Project/Phases	Site Area[1]	Completed				Under Development			Held for Future Development		Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
		Total completed GFA[2]	Total saleable/ rentable GFA[3]	Total saleable GFA unsold[4]	Rentable GFA[5]	Planned GFA under development[2]	Saleable/ Rentable GFA[6]	Total saleable GFA pre-sold	GFA with land use right certificate not yet obtained	Total estimated GFA for future development[1]								
	(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 RMB million)	(in RMB million)		(in RMB million)	
67. Xi'an Dynasty Youth (East District) (西安大唐果(東區))	11,739	—	—	—	—	—	—	—	—	39,615	March 2021	October 2021	December 2023	20.1	102.9	100.00%	78.6	71
Residential		—	—	—	—	—	—	—	—	34,966								
Commercial		—	—	—	—	—	—	—	—	1,125								
Ancillary		—	—	—	—	—	—	—	—	135								
Car parks		—	—	—	—	—	—	—	—	3,389								
Guiyang																		
68. Detian International New Town (德天國際新城)	20,096	152,733	109,545	12,300	2,022	—	—	—	—	—	July 2011	January 2012	December 2015	34.7	N/A	100.00%	105.2	72
Residential		88,735	88,541	—	—	—	—	—	—	—								
Residential-Resettlement		26,109	—	—	—	—	—	—	—	—								
Commercial		7,311	7,311	1,304	2,022	—	—	—	—	—								
Commercial-Resettlement		4,528	—	—	—	—	—	—	—	—								
Office - Resettlement		155	—	—	—	—	—	—	—	—								
Ancillary		1,710	—	—	—	—	—	—	—	—								
Warehouse - Resettlement		142	—	—	—	—	—	—	—	—								
Car parks		22,295	13,693	10,996	—	—	—	—	—	—								
Car parks-Resettlement		1,749	—	—	—	—	—	—	—	—								
Subtotal	3,726,566	4,779,519	3,491,449	795,237	183,927	4,899,617	4,117,526	1,482,324	918,153	1,879,457				42,987.5	20,465.2			
Property projects developed by joint ventures and associates																		
Western Taiwan Strait Economic Region																		
Quanzhou																		
69. Jinjiang Dynasty Royalty (晉江大唐世家)	30,773	—	—	—	—	119,077	109,630	75,971	—	—	August 2018	December 2018	October 2020	636.8	78.3	55.00%	379.9	11
Residential		—	—	—	—	89,271	89,271	75,058	—	—								
Commercial		—	—	—	—	1,707	1,707	913	—	—								
Ancillary		—	—	—	—	2,958	—	—	—	—								
Car parks		—	—	—	—	25,141	18,652	—	—	—								
70. Shimao Yuncheng (世茂雲城)	89,544	—	—	—	—	346,262	316,939	76,166	—	—	September 2018	December 2018	April 2022	1,200.5	680.3	15.00%	N/A	N/A
Phase 1		—	—	—	—	214,621	186,632	76,166	—	—	September 2018	December 2018	April 2022					
Residential		—	—	—	—	126,952	126,952	75,951	—	—								
Commercial		—	—	—	—	2,915	2,915	216	—	—								
Ancillary		—	—	—	—	10,254	—	—	—	—								
Car parks		—	—	—	—	74,500	56,765	—	—	—								
Phase 2		—	—	—	—	131,641	130,307	—	—	—	September 2018	September 2020	April 2022					
Residential		—	—	—	—	130,135	130,135	—	—	—								
Commercial		—	—	—	—	172	172	—	—	—								
Ancillary		—	—	—	—	1,334	—	—	—	—								

Project/Phases	Site Area(1)	Completed: Total completed GFA(2)	Completed: Total saleable/ rentable GFA(3)	Completed: Total saleable GFA unsold(4)	Completed: Rentable GFA(5)	Under Development: Planned GFA under development(2)	Under Development: Saleable/ Rentable GFA(6)	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development(1)	Actual/ Estimated commencement date for construction(7)	Actual/ Estimated commencement date for pre-sale of properties(8)	Actual/ Estimated completion date for construction(9)	Development costs incurred as of June 30, 2020(10)	Estimated future development costs as of June 30, 2020(11)	Group's attributable interests(12)	Group's attributable market value(13)	Ref to Property Valuation Report(14)
	(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 RMB million)	(in RMB million)		(in RMB million)	
71. Jinjiang Dynasty Mansion (晉江大唐府)	66,781	—	—	—	—	102,491	96,529	19,002	—	108,103	July 2019	October 2019	September 2023	113.7	575.2	60.00%	N/A	N/A
Phase 1	37,204	—	—	—	—	102,491	96,529	19,002	—	—	July 2019	October 2019	February 2022					
Residential		—	—	—	—	96,529	96,529	19,002	—	—								
Ancillary		—	—	—	—	5,962	—	—	—	—								
Car parks		—	—	—	—	—	—	—	—	—								
Phase 2	29,577	—	—	—	—	—	—	—	—	108,103	December 2020	March 2021	September 2023					
Residential		—	—	—	—	—	—	—	—	72,299								
Ancillary		—	—	—	—	—	—	—	—	1,743								
Car parks		—	—	—	—	—	—	—	—	34,061								
72. Spring Impression (印象春天小區)	29,253	—	—	—	—	114,126	97,604	27,408	—	—	November 2019	January 2020	February 2022	388.9	263.5	45.00%	188.6	7
Residential		—	—	—	—	80,076	80,076	27,408	—	—								
Commercial		—	—	—	—	3,623	3,623	—	—	—								
Ancillary		—	—	—	—	6,297	—	—	—	—								
Car parks		—	—	—	—	24,129	13,904	—	—	—								
73. Hui'an Julong Guofeng (惠安聚龍國風)	102,427	—	—	—	—	271,768	243,174	45,679	—	—	November 2018	October 2018	December 2021	682.3	927.8	10.00%	N/A	N/A
Residential		—	—	—	—	197,727	197,727	45,679	—	—								
Ancillary		—	—	—	—	17,656	—	—	—	—								
Car parks		—	—	—	—	56,384	45,447	—	—	—								
Zhangzhou																		
74. Jiangshang Tianjing (江山天境)	23,861	—	—	—	—	99,325	90,016	17,850	—	—	September 2019	November 2019	November 2021	832.4	272.4	30.00%	270.8	17
Residential		—	—	—	—	69,813	69,813	17,850	—	—								
Ancillary		—	—	—	—	3,987	—	—	—	—								
parks		—	—	—	—	25,525	20,203	—	—	—								
75. Jiaomei Dynasty Impression (角美大唐印象)	15,748	—	—	—	—	43,650	37,556	—	—	—	November 2019	March 2021	April 2022	345.2	132.2	30.00%	N/A	N/A
Residential		—	—	—	—	30,536	30,536	—	—	—								
Ancillary		—	—	—	—	1,812	—	—	—	—								
Car parks		—	—	—	—	11,302	7,020	—	—	—								
										—								
76. Zhangzhou Dynasty Chunfengli Phase II (漳州大唐春風里二期)	61,896	—	—	—	—	213,115	192,125	3,122	—	—	March 2020	April 2020	February 2022	440.0	605.4	60.00%	295.5	19
Residential		—	—	—	—	152,529	152,529	—	—	—								
Commercial		—	—	—	—	5,133	5,133	3,122	—	—								
Ancillary		—	—	—	—	10,232	—	—	—	—								
Car parks		—	—	—	—	45,221	34,463	—	—	—								
77. Dynasty Sanmu Impression West Lake (大唐三木印象西湖)	17,659	—	—	—	—	—	—	—	70,186	70,186	September 2020	October 2020	September 2022	58.4	479.0	49.00%	N/A	N/A
Residential		—	—	—	—	—	—	—	49,237	49,237								
Commercial		—	—	—	—	—	—	—	2,210	2,210								
Ancillary		—	—	—	—	—	—	—	2,453	2,453								
Car parks		—	—	—	—	—	—	—	16,286	16,286								

Project/Phases	Site Area(1)	Completed: Total completed GFA(2)	Completed: Total saleable/ rentable GFA(3)	Completed: Total saleable GFA unsold(4)	Completed: Rentable GFA(5)	Under Development: Planned GFA under development(2)	Under Development: Saleable/ Rentable GFA(6)	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development(1)	Actual/ Estimated commencement date for construction(7)	Actual/ Estimated commencement date for pre-sale of properties(8)	Actual/ Estimated completion date for construction(9)	Development costs incurred as of June 30, 2020(10)	Estimated future development costs as of June 30, 2020(11)	Group's attributable interests(12)	Group's attributable market value(13)	Ref to Property Valuation Report(14)
	(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 RMB million)	(in RMB million)		(in RMB million)	
78. Shimao Dynasty Yunjing (世茂大唐雲璟)	12,453	—	—	—	—	40,625	36,499	—	—	—	May 2020	July 2020	December 2021	158.0	131.5	31.00%	N/A	N/A
Residential		—	—	—	—	28,341	28,341	—	—	—								
Commercial		—	—	—	—	1,595	1,595	—	—	—								
Ancillary		—	—	—	—	2,317	—	—	—	—								
Car Parks		—	—	—	—	8,372	6,563	—	—	—								
Longyan																		
79. Longyan Royalty Wenyuan(龍岩世家文苑)	26,197	—	—	—	—	—	—	—	80,969	80,969	September 2020	December 2020	October 2022	150.5	468.3	51.00%	N/A	N/A
Residential		—	—	—	—	—	—	—	57,181	57,181								
Commercial		—	—	—	—	—	—	—	1,500	1,500								
Ancillary		—	—	—	—	—	—	—	6,387	6,387								
Car Parks		—	—	—	—	—	—	—	15,902	15,902								
Fuzhon																		
80. Longjiang Jiujin Pavilion (龍江玖錦閣)	113,059	—	—	—	—	373,011	246,865	—	—	—	July 2020	August 2020	April 2023	0.5	2,796.0	33.00%	561.4	26
Residential		—	—	—	—	176,405	176,405	—	—	—								
Residential - Resettlement		—	—	—	—	106,950	—	—	—	—								
Commercial		—	—	—	—	3,222	3,222	—	—	—								
Ancillary		—	—	—	—	5,059	—	—	—	—								
Car parks		—	—	—	—	76,465	67,237	—	—	—								
Car parks - Resettlement		—	—	—	—	4,909	—	—	—	—								
Putian																		
81. Putian Xiuyu Dynasty Royalty (莆田秀嶼大唐世家)	83,198	—	—	—	—	252,522	211,211	60,069	—	—	November 2019	November 2019	January 2023	501.9	657.4	35.00%	194.0	23
Residential		—	—	—	—	189,624	189,624	60,069	—	—								
Ancillary		—	—	—	—	12,103	—	—	—	—								
Car parks		—	—	—	—	50,795	21,587	—	—	—								
Sanming																		
82. Shaxian Yunzhu(沙縣雲著)	53,688	—	—	—	—	—	—	—	—	123,596	September 2020	September 2020	December 2022	260.4	371.3	40.00%	N/A	N/A
Residential		—	—	—	—	—	—	—	—	94,503								
Commercial		—	—	—	—	—	—	—	—	619								
Ancillary		—	—	—	—	—	—	—	—	3,417								
Car Parks		—	—	—	—	—	—	—	—	25,058								
Beibu Gulf Region and Neighboring Cities																		
Nanning																		
83. Jinjiu Royalty (金玖世家)	68,401	—	—	—	—	380,330	247,857	205,593	—	—	January 2019	February 2019	April 2021	1,572.6	621.5	25.00%	458.2	41
Residential		—	—	—	—	202,008	202,008	200,923	—	—								
Residential- Resettlement		—	—	—	—	50,787	—	—	—	—								
Commercial- Resettlement		—	—	—	—	19,923	—	—	—	—								
Ancillary		—	—	—	—	22,905	—	—	—	—								
Car parks		—	—	—	—	60,297	45,849	4,670	—	—								
Car parks- Resettlement		—	—	—	—	24,410	—	—	—	—								

Project/Phases	Site Area(1)	Completed: Total completed GFA(2)	Completed: Total saleable/ rentable GFA(3)	Completed: Total saleable GFA unsold(4)	Completed: Rentable GFA(5)	Under Development: Planned GFA under development(2)	Under Development: Saleable/ Rentable GFA(6)	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development(1)	Actual/ Estimated commencement date for construction(7)	Actual/ Estimated commencement date for pre-sale of properties(8)	Actual/ Estimated completion date for construction(9)	Development costs incurred as of June 30, 2020(10)	Estimated future development costs as of June 30, 2020(11)	Group's attributable interests(12)	Group's attributable market value(13)	Ref to Property Valuation Report(14)
	(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 RMB million)	(in RMB million)		(in RMB million)	
84. Jinyue Qingshan (錦悅青山)	32,507	53,293	48,421	48,421	—	115,434	81,132	58,304	—	—	June 2018	July 2018	June 2021	1,060.1	235.0	49.43%	601.4	42
Residential		48,421	48,421	48,421	—	44,424	44,424	43,783	—	—								
Residential-Resettlement		—	—	—	—	16,926	—	—	—	—								
Ancillary		4,872	—	—	—	10,096	—	—	—	—								
Car parks		—	—	—	—	43,988	36,708	14,521	—	—								
85. Wuxiang Lanting Mansion (五象瀾庭府)	159,991	—	—	—	—	902,316	579,186	335,498	—	—	August 2019	August 2019	June 2023	3,235.1	2,088.9	33.00%	1,247.7	43
Phase 1	57,249	—	—	—	—	323,439	193,600	146,285	—	—	August 2019	August 2019	December 2022					
Residential		—	—	—	—	155,091	155,091	130,638	—	—								
Residential-Resettlement		—		—	—	55,796	—	—	—	—								
Commercial-Resettlement		—		—	—	13,252	—	—	—	—								
Ancillary		—	—	—	—	27,849	—	—	—	—								
Car Parks		—	—	—	—	53,828	38,510	15,647	—	—								
Car Parks-Resettlement		—		—	—	17,625	—	—	—	—								
Phase 2	37,765	—	—	—	—	213,765	172,404	1,572	—	—	April 2020	June 2020	June 2023					
Residential		—	—	—	—	135,826	135,826	1,242	—	—								
Commercial-Resettlement		—		—	—	12,055	—	—	—	—								
Ancillary		—	—	—	—	21,752	—	—	—	—								
Car parks		—	—	—	—	39,501	36,579	331	—	—								
Car Parks-Resettlement		—		—	—	4,631	—	—	—	—								
Phase 3	64,977	—	—	—	—	365,112	213,182	187,641	—	—	August 2019	August 2019	December 2022					
Residential		—	—	—	—	176,062	176,062	169,370	—	—								
Residential-Resettlement		—		—	—	58,137	—	—	—	—								
Commercial-Resettlement		—		—	—	21,464	—	—	—	—								
Ancillary		—	—	—	—	34,187	—	—	—	—								
Car Parks		—	—	—	—	54,218	37,120	18,271	—	—								
Car Parks-Resettlement		—		—	—	21,044	—	—	—	—								
86. Shenghu Yuejing (盛湖悅景)	90,929	—	—	—	—	351,979	305,058	206,599	—	—	March 2019	April 2019	October 2021	1,701.9	703.1	26.00%	491.6	44
Residential		—	—	—	—	238,820	238,820	206,296	—	—								
Commercial		—	—	—	—	12,750	12,750	62	—	—								
Ancillary		—	—	—	—	31,061	—	—	—	—								
Car Parks		—	—	—	—	69,349	53,489	241	—	—								
87. Tanfu Impression (檀府印象)	137,811	—	—	—	—	764,462	494,679	428,342	—	—	September 2018	September 2018	February 2022	2,984.7	1,014.0	30.00%	1,160.4	45
Phase 1	70,870	—	—	—	—	410,311	198,125	168,833	—	—	September 2018	September 2018	December 2021					
Residential		—	—	—	—	156,708	156,708	156,708	—	—								
Residential-Resettlement		—	—	—	—	98,066	—	—	—	—								
Commercial-Resettlement		—	—	—	—	24,870	—	—	—	—								
Ancillary		—	—	—	—	44,299	—	—	—	—								
Car Parks		—	—	—	—	52,359	41,417	12,125	—	—								
Car Parks-Resettlement		—	—	—	—	34,009	—	—	—	—								

Project/Phases	Site Area(1)	Completed: Total completed GFA(2)	Completed: Total saleable/ rentable GFA(3)	Completed: Total saleable GFA unsold(4)	Completed: Rentable GFA(5)	Under Development: Planned GFA under development(2)	Under Development: Saleable/ Rentable GFA(6)	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development(1)	Actual/ Estimated commencement date for construction(7)	Actual/ Estimated commencement date for pre-sale of properties(8)	Actual/ Estimated completion date for construction(9)	Development costs incurred as of June 30, 2020(10)	Estimated future development costs as of June 30, 2020(11)	Group's attributable interests(12)	Group's attributable market value(13)	Ref to Property Valuation Report(14)
	(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 RMB million)	(in RMB million)		(in RMB million)	
Phase 2	66,941	—	—	—	—	354,150	296,554	259,509	—	—	November 2018	December 2018	February 2022					
Residential		—	—	—	—	233,771	233,771	233,070	—	—								
Commercial-Resettlement		—	—	—	—	16,732	—	—	—	—								
Ancillary		—	—	—	—	23,913	—	—	—	—								
Car Parks		—	—	—	—	74,858	62,783	26,439	—	—								
Car Parks-Resettlement		—	—	—	—	4,877	—	—	—	—								
88. Impression Discovery Bay (印象愉景灣)	111,138	—	—	—	—	614,237	412,262	201,699	—	—	January 2019	April 2019	December 2022	1,687.4	1,491.8	16.50%	N/A	N/A
Residential		—	—	—	—	328,902	328,902	201,699	—	—								
Residential-Resettlement		—	—	—	—	79,359	—	—	—	—								
Commercial-Resettlement		—	—	—	—	32,726	—	—	—	—								
Ancillary		—	—	—	—	43,498	—	—	—	—								
Car parks		—	—	—	—	96,109	83,359	—	—	—								
Car parks-Resettlement		—	—	—	—	33,644	—	—	—	—								
89. Nanning Shengshi Jinyue (南寧盛世金悅)	25,266	—	—	—	—	106,074	92,367	43,467	—	—	February 2020	March 2020	May 2022	363.5	236.6	25.00%	N/A	N/A
Residential		—	—	—	—	73,350	73,350	43,467	—	—								
Commercial		—	—	—	—	2,099	2,099	—	—	—								
Ancillary		—	—	—	—	9,917	—	—	—	—								
Car parks		—	—	—	—	20,708	16,918	—	—	—								
90. Nanning Yango Dynasty Royalty (南寧陽光城大唐世家)	37,047	—	—	—	—	203,597	125,296	12,254	—	—	May 2020	June 2020	August 2022	544.4	617.0	49.00%	291.1	47
Residential		—	—	—	—	101,451	101,451	12,254	—	—								
Residential-Resettlement		—	—	—	—	29,080	—	—	—	—								
Commercial-Resettlement		—	—	—	—	11,984	—	—	—	—								
Ancillary		—	—	—	—	18,361	—	—	—	—								
Car Parks		—	—	—	—	29,224	23,845	—	—	—								
Car Parks-Resettlement		—	—	—	—	13,497	—	—	—	—								
91. Yango Dynasty Tanjing (陽光城大唐檀境)	177,954	—	—	—	—	81,656	66,253	—	—	776,745	August 2020	September 2020	June 2023	3,255.9	2,898.0	41.00%	1,371.1	48
Residential		—	—	—	—	51,314	51,314	—	—	366,964								
Residential-Resettlement		—	—	—	—	—	—	—	—	125,760								
Commercial-Resettlement		—	—	—	—	7,787	—	—	—	44,588								
Ancillary		—	—	—	—	4,602	—	—	—	71,834								
Car parks		—	—	—	—	17,952	14,939	—	—	114,863								
Car parks-Resettlement		—	—	—	—	—	—	—	—	52,735								
92. Shengshi Chunjiang (盛世春江)	52,774	—	—	—	—	—	—	—	220,436	220,436	November 2020	December 2020	May 2023	—	1,707.1	49.00%	N/A	50
Residential		—	—	—	—	—	—	—	149,475	149,475								
Commercial		—	—	—	—	—	—	—	7,700	7,700								
Ancillary		—	—	—	—	—	—	—	15,605	15,605								
Car Parks		—	—	—	—	—	—	—	47,655	47,655								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
Liuzhou																		
93. Liuzhou Dynasty Residence (柳州大唐觀邸)	74,989	—	—	—	—	206,716	202,466	24,542	—	75,210	April 2020	April 2020	March 2023	647.5	693.3	51.00%	349.4	53
Residential		—	—	—	—	137,095	137,095	24,542	—	46,058								
Commercial		—	—	—	—	1,880	1,880	—	—	546								
Ancillary		—	—	—	—	2,442	—	—	—	633								
Car parks		—	—	—	—	65,298	63,490	—	—	27,973								
Guigang																		
94. Guigang Yating (貴港雅庭)	45,229	—	—	—	—	178,718	166,499	13,567	—	—	July 2020	July 2020	July 2023	103.8	566.3	26.00%	N/A	N/A
Residential		—	—	—	—	132,709	132,709	13,567	—	—								
Commercial		—	—	—	—	2,223	2,223	—	—	—								
Ancillary		—	—	—	—	5,115	—	—	—	—								
Car Parks		—	—	—	—	38,671	31,568	—	—	—								
95. Guigang Chenguang (貴港辰光)	32,760	—	—	—	—	168,902	158,381	—	—	—	August 2020	September 2020	July 2023	65.7	573.8	34.00%	N/A	N/A
Residential		—	—	—	—	116,540	116,540	—	—	—								
Commercial		—	—	—	—	11,211	11,211	—	—	—								
Ancillary		—	—	—	—	3,671	—	—	—	—								
Car Parks		—	—	—	—	37,480	30,629	—	—	—								
Beihai																		
96. Dynasty Tingtao Residence (大唐聽濤居)	22,052	72,777	67,896	4,953	—	—	—	—	—	—	June 2017	September 2017	October 2019	258.7	N/A	80.00%	N/A	N/A
Residential		57,887	57,887	1,185	—	—	—	—	—	—								
Commercial		7,629	7,629	3,728	—	—	—	—	—	—								
Ancillary		1,812	—	—	—	—	—	—	—	—								
Car parks		5,449	2,380	39	—	—	—	—	—	—								
97. Dynasty Tinghai Residence (大唐聽海居)	14,688	46,966	43,952	1,702	—	—	—	—	—	—	June 2014	July 2014	April 2017	170.5	N/A	80.00%	N/A	N/A
Residential		39,187	39,187	1,132	—	—	—	—	—	—								
Commercial		4,447	4,447	328	—	—	—	—	—	—								
Ancillary		706	—	—	—	—	—	—	—	—								
Car parks		2,626	318	242	—	—	—	—	—	—								
Midstream Parts of Yangtze River Region																		
Changsha																		
98. Hantang Royalty (漢唐世家)	240,004	—	—	—	—	—	—	—	606,005	606,005	November 2020	November 2020	May 2024	743.0	2,836.4	49.00%	N/A	67
Phase 1		—	—	—	—	—	—	—	132,740	132,740	November 2020	November 2020	April 2022					
Residential		—	—	—	—	—	—	—	101,522	101,522								
Commercial		—	—	—	—	—	—	—	3,162	3,162								
Ancillary		—	—	—	—	—	—	—	2,130	2,130								
Car parks		—	—	—	—	—	—	—	25,925	25,925								
Phase 2		—	—	—	—	—	—	—	325,842	325,842	March 2021	June 2021	October 2023					
Residential		—	—	—	—	—	—	—	251,482	251,482								
Commercial		—	—	—	—	—	—	—	7,961	7,961								
Ancillary		—	—	—	—	—	—	—	2,830	2,830								
Car parks		—	—	—	—	—	—	—	63,569	63,569								
Phase 3		—	—	—	—	—	—	—	147,423	147,423	June 2021	October 2022	May 2024					
Commercial		—	—	—	—	—	—	—	123,172	123,172								
Ancillary		—	—	—	—	—	—	—	815	815								
Car parks		—	—	—	—	—	—	—	23,436	23,436								

Project/Phases	Site Area[1]	Completed: Total completed GFA[2]	Completed: Total saleable/ rentable GFA[3]	Completed: Total saleable GFA unsold[4]	Completed: Rentable GFA[5]	Under Development: Planned GFA under development[2]	Under Development: Saleable/ Rentable GFA[6]	Under Development: Total saleable GFA pre-sold	Held for Future Development: GFA with land use right certificate not yet obtained	Held for Future Development: Total estimated GFA for future development[1]	Actual/ Estimated commencement date for construction[7]	Actual/ Estimated commencement date for pre-sale of properties[8]	Actual/ Estimated completion date for construction[9]	Development costs incurred as of June 30, 2020[10]	Estimated future development costs as of June 30, 2020[11]	Group's attributable interests[12]	Group's attributable market value[13]	Ref to Property Valuation Report[14]
	(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 RMB million)	(in RMB million)		(in RMB million)	
Yangtze River Delta Region																		
Ningbo																		
99. Feng Lan Di (鳳瀾邸)	24,387	—	—	—	—	61,929	57,088	18,345	—	—	April 2020	July 2020	April 2022	437.6	251.3	35.00%	N/A	N/A
Residential		—	—	—	—	37,435	37,435	18,345	—	—								
Commercial		—	—	—	—	5,274	5,274	—	—	—								
Ancillary		—	—	—	—	1,500	—	—	—	—								
Car Parks		—	—	—	—	17,720	14,379	—	—	—								
Taizhou																		
100. Chuangshi Mingdi (創世銘邸)	32,862	—	—	—	—	—	—	—	99,413	99,413	June 2020	November 2020	December 2022	134.6	568.7	49.00%	N/A	N/A
Residential		—	—	—	—	—	—	—	71,590	71,590								
Ancillary		—	—	—	—	—	—	—	1,527	1,527								
Car parks		—	—	—	—	—	—	—	26,295	26,295								
Chengdu-Chongqing Region																		
Chongqing																		
101. Boyun Mansion (泊雲府)	63,610	—	—	—	—	140,725	137,572	35,228	—	—	November 2019	December 2019	September 2021	612.1	313.6	30.00%	N/A	N/A
Residential		—	—	—	—	76,070	76,070	35,228	—	—								
Commercial		—	—	—	—	23,516	23,516	—	—	—								
Ancillary		—	—	—	—	852	—	—	—	—								
Car parks		—	—	—	—	40,287	37,986	—	—	—								
102. Xichen Yijing (西辰藝境)	42,170	—	—	—	—	87,268	84,076	—	—	—	April 2020	June 2020	November 2021	444.0	250.5	31.00%	N/A	N/A
Residential		—	—	—	—	62,865	62,865	—	—	—								
Ancillary		—	—	—	—	1,595	—	—	—	—								
Car parks		—	—	—	—	22,807	21,211	—	—	—								
103. Hanlin Tianchen (翰粼天辰)	90,075	—	—	—	—	185,195	177,315	44,952	—	—	March 2020	May 2020	June 2022	941.9	562.6	30.00%	297.8	73
Residential		—	—	—	—	129,395	129,395	44,952	—	—								
Commercial		—	—	—	—	1,778	1,778	—	—	—								
Ancillary		—	—	—	—	5,978	—	—	—	—								
Car parks		—	—	—	—	48,045	46,142	—	—	—								
104. Jiuzhu Tianchen (玖著天宸)	136,328	—	—	—	—	292,053	278,784	36,641	—	—	May 2020	June 2020	June 2022	1,304.8	1,108.5	33.00%	468.4	74
Residential		—	—	—	—	201,418	201,418	36,641	—	—								
Ancillary		—	—	—	—	7,490	—	—	—	—								
Car parks		—	—	—	—	83,145	77,366	—	—	—								
Yibin																		
105. Yibin Jinke Town (宜賓金科城)	184,590	—	—	—	—	376,283	285,237	—	—	253,301	July 2020	September 2020	October 2023	632.1	2,433.5	40.00%	489.7	75
Residential		—	—	—	—	242,019	190,586	—	—	172,528								
Residential-Resettlement						27,295	—	—	—	—								
Commercial		—	—	—	—	9,475	9,475	—	—	7,815								
Ancillary		—	—	—	—	1,984	—	—	—	135								
Car Parks		—	—	—	—	95,510	85,176	—	—	72,823								
Subtotal	2,624,098	173,036	160,269	55,076	—	7,193,845	5,629,655	1,990,299	1,077,009	2,413,964				28,641.7	30,210.1			
Total	**6,350,664**	**4,952,556**	**3,651,718**	**850,313**	**183,927**	**12,093,462**	**9,747,180**	**3,472,623**	**1,995,162**	**4,293,421**				**71,629.2**	**50,675.3**			

Notes:

(1) Site area data should be derived from information contained in the relevant land use rights certificates and real estate title certificates, or in the land grant contract if there is no relevant land use rights certificates. Total estimated GFA for future development includes GFA with land use rights certificate not yet obtained.

(2) Data with respect to the GFA of completed projects should be derived from the information contained in the relevant inspection or completion certificates from the government authorities; data with respect to the projects under development and held for future development should be derived from the information contained in the relevant construction work planning permits, or other documentation such as data in the land grant contracts if there are no construction work planning permits.

(3) Total saleable/rentable GFA of completed projects refer to the saleable GFA sold/unsold and GFA available for rent.

(4) Total saleable GFA unsold is divided into (i) GFA pre-sold but yet to be delivered and (ii) GFA unsold and available for sale.

(5) Rentable GFA refers to GFA of the property held for investments.

(6) Saleable/rentable GFA of projects under development comprises saleable GFA sold/unsold and GFA available for rent.

(7) Refers to the date on the construction work commencement permit or its estimation by the Group.

(8) Refers to the date our Group obtained or its estimated to obtain a pre-sale permit for the project based on the Group's internal records.

(9) Refers to the date of the completion certificate for each project when the projects are completed. Projects under development or held for future development is based on our current estimation with reference to construction working plans.

(10) Development costs incurred as of June 30, 2020 refer to direct (audited) costs incurred during the Track Record Period for the relevant projects, including paid/to be paid land premium of relevant land use permits, construction costs and capitalized interest. N/A applies in the case where the actual development costs of the relevant project were not available.

(11) Estimated future development costs to be incurred as of June 30, 2020 refer to the total budgeted costs based on our project development schedules and the total development costs incurred as of June 30, 2020, subject to changes in the relevant market and our internal adjustments to the cost structure of projects.

(12) Calculation based on the effective equity interest in the respective project companies as of August 31, 2020.

(13) Refers to the market value of the project in proportion to the Group's attributable interest in the project as of August 31, 2020.

(14) Certain of our property projects were not included in the Property Valuation Report as set out in Appendix III to this Prospectus as the carrying amount of each of them was below 1% of our total assets as of August 31, 2020, and the aggregate carrying amount of those property projects did not exceed 10% of our total assets as of August 31, 2020 in accordance with the Listing Rules.

(15) We treated these property projects as projects developed by our subsidiaries even though some of their respective interests attributable to our Group were below 100.0%, as our Group had relevant control over the relevant project companies and according to HKFRS, these project companies can be treated as our subsidiaries.

Our properties that remained unsold for a prolonged period of time are either held as investment properties or completed properties held for sale. We retain some of our completed properties as investment properties for generating rental income and capital appreciation. The rental income generated from our investment properties was RMB42.0 million, RMB35.3 million, RMB40.6 million and RMB21.8 million in 2017, 2018 and 2019 and the first half of 2020, respectively. As of June 30, 2020, 18 of our property projects had properties remained unsold which were completed properties held for sale. As of June 30, 2020 we recorded an impairment provision of RMB278.7 million for properties under development. As of June 30, 2020, the impairment provision for completed properties held for sale accounted for 3.0% of our completed properties held for sale. See "Financial Information — Description of Certain Consolidated Balance Sheet Items — Completed properties held for sale." We did not make impairment provision for the other property projects because the book value of such properties were lower than the expected selling prices that were estimated by our management based on the then market conditions.

Description of Projects

Property projects developed by subsidiaries

Western Taiwan Strait Economic Region

Xiamen

1. Tong'an Shuiyunjian (同安 • 水雲間)

Tong'an Shuiyunjian is a residential property project located in Xiamen, Fujian. Tong'an Shuiyunjian was developed by Xiamen Dazu Real Estate Development Co., Ltd. (廈門市大族房地產開發有限責任公司). The total land premium of RMB3.1 million has been fully paid. Xiamen Dazu Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in June 2015. The project occupies an aggregate site area of approximately 15,000 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB403.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB78.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	15,000
Total GFA under development (in sq.m.)	84,816
Saleable/rentable GFA under development (in sq.m.)	81,001
Land cost per site area (in RMB)	206
Land cost per saleable/rentable GFA (in RMB)	38
Percentage of total saleable/rentable GFA pre-sold	30.4%
Number of residential units available for sale	589
Actual commencement date	December 2017
Actual commencement date for pre-sale of properties	May 2018
Estimated completion date	December 2020
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 2 of the Property Valuation Report in Appendix III to this Prospectus.

2. Xiamen Dynasty Center (廈門大唐中心)

Xiamen Dynasty Center is an integrated property project in Xiamen, Fujian, comprising a stadium, commercial properties and a hotel. Xiamen Dynasty Center was developed by Xiamen Jingding Sports Culture Development Co., Ltd. (廈門京鼎體育文化發展有限公司). The total land premium of RMB64.3 million has been fully paid. Xiamen Jingding Sports Culture Development Co., Ltd. has obtained the relevant land use rights certificate in February 2005. The project occupies an aggregate site area of approximately 93,166 sq.m. As of June 30, 2020, our total development costs incurred was RMB370.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB255.9 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phases 1, 2 and 3

Site area (in sq.m.)	65,249
Total GFA completed (sq.m.)	132,236
Total saleable/rentable GFA completed (in sq.m.)	38,131
Total saleable GFA completed and unsold (in sq.m.)	—
Rentable GFA held for property investment (in sq.m.)	38,131
Land cost per site area (in RMB)	690
Land cost per saleable/rentable GFA (in RMB)	1,391
Percentage of total saleable/rentable GFA sold	—
Percentage of total saleable/rentable GFA self-owned	100%(1)
Actual commencement date	November 2005
Actual completion date	June 2010
Attributable interest to our Group	100.00%
Construction status	Completed

Phases 4 and 5

Site area (in sq.m.)	27,918
Planned GFA held for future development (in sq.m.)	27,918
Land cost per site area (in RMB)	690
Estimated commencement date	March 2021
Estimated completion date	March 2024
Attributable interest to our Group	100.00%
Construction status	Held for future development

Note:

(1) As of August 31, 2020, the property project was wholly-owned by us, which consisted of rentable GFA for investment of 38,131 sq.m., which were investment properties leased as sports facilities and commercial properties. The rental income generated from such investment properties was RMB11.3 million, RMB7.8 million, RMB15.6 million and RMB3.7 million, in 2017, 2018 and 2019 and the first half of 2020, respectively; Additionally, this property project also included GFA for self-use of 94,104 sq.m., which were used by ourselves as sports facilities, commercial properties and hotel. Such self-used GFA was not accounted as saleable/rentable GFA.

For further information, please refer to Property No. 3 of the Property Valuation Report in Appendix III to this Prospectus.

3. Tong'an Dynasty Hotel (同安大唐酒店)

Tong'an Dynasty Hotel is a hotel project located in Xiamen, Fujian. Tong'an Dynasty Hotel was developed by Xiamen Tangmen Real Estate Co., Ltd. (廈門唐門房地產有限公司). The total land premium of RMB12.0 million has been fully paid. We have obtained the relevant land use rights certificate in May 2017. The project occupies an aggregate site area of approximately 16,850 sq.m. As of June 30, 2020, our total development costs incurred was RMB30.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB537.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	16,850
Planned GFA held for future development (in sq.m.)	64,320
Land cost per site area (in RMB)	712
Estimated commencement date	January 2021
Estimated date of pre-sale commencement or pre-sale permit	—
Estimated completion date	October 2022
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 4 of the Property Valuation Report in Appendix III to this Prospectus.

4. Tong'an Dynasty Royalty (同安大唐世家)

Tong'an Dynasty Royalty is a residential and commercial property project located in Xiamen, Fujian. Tong'an Dynasty Royalty was developed by Xiamen Tangmen Real Estate Co., Ltd. (廈門唐門房地產有限公司). The total land premium of RMB4.0 million has been fully paid. We have obtained the relevant land use rights certificate in November 2002. The project occupies an aggregate site area of approximately 35,516 sq.m. and consists of residential units and commercial properties. As of June 30, 2020, our total development costs incurred was RMB150.3 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	35,516
Total GFA completed (sq.m.)	124,105
Total saleable/rentable GFA completed (in sq.m.)	120,264
Total saleable GFA completed and unsold (in sq.m.)	5,355
Rentable GFA held for property investment (in sq.m.)	15,564
Land cost per site area (in RMB)	112
Land cost per saleable/rentable GFA (in RMB)	33
Percentage of total saleable/rentable GFA sold	82.6%
Percentage of total saleable/rentable GFA self-owned	12.9%(1)
Number of residential units available for sale	765
Number of commercial units available for sale	119
Actual commencement date	June 2005
Actual commencement date for pre-sale of properties	October 2006
Actual completion date	May 2016
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, parts of this property project were owned by us, which consisted of rentable GFA for investment of 15,564 sq.m., which were investment properties leased as commercial properties. The rental income generated from such investment properties was RMB1.8 million, RMB3.1 million, RMB2.5 million and RMB0.5 million, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 1 of the Property Valuation Report in Appendix III to this Prospectus.

5. Dynasty Business Center (大唐商務中心)

Dynasty Business Center is an office building located in Xiamen, Fujian. Dynasty Business Center was acquired by Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) in 2007.

Based on our internal records, details of the asset held for the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	—
Total GFA completed (sq.m.)	6,958
Total saleable/rentable GFA completed (in sq.m.)	6,958
Total saleable GFA completed and unsold (in sq.m.)	—
Rentable GFA held for property investment (in sq.m.)	6,958
Percentage of total saleable/rentable GFA sold	—
Percentage of total saleable/rentable GFA self-owned	100%[(1)]
Actual commencement date	—
Actual commencement date for pre-sale of properties	—
Actual completion date	—
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, the property project was wholly owned by us, which consisted of rentable GFA for investment of 6,958 sq.m., which were investment properties leased as office premises. The rental income generated from such investment properties was RMB1.1 million, RMB1.1 million, RMB1.1 million and RMB3.9 million, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 5 of the Property Valuation Report in Appendix III to this Prospectus.

6. Xiamen Dynasty Royalty Phase 6 (廈門大唐世家六期)

Xiamen Dynasty Royalty Phase 6 is a commercial property located in Xiamen, Fujian. Xiamen Dynasty Royalty Phase 6 was developed by Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司).

Based on our internal records, details of the asset held for the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	—
Total GFA completed (sq.m.)	4,694
Total saleable/rentable GFA completed (in sq.m.)	4,694
Total saleable GFA completed and unsold (in sq.m.)	—
Rentable GFA held for property investment (in sq.m.)	4,694
Percentage of total saleable/rentable GFA sold	—
Percentage of total saleable/rentable GFA self-owned	100%[(1)]
Actual commencement date	—
Actual commencement date for pre-sale of properties	—
Actual completion date	—
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, the property project was wholly owned by us, which consisted of rentable GFA for investment of 4,694 sq.m., which were investment properties leased as commercial properties. The rental income generated from such investment properties was RMB0.5 million, RMB0.5 million, RMB0.5 million and RMB0.3 million, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 6 of the Property Valuation Report in Appendix III to this Prospectus.

Quanzhou

7. Yuanchang Longting Huafu (源昌隆庭華府)

Yuanchang Longting Huafu is a residential property project located in Quanzhou, Fujian. Yuanchang Longting Huafu was developed by Nan'an Yuanchang Properties Co., Ltd. (南安源昌置業有限公司). The total land premium of RMB111.0 million has been fully paid. We have obtained the relevant land use rights certificate in March 2018. The project occupies an aggregate site area of approximately 24,203 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB289.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB32.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	24,203
Total GFA completed (in sq.m.)	81,933
Total saleable/rentable GFA completed (in sq.m.)	68,013
Total saleable GFA completed and unsold (in sq.m.)	68,013
Land cost per site area (in RMB)	4,586
Land cost per saleable/rentable GFA (in RMB)	1,632
Number of residential units available for sale	620
Number of commercial units available for sale	41
Actual commencement date	April 2018
Actual commencement date for pre-sale of properties	June 2018
Actual completion date	June 2020
Attributable interest to our Group	25.00%(1)
Construction status	Completed

Note:

(1) The other shareholders of Nan'an Yuanchang Properties Co., Ltd. (南安源昌置業有限公司) include (i) Xiamen Libo Shuntai Real Estate Development Co., Ltd. (廈門利博順泰房地產開發有限公司), which mainly engages in real estate development and operation according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group; (ii) Xiamen Taishi Trading Co., Ltd. (廈門泰實貿易有限公司), an Independent Third Party which mainly engages in wholesale and retail of building decoration materials, electronic products, communication equipment and certain chemical products according to its business license, and (iii) Nan'an Yiyuanchang Real Estate Development Co., Ltd. (南安溢源昌房地產開發有限公司), an Independent Third Party which mainly engages in property development according to its business license, each holding 25.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 8 of the Property Valuation Report in Appendix III to this Prospectus.

8. Nan'an Dynasty Royalty (南安大唐世家)

Nan'an Dynasty Royalty is a residential property project located in Quanzhou, Fujian. Nan'an Dynasty Royalty was developed by Quanzhou Tangmei Real Estate Co., Ltd. (泉州唐美房地產有限公

司). The total land premium of RMB92.0 million has been fully paid. We have obtained the relevant land use rights certificates in March 2018. The project occupies an aggregate site area of approximately 19,806 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB275.2 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	19,806
Total GFA completed (in sq.m.)	66,049
Total saleable/rentable GFA completed (in sq.m.)	54,258
Total saleable GFA completed and unsold (in sq.m.)	54,258
Land cost per site area (in RMB)	4,645
Land cost per saleable/rentable GFA (in RMB)	1,696
Number of residential units available for sale	486
Number of commercial units available for sale	25
Actual commencement date	April 2018
Actual commencement date for pre-sale of properties	August 2018
Actual completion date	August 2020
Attributable interest to our Group	25.00%(1)
Construction status	Completed

Note:

(1) The other shareholders of Quanzhou Tangmei Real Estate Co., Ltd. (泉州唐美房地產有限公司) include (i) Xiamen Hongbo Taicheng Real Estate Development Co., Ltd. (廈門泓博泰成房地產開發有限公司), which mainly engages in real estate development and operation according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group; (ii) Xiamen Taishi Trading Co., Ltd. (廈門泰實貿易有限公司), an Independent Third Party which mainly engages in wholesale and retail of building decoration materials, electronic products, communication equipment and certain chemical products according to its business license, and (iii) Xiamen Yuanchang Group Co., Ltd. (廈門源昌集團有限公司), an Independent Third Party which mainly engages in property development and operation, investment and real estate development operation according to its business license, each holding 25.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 9 of the Property Valuation Report in Appendix III to this Prospectus.

9. Luojiang Dynasty Royalty (洛江大唐世家)

Luojiang Dynasty Royalty is a residential property project located in Quanzhou, Fujian. Luojiang Dynasty Royalty was developed by Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司). The total land premium of RMB460.0 million has been fully paid. We have obtained the relevant land use rights certificate in January 2018. The project occupies an aggregate site area of approximately 56,484 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB903.8 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB97.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	56,484
Total GFA completed (in sq.m.)	180,376
Total saleable/rentable GFA completed (in sq.m.)	148,920
Total saleable GFA completed and unsold (in sq.m.)	72,705
Total GFA under development (in sq.m.)	1,424
Saleable/rentable GFA under development (in sq.m.)	1,412
Land cost per site area (in RMB)	8,144
Land cost per saleable/rentable GFA (in RMB)	3,060
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	1,203
Number of commercial units available for sale	128
Actual commencement date	May 2018
Actual commencement date for pre-sale of properties	June 2018
Estimated completion date	December 2020
Attributable interest to our Group	50.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司) was Yango (Xiamen) Properties Co., Ltd., (陽光城(廈門)置業有限公司) which is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group. Yango (Xiamen) Property Co., Ltd. mainly engages in real estate development and real estate leasing according to its business license, holding 50.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 10 of the Property Valuation Report in Appendix III to this Prospectus.

Zhangzhou

10. Zhangzhou Bay Dynasty Royalty (漳州港大唐世家)

Zhangzhou Bay Dynasty Royalty is a residential property project located in Zhangzhou, Fujian. Zhangzhou Bay Dynasty Royalty was developed by Zhangzhou Tangmen Real Estate Co., Ltd. (漳州唐門房地產有限公司). The total land premium of RMB204.0 million has been fully paid. We have obtained the relevant land use rights certificates in April 2014. The project occupies an aggregate site area of approximately 58,479 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB711.6 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	58,479
Total GFA completed (sq.m.)	166,750
Total saleable/rentable GFA completed (in sq.m.)	161,232
Total saleable GFA completed and unsold (in sq.m.)	29,222
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	3,488
Land cost per saleable/rentable GFA (in RMB)	1,265
Percentage of total saleable/rentable GFA sold	81.9%
Number of residential units available for sale	1,517
Number of commercial units available for sale	119
Actual commencement date	February 2014
Actual commencement date for pre-sale of properties	July 2014
Actual completion date	December 2017
Attributable interest to our Group	100.00%
Construction status	Completed

11. Panda Villa (熊貓墅)

Panda Villa is a residential property project located in Zhangzhou, Fujian. Panda Villa was developed by Zhangzhou Tangzhuang Real Estate Co., Ltd. (漳州唐莊房地產有限公司). The total land premium of RMB247.0 million has been fully paid. We have obtained the relevant land use rights certificate in November 2015. The project occupies an aggregate site area of approximately 39,780 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB476.1 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	39,780
Total GFA completed (sq.m.)	86,492
Total saleable/rentable GFA completed (in sq.m.)	70,698
Total saleable GFA completed and unsold (in sq.m.)	3,219
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	6,209
Land cost per saleable/rentable GFA (in RMB)	3,494
Percentage of total saleable/rentable GFA sold	95.4%
Number of residential units available for sale	610
Number of commercial units available for sale	15
Actual commencement date	August 2016
Actual commencement date for pre-sale of properties	August 2016
Actual completion date	December 2018
Attributable interest to our Group	100.00%
Construction status	Completed

12. Jiaomei Dynasty Royalty (角美大唐世家)

Jiaomei Dynasty Royalty is a residential property project located in Zhangzhou, Fujian. Jiaomei Dynasty Royalty was developed by Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司). The total land premium of RMB1,500 million has been fully paid. We have obtained the relevant land use rights certificate in October 2017. The project occupies an aggregate site area of approximately 41,558 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,762.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB146.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	41,558
Total GFA under development (in sq.m.)	174,541
Saleable/rentable under development GFA (in sq.m.)	136,727
Total saleable GFA pre-sold (in sq.m.)	22,548
Land cost per site area (in RMB)	36,094
Land cost per saleable/rentable GFA (in RMB)	10,971
Percentage of total saleable/rentable GFA pre-sold	16.5%
Number of residential units available for sale	1,251
Number of commercial units available for sale	15
Actual commencement date	December 2017
Actual commencement date for pre-sale of properties	May 2018
Estimated completion date	April 2021
Attributable interest to our Group	67.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司) was Zhangzhou City Investment Real Estate Group Co., Ltd. (漳州城投地產集團有限公司), which mainly engages in real estate development and construction of resettlement houses and municipal public works and housing according to its business license and is a minority shareholder of two subsidiaries of our Group, holding 33.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 12 of the Property Valuation Report in Appendix III to this Prospectus.

13. Dynasty Happy Lane (大唐幸福里)

Dynasty Happy Lane is a residential property project located in Zhangzhou, Fujian. Dynasty Happy Lane was developed by Zhangzhou Tangyi Real Estate Development Co., Ltd. (漳州唐毅房地產開發有限公司). The total land premium of RMB190.0 million has been fully paid. We have obtained the relevant land use rights certificate in May 2018. The project occupies an aggregate site area of approximately 75,975 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB579.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB141.9 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	75,975
Total GFA under development (in sq.m.)	176,128
Saleable/rentable GFA under development (in sq.m.)	154,246
Total saleable GFA pre-sold (in sq.m.)	133,333
Land cost per site area (in RMB)	2,501
Land cost per saleable/rentable GFA (in RMB)	1,232
Percentage of total saleable/rentable GFA pre-sold	86.4%
Number of residential units available for sale	1,225
Number of commercial units available for sale	140
Actual commencement date	May 2018
Actual commencement date for pre-sale of properties	July 2018
Estimated completion date	November 2020
Attributable interest to our Group	64.18%(1)
Construction status	Under development

Note:

(1) The other shareholders of Zhangzhou Tangyi Real Estate Development Co., Ltd. (漳州唐毅房地產開發有限公司) include (i) Zhangzhou City Investment Real Estate Group Co., Ltd. (漳州城投地產集團有限公司), which mainly engages in real estate development and construction of resettlement houses and municipal public works and housing according to its business license and is a minority shareholder of two subsidiaries of our Group, (ii) Hengsheng Group Co., Ltd. (恒晟集團有限公司), an Independent Third Party which mainly engages in building construction according to its business license, and (iii) Ningbo Tangsheng Investment Management Partnership (Limited Partnership) (寧波唐勝投資管理合夥企業(有限合夥)), an Investment Holding Platform for the Group's employees, holding 20.00%, 10.00% and 5.82% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 13 of the Property Valuation Report in Appendix III to this Prospectus.

14. Zhangzhou Dynasty Royalty (漳州大唐世家)

Zhangzhou Dynasty Royalty is a residential property project located in Zhangzhou, Fujian. Zhangzhou Dynasty Royalty was developed by Zhangzhou Datang Real Estate Co., Ltd. (漳州大唐房地產有限公司). The total land premium of RMB170.0 million has been fully paid. We have obtained the relevant land use rights certificates in June 2013. The project occupies an aggregate site area of approximately 94,432 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB734.3 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	94,432
Total GFA completed (sq.m.)	242,158
Total saleable/rentable GFA completed (in sq.m.)	213,120
Total saleable GFA completed and unsold (in sq.m.)	16,080
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	1,800
Land cost per saleable/rentable GFA (in RMB)	798
Percentage of total saleable/rentable GFA sold	92.5%
Number of residential units available for sale	1,729
Number of commercial units available for sale	144
Actual commencement date	April 2013
Actual commencement date for pre-sale of properties	September 2013
Actual completion date	December 2017
Attributable interest to our Group	100.00%
Construction status	Completed

15. Zhangzhou Dynasty Impression (漳州大唐印象)

Zhangzhou Dynasty Impression is a residential property project located in Zhangzhou, Fujian. Zhangzhou Dynasty Impression was developed by Zhangzhou Xindi Real Estate Co., Ltd. (漳州信地房地產有限公司). The total land premium of RMB524.0 million has been fully paid. We have obtained the relevant land use rights certificate in December 2015. The project occupies an aggregate site area of approximately 44,687 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,140.6 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	44,687
Total GFA completed (sq.m.)	168,297
Total saleable/rentable GFA completed (in sq.m.)	138,296
Total saleable GFA completed and unsold (in sq.m.)	8,557
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	11,726
Land cost per saleable/rentable GFA (in RMB)	3,789
Percentage of total saleable/rentable GFA sold	93.8%
Number of residential units available for sale	829
Number of commercial units available for sale	87
Actual commencement date	January 2016
Actual commencement date for pre-sale of properties	May 2016
Actual completion date	December 2018
Attributable interest to our Group	100.00%
Construction status	Completed

16. Yunxiao Dynasty Impression (雲霄大唐印象)

Yunxiao Dynasty Impression is a residential property project located in Zhangzhou, Fujian. Yunxiao Dynasty Impression was developed by Zhangzhou Tangxing Real Estate Development Co., Ltd. (漳州唐興房地產開發有限公司). The total land premium of RMB186.8 million has been fully paid. We have obtained the relevant land use rights certificate in January 2018. The project occupies an aggregate site area of approximately 19,302 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB326.7 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB79.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	19,302
Total GFA under development (in sq.m.)	75,127
Saleable/rentable GFA under development (in sq.m.)	68,756
Total saleable GFA pre-sold (in sq.m.)	59,683
Land cost per site area (in RMB)	9,678
Land cost per saleable/rentable GFA (in RMB)	2,717
Percentage of total saleable/rentable GFA pre-sold	86.8%
Number of residential units available for sale	448
Number of commercial units available for sale	80
Actual commencement date	April 2018
Actual commencement date for pre-sale of properties	May 2018
Actual completion date	September 2020
Attributable interest to our Group	80.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Zhangzhou Tangxing Real Estate Development Co., Ltd. (漳州唐興房地產開發有限公司) include (i) Hengsheng Group Co., Ltd. (恒晟集團有限公司), an Independent Third Party which mainly engages in building construction according to its business license, and (ii) Xiamen Chunhua Group Co., Ltd. (廈門春華集團有限公司), an Independent Third Party which mainly engages in investments in primary, secondary and tertiary industries according to its business license, each holding 10.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 14 of the Property Valuation Report in Appendix III to this Prospectus.

17. Mingmen Impression (名門印象)

Mingmen Impression is a residential property project located in Zhangzhou, Fujian. Mingmen Impression was developed by Zhangzhou Tangsheng Real Estate Co., Ltd. (漳州唐盛房地產有限公司). The total land premium of RMB1,332.0 million has been fully paid. We have obtained the relevant land use rights certificate in July 2017. The project occupies an aggregate site area of approximately 53,338 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB2,252.4 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	53,338
Total GFA completed (in sq.m.)	200,261
Total saleable/rentable GFA completed (in sq.m.)	183,380
Total saleable GFA completed and unsold	59,585
Rentable GFA held for property investment	3,326
Land cost per site area (in RMB)	24,972
Land cost per saleable/rentable GFA (in RMB)	7,263
Percentage of total saleable/rentable GFA sold	65.7%
Percentage of total saleable/rentable GFA self-owned	1.8%(1)
Number of residential units available for sale	1,317
Number of commercial units available for sale	248
Actual commencement date	July 2017
Actual commencement date for pre-sale of properties	November 2017
Actual completion date	December 2019
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, the property project was wholly owned by us, which consisted of rentable GFA for investment of 3,326 sq.m., which were investment properties leased as commercial properties. We have not generated any rental income generated from such investment properties in 2017, 2018 and 2019 and the first half of 2020.

For further information, please refer to Property No. 15 of the Property Valuation Report in Appendix III to this Prospectus.

18. Tianlai Town Phase I (天籟小鎮一期)

Tianlai Town Phase I is a residential property project located in Zhangzhou, Fujian. Tianlai Town Phase I was developed by Changtai Datang Real Estate Co., Ltd. (長泰大唐房地產有限公司). The total land premium of RMB42.1 million has been fully paid. We have obtained the relevant land use rights certificate in October 2016. The project occupies an aggregate site area of approximately 73,607 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB57.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB237.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	73,607
Total GFA under development (in sq.m.)	2,116
Saleable/rentable GFA (in sq.m.)	—
Total saleable GFA pre-sold (in sq.m.)	—
Planned GFA held for future development (in sq.m.)	92,779
Land cost per site area (in RMB)	572
Percentage of total saleable/rentable GFA pre-sold	—
Actual commencement date	May 2019
Estimated commencement date for pre-sale of properties	August 2021
Estimated completion date	November 2022
Attributable interest to our Group	70.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Changtai Datang Real Estate Co., Ltd. (長泰大唐房地產有限公司) includes Changtai Tangrun Properties Co., Ltd. (長泰唐潤置業有限公司), an Independent Third Party which mainly engages in real estate construction and development according to its business license, holding 30.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 16 of the Property Valuation Report in Appendix III to this Prospectus.

19. Tianlai Town Phase II (天籟小鎮二期)

Tianlai Town Phase II is a residential property project located in Zhangzhou, Fujian. Tianlai Town Phase II was developed by Changtai Tangchuang Real Estate Co., Ltd. (長泰唐創房地產有限公司). The total land premium of RMB113.0 million has been fully paid. We have obtained the relevant land use rights certificate in December 2019. The project occupies an aggregate site area of approximately 86,754 sq.m. As of June 30, 2020, our total development costs incurred was RMB117.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB376.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	86,754
Planned GFA held for future development (in sq.m.)	113,546
Land cost per site area (in RMB)	1,303
Estimated commencement date	November 2020
Estimated date of pre-sale commencement or pre-sale permit	September 2021
Estimated completion date	May 2023
Attributable interest to our Group	70.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Changtai Tangchuang Real Estate Co., Ltd. (長泰唐創房地產有限公司) was Changtai Tangrun Properties Co., Ltd. (長泰唐潤置業有限公司), an Independent Third Party which mainly engages in real estate construction and development according to its business license, holding 30.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 20 of the Property Valuation Report in Appendix III to this Prospectus.

20. Dynasty Jinxiu Royalty (大唐錦繡世家)

Dynasty Jinxiu Royalty is a residential property project located in Zhangzhou, Fujian. Dynasty Jinxiu Royalty was developed by Zhangzhou Tangshun Real Estate Development Co., Ltd. (漳州唐順

房地產開發有限公司). The total land premium of RMB212.0 million has been paid. We have obtained the relevant land use rights certificate in February 2020. The project occupies an aggregate site area of approximately 48,278 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB235.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB404.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	48,278
Total GFA under development (in sq.m.)	139,310
Saleable/rentable GFA under development (in sq.m.)	126,056
Total saleable GFA pre-sold (in sq.m.)	71,933
Land cost per site area (in RMB)	4,391
Land cost per saleable/rentable GFA (in RMB)	1,682
Percentage of total saleable/rentable GFA pre-sold	57.1%
Number of residential units available for sale	1,132
Number of commercial units available for sale	77
Actual commencement date	March 2020
Actual date of pre-sale commencement or pre-sale permit	May 2020
Estimated completion date	February 2022
Attributable interest to our Group	70.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Zhangzhou Tangshun Real Estate Development Co., Ltd (漳州唐順房地產開發有限公司) include Zhangzhou Tangrui Real Estate Development Co., Ltd (漳州唐瑞房地產開發有限公司) and Fujian Yijian Group Co., Ltd, an Independent Third Party which mainly engages in engineering construction according to its business license, indirectly holding 30.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 21 of the Property Valuation Report in Appendix III to this Prospectus.

21. Zhangzhou Dynasty Chunfengli (漳州大唐春風里)

Zhangzhou Dynasty Chunfengli is a residential property project located in Zhangzhou, Fujian. Zhangzhou Dynasty Chunfengli was developed by Zhangzhou Tangfeng Real Estate Development Co., Ltd. (漳州唐峰房地產開發有限公司). The total land premium of RMB240.0 million has been fully paid. We have obtained the relevant land use rights certificate in December 2019. The project occupies an aggregate site area of approximately 41,073 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB266.7 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB394.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	41,073
Total GFA under development (in sq.m.)	140,193
Saleable/rentable GFA under development (in sq.m.)	125,902
Total saleable GFA pre-sold (in sq.m.)	1,583
Land cost per site area (in RMB)	5,843
Land cost per saleable/rentable GFA sold	1,906
Percentage of total saleable/rentable GFA pre-sold	1.3%
Number of residential units available for sale	979
Number of commercial units available for sale	59
Actual commencement date	January 2020
Actual date of pre-sale commencement or pre-sale permit	June 2020
Estimated completion date	January 2022
Attributable interest to our Group	51.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Zhangzhou Tangfeng Real Estate Development Co., Ltd. (漳州唐峰房地產開發有限公司) include (i) Quanzhou Wanhong Management Consulting Co., Ltd. (泉州萬弘管理諮詢有限公司), an Independent Third Party which mainly engages in enterprise management consultancy according to its business license, and (ii) Fujian Yijian Group Co., Ltd. (福建一建集團有限公司), an Independent Third Party which mainly engages in construction engineering, municipal facilities engineering and metallurgical engineering according to its business license, holding 16.00% and 33.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 18 of the Property Valuation Report in Appendix III to this Prospectus.

22. Yango Dynasty Feili Impression (陽光城大唐翡麗印象)

Yango Dynasty Feili Impression is a residential and commercial property located in Zhangzhou, Fujian. Yango Dynasty Feili Impression was developed by Zhangzhou Longwen Tangguang Real Estate Development Co., Ltd. (漳州龍文唐光房地產開發有限公司). The total land premium of RMB1,160.0 million has been fully paid. We have obtained the relevant land use rights certificate in June 2020. The project occupies an aggregate site area of approximately 83,810 and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,194.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB751.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	83,810
Total GFA under development (in sq.m.)	129,221
Saleable/rentable GFA under development (in sq.m.)	116,900
Planned GFA held for future development (in sq.m.)	143,223
Land cost per site area (in RMB)	13,841
Land cost per saleable/rentable GFA sold	4,707
Number of residential units available for sale	2,014
Number of commercial units available for sale	45
Actual commencement date	July 2020
Actual date of pre-sale commencement or pre-sale permit	September 2020
Estimated completion date	April 2023
Attributable interest to our Group	50.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Zhangzhou Longwen Tangguang Real Estate Development Co., Ltd. (漳州龍文唐光房地產開發有限公司) was Yango (Xiamen) Properties Co., Ltd. (陽光城（廈門）置業有限公司), which is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group. Yango (Xiamen) Property Co., Ltd. mainly engages in real estate development and operation, real estate lease operation and municipal road construction according to its business license, holding 50.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 22 of the Property Valuation Report in Appendix III to this Prospectus.

Fuzhou

23. Dynasty Shuxiang Yazhu (大唐·書香雅築)

Dynasty Shuxiang Yazhu is a residential property project located in Fuzhou, Fujian. Dynasty Shuxiang Yazhu was developed by Fuzhou Tangmei Real Estate Co., Ltd. (福州唐美房地產有限公司). The total land premium of RMB750.0 million has been fully paid. We have obtained the relevant land use rights certificate in November 2019. The project occupies an aggregate site area of approximately 54,189 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB973.3 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB400.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	54,189
Total GFA under development (in sq.m.)	178,821
Saleable/rentable GFA under development (in sq.m.)	106,417
Total saleable GFA pre-sold (in sq.m.)	21,046
Land cost per site area (in RMB)	13,841
Land cost per saleable/rentable GFA (in RMB)	7,048
Percentage of total saleable/rentable GFA pre-sold	19.8%
Number of residential units available for sale	951
Number of commercial units available for sale	38
Actual commencement date	November 2019
Actual commencement date for pre-sale of properties	November 2019
Estimated completion date	December 2021
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 25 of the Property Valuation Report in Appendix III to this Prospectus.

24. Pukou Dynasty Royalty (浦口大唐世家)

Pukou Dynasty Royalty is a residential and commercial property project located in Fuzhou, Fujian. Pukou Dynasty Royalty was developed by Fuzhou Tangsheng Real Estate Development Co., Ltd. (福州唐盛房地產開發有限公司). The total land premium of RMB351.0 million has been fully paid. Fuzhou Tangsheng Real Estate development Co., Ltd. has obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 15,954 sq.m. and consists of residential units, commercial properties, office, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB527.6 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	15,954
Planned GFA held for future development (in sq.m.)	53,597
Land cost per site area (in RMB)	22,001
Number of residential units available for sale	316
Number of office units available for sale	84
Actual commencement date	August 2020
Estimated date of pre-sale commencement or pre-sale permit	November 2020
Estimated completion date	December 2022
Attributable interest to our Group	90.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Fuzhou Tangsheng Real Estate development Co., Ltd. (福州唐盛房地產開發有限公司) includes Hengsheng Group Co., Ltd. (恒晟集團有限公司), an Independent Third Party which mainly engages in building construction according to its business license, holding 10.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 27 of the Property Valuation Report in Appendix III to this Prospectus.

Putian

25. Putian Yuhu Project (莆田玉湖項目)

Putian Yuhu Project is a residential and commercial property project located in Putian, Fujian. Putian Yuhu Project was developed by Putian Tangyu Real Estate Development Co., Ltd. (莆田唐玉房地產開發有限公司). Out of the total land premium of RMB1,076.0 million, we have paid RMB559.5 million. We expect to pay the remaining RMB516.5 million in October 2020. Putian Tangyu Real Estate development Co., Ltd. has obtained the relevant land use rights certificate in October 2020. The project occupies an aggregate site area of approximately 37,695 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,690.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	37,695
Planned GFA held for future development (in sq.m.)	142,154
Land cost per site area (in RMB)	28,545
Number of residential units available for sale	772
Estimated commencement date	October 2020
Estimated date of pre-sale commencement or pre-sale permit	December 2020
Estimated completion date	June 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 24 of the Property Valuation Report in Appendix III to this Prospectus.

Beibu Gulf Region and Neighboring Cities

Nanning

26. Nanning Dynasty Tianyue (南寧大唐天悅)

Nanning Dynasty Tianyue is a residential property project located in Nanning, Guangxi. Nanning Dynasty Tianyue was developed by Guangxi Tangtong Investment Co., Ltd. (廣西唐通投資有限公司). The total land premium of RMB211.1 million has been fully paid. We have obtained the relevant land use rights certificate in November 2018. The project occupies an aggregate site area of approximately 28,320 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB449.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB214.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	28,320
Total GFA under development (in sq.m.)	132,987
Saleable/rentable GFA under development (in sq.m.)	112,084
Total saleable GFA pre-sold (in sq.m.)	75,720
Land cost per site area (in RMB)	7,455
Land cost per saleable/rentable GFA (in RMB)	1,884
Percentage of total saleable/rentable GFA pre-sold	67.6%
Number of residential units available for sale	728
Number of commercial units available for sale	7
Actual commencement date	November 2018
Actual date of pre-sale commencement or pre-sale permit.	December 2018
Estimated completion date	December 2020
Attributable interest to our Group	55.55%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangtong Investment Co., Ltd. (廣西唐通投資有限公司) include (i) Quanzhou Yuanfeng Enterprise Management Co., Ltd. (泉州元豐企業管理有限公司), which mainly engages in business management consultancy according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, holding 43.00% interest in the property project as of August 31, 2020, and (ii) Nanning Tiande Investment Co., Ltd (南寧天德投資有限公司), an Independent Third Party which mainly engages in real estate investment according to its business license, indirectly holding 1.45% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 28 of the Property Valuation Report in Appendix III to this Prospectus.

27. Nanning Dynasty Tiancheng Phases I & II (南寧大唐天城一期和二期)

Nanning Dynasty Tiancheng Phases I & II is a residential and commercial property project located in Nanning, Guangxi. Nanning Dynasty Tiancheng Phases I & II was developed by Guangxi Xindi Investment Co., Ltd. (廣西信地投資有限公司). The total land premium of RMB587.3 million has been fully paid. We have obtained the relevant land use rights certificate in May 2014. The project occupies an aggregate site area of approximately 25,027 sq.m. and consists of residential units, commercial properties, office, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,741.7 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	25,027
Total GFA completed (in sq.m.)	258,006
Total saleable/rentable GFA completed (in sq.m.)	207,848
Total saleable/rentable GFA completed and unsold (in sq.m.)	6,434
Rentable GFA held for property investment (in sq.m.)	67,846
Land cost per site area (in RMB)	23,466
Land cost per saleable/rentable GFA (in RMB)	2,826
Percentage of total saleable/rentable GFA sold	64.3%
Percentage of total saleable/rentable GFA self-owned	32.6%(1)
Number of residential units available for sale	615
Number of commercial units available for sale	8
Number of office units available for sale	754
Actual commencement date	October 2014
Actual commencement date for pre-sale of properties	October 2014
Actual completion date	November 2019
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, parts of this property project were owned by us, which consisted of rentable GFA for investment of 67,846 sq.m., which were investment properties leased as commercial properties. The rental income generated from such investment properties was nil, nil, RMB16.8 million and RMB10.8 million, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 29 of the Property Valuation Report in Appendix III to this Prospectus.

28. Nanning Dynasty Tiancheng Phase III (南寧大唐天城三期)

Nanning Dynasty Tiancheng Phase III is a residential and commercial property project located in Nanning, Guangxi. Nanning Dynasty Tiancheng Phase III was developed by Guangxi Datang Real Estate Co., Ltd. (廣西大唐房地產有限公司). The total land premium of RMB432.2 million has been fully paid. We have obtained the relevant land use rights certificate in May 2017. The project occupies an aggregate site area of approximately 19,141 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB824.1 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB218.8 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	19,141
Total GFA under development (in sq.m.)	169,618
Saleable/rentable GFA under development (in sq.m.)	103,198
Land cost per site area (in RMB)	22,579
Land cost per saleable/rentable GFA (in RMB)	4,188
Percentage of total saleable/rentable GFA pre-sold	66.0%
Number of residential units available for sale	488
Number of commercial units available for sale	119
Actual commencement date	November 2017
Actual commencement date for pre-sale of properties	November 2017
Estimated completion date	November 2020
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 30 of the Property Valuation Report in Appendix III to this Prospectus.

29. Anji Dynasty Royalty (安吉大唐世家)

Anji Dynasty Royalty is a residential property project located in Nanning, Guangxi. Anji Dynasty Royalty was developed by Guangxi Tangju Investment Co., Ltd. (廣西唐聚投資有限公司). The total land premium of RMB302.6 million has been fully paid. We have obtained the relevant land use rights certificate in September 2019. The project occupies an aggregate site area of approximately 27,962 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB449.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB327.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	27,962
Total GFA under development (in sq.m.)	147,171
Saleable/rentable GFA under development (in sq.m.)	126,978
Total saleable GFA pre-sold (in sq.m.)	66,912
Land cost per site area (in RMB)	10,821
Land cost per saleable/rentable GFA (in RMB)	2,383
Percentage of total saleable/rentable GFA pre-sold	52.7%
Number of residential units available for sale	1,021
Number of commercial units available for sale	61
Actual commencement date	August 2019
Actual commencement date for pre-sale of properties	October 2019
Estimated completion date	November 2021
Attributable interest to our Group	70.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangju Investment Co., Ltd. (廣西唐聚投資有限公司) includes Guangxi Jiankai Engineering Co., Ltd. (廣西建開工程有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, holding 30.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 31 of the Property Valuation Report in Appendix III to this Prospectus.

30. Xingning Dynasty Youth (興寧大唐果)

Xingning Dynasty Youth is a residential property project located in Nanning, Guangxi. Xingning Dynasty Youth was developed by Guangxi Tangning Investment Co., Ltd. (廣西唐寧投資有限公司). The total land premium of RMB256.5 million has been fully paid. We have obtained the relevant land use rights certificate in July 2018. The project occupies an aggregate site area of approximately 24,786 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB574.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB129.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	24,786
Total GFA under development (in sq.m.)	126,314
Saleable/rentable GFA under development (in sq.m.)	78,040
Total saleable GFA pre-sold (in sq.m.)	68,676
Land cost per site area (in RMB)	10,350
Land cost per saleable/rentable GFA (in RMB)	3,287
Percentage of total saleable/rentable GFA pre-sold	88.0%
Number of residential units available for sale	533
Number of commercial units available for sale	20
Actual commencement date	July 2018
Actual commencement date for pre-sale of properties	August 2018
Estimated completion date	November 2020
Attributable interest to our Group	76.92%[(1)]
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangning Investment Co., Ltd. (廣西唐寧投資有限公司) include (i) Quanzhou Yuansheng Enterprise Management Co., Ltd. (泉州元昇企業管理有限公司), which mainly engages in real estate investment according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, and (ii) Ningbo Tangsheng Investment Management Partnership (Limited Partnership) (寧波唐勝投資管理合夥企業(有限合夥)), an Investment Holding Platform for the Group's employees, holding 15.00% and 8.08% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 32 of the Property Valuation Report in Appendix III to this Prospectus.

31. Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期)

Nanning Dynasty Shengshi Phases I & II is a residential property project located in Nanning, Guangxi. Nanning Dynasty Shengshi Phases I & II was developed by Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司). The total land premium of RMB783.6 million has been fully paid. Our land cost per site area was RMB4,965 and our land cost per saleable/rentable GFA was RMB2,024. We have obtained the relevant land use rights certificate in June 2016. The project occupies an aggregate site area of approximately 157,832 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. The number of residential units available for sale was 2,080 and the number of commercial units available for sale was 337. As of June 30, 2020, our total development costs incurred was RMB2,850.7 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB13.2 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Site area (in sq.m.)	62,939
Total GFA completed (sq.m.)	334,303
Total saleable/rentable GFA completed (in sq.m.)	7,905
Total saleable GFA completed and unsold (in sq.m.)	198
Percentage of total saleable/rentable GFA sold	85.8%
Actual commencement date	June 2016
Actual commencement date for pre-sale of properties	January 2018
Actual completion date	December 2017
Attributable interest to our Group	100.00%
Construction status	Completed

Phase 2

Site area (in sq.m.)	94,893
Total GFA completed (sq.m.)	461,562
Total saleable/rentable GFA completed (in sq.m.)	315,745
Total saleable/rentable GFA completed and unsold (in sq.m.)	45,864
Total GFA under development (in sq.m.)	84,323
Saleable/rentable GFA under development (in sq.m.)	63,480
Total saleable GFA pre-sold (in sq.m.)	49,416
Percentage of total saleable/rentable GFA pre-sold	77.8%
Actual commencement date	August 2016
Actual commencement date for pre-sale of properties	September 2016
Estimated completion date	December 2020
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 33 of the Property Valuation Report in Appendix III to this Prospectus.

32. Nanning Dynasty Shengshi Phase III (南寧大唐盛世三期)

Nanning Dynasty Shengshi Phase III is a residential and commercial property project located in Nanning, Guangxi. Nanning Dynasty Shengshi Phase III was developed by Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司). The land parcel for this project consists of two portions, and the total land premium of RMB519.2 million has been fully paid for the whole land parcel. We have received a land use rights certificate for the whole land parcel in August 2018, which replaced the initial land use rights certificate we originally obtained for the first portion of the whole land parcel. The project occupies an aggregate site area of approximately 87,048 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,167.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB476.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	87,048
Total GFA under development (in sq.m.)	512,303
Saleable/rentable GFA under development (in sq.m.)	413,185
Total saleable GFA pre-sold (in sq.m.)	281,506
Land cost per site area (in RMB)	5,964
Land cost per saleable/rentable GFA (in RMB)	1,257
Percentage of total saleable/rentable GFA pre-sold	68.1%
Number of residential units available for sale	2,513
Number of commercial units available for sale	194
Actual commencement date	May 2018
Actual commencement date for pre-sale of properties	June 2018
Estimated completion date	September 2021
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 34 of the Property Valuation Report in Appendix III to this Prospectus.

33. Longgang Dynasty Youth (龍崗大唐果)

Longgang Dynasty Youth is a residential property project located in Nanning, Guangxi. Longgang Dynasty Youth was developed by Guangxi Datang Shijia Investment Co., Ltd. (廣西大唐世家投資有限公司). The total land premium of RMB189.6 million has been fully paid. We have obtained the relevant land use rights certificate in December 2014. The project occupies an aggregate site area of approximately 37,626 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB669.1 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	37,626
Total GFA completed (sq.m.)	205,249
Total saleable/rentable GFA completed (in sq.m.)	118,984
Total saleable GFA completed and unsold (in sq.m.)	14,738
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	5,040
Land cost per saleable/rentable GFA (in RMB)	1,594
Percentage of total saleable/rentable GFA sold	87.6%
Number of residential units available for sale	946
Number of commercial units available for sale	136
Actual commencement date	January 2015
Actual commencement date for pre-sale of properties	July 2015
Actual completion date	June 2018
Attributable interest to our Group	100.00%
Construction status	Completed

34. Longgang Dynasty Royalty (龍崗大唐世家)

Longgang Dynasty Royalty is a residential property project located in Nanning, Guangxi. Longgang Dynasty Royalty was developed by Guangxi Datang Shijia Investment Co., Ltd. (廣西大唐世家投資有限公司). The total land premium of RMB576.9 million has been fully paid. We have obtained the relevant land use rights certificate in July 2014. The project occupies an aggregate site area of approximately 109,878 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB2,053.0 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	109,878
Total GFA completed (sq.m.)	584,878
Total saleable/rentable GFA completed (in sq.m.)	336,880
Total saleable GFA completed and unsold (in sq.m.)	35,555
Rentable GFA held for property investment (in sq.m.)	5,128
Land cost per site area (in RMB)	5,250
Land cost per saleable/rentable GFA (in RMB)	1,712
Percentage of total saleable/rentable GFA sold	87.9%
Percentage of total saleable/rentable GFA self-owned	1.5%(1)
Number of residential units available for sale	2,493
Number of commercial units available for sale	864
Actual commencement date	September 2014
Actual commencement date for pre-sale of properties	April 2015
Actual completion date	January 2020
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, parts of this property project were owned by us, which consisted of rentable GFA for investment of 5,128 sq.m., which were investment properties leased as commercial properties. The rental income generated from such investment properties was nil, nil, RMB0.1 million and RMB0.3 million, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 35 of the Property Valuation Report in Appendix III to this Prospectus.

35. Wuxiang Dynasty Youth (五象大唐果)

Wuxiang Dynasty Youth is a residential property project located in Nanning, Guangxi. Wuxiang Dynasty Youth was developed by Guangxi Tangxun Investment Co., Ltd. (廣西唐勛投資有限公司). The total land premium of RMB260.8 million has been fully paid. We have obtained the relevant land use rights certificate in November 2018. The project occupies an aggregate site area of approximately 23,817 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB457.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB112.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	23,817
Total GFA under development (in sq.m.)	102,193
Saleable/rentable GFA under development (in sq.m.)	57,896
Total saleable GFA pre-sold (in sq.m.)	47,293
Land cost per site area (in RMB)	10,950
Land cost per saleable/rentable GFA (in RMB)	4,505
Percentage of total saleable/rentable GFA pre-sold	81.7%
Number of residential units available for sale	508
Actual commencement date	November 2018
Actual commencement date for pre-sale of properties	December 2018
Estimated completion date	November 2020
Attributable interest to our Group	96.88%(1)
Construction status	Under development

Note:

(1) The other shareholder of Guangxi Tangxun Investment Co., Ltd. (廣西唐勛投資有限公司) was Ningbo Tangsheng Investment Management Partnership (Limited Partnership) (寧波唐勝投資管理合夥企業(有限合夥)), an Investment Holding Platform for the Group's employees, holding 3.12% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 36 of the Property Valuation Report in Appendix III to this Prospectus.

36. Dynasty International Center (大唐國際中心)

Dynasty International Center is a commercial property project located in Nanning, Guangxi. Dynasty International Center was developed by Guangxi Tangzhuang Investment Co., Ltd. (廣西唐莊投資有限公司). The total land premium of RMB63.0 million has been fully paid. We have obtained the relevant land use rights certificate in December 2015. The project occupies an aggregate site area of approximately 11,545 sq.m. and consists of an office, commercial properties, a hotel, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB213.6 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	11,545
Total GFA completed (sq.m.)	78,235
Total saleable/rentable GFA completed (in sq.m.)	60,584
Total saleable GFA completed and unsold (in sq.m.)	4,909
Rentable GFA held for property investment (in sq.m.)	34,979
Land cost per site area (in RMB)	5,460
Land cost per saleable/rentable GFA (in RMB)	1,040
Percentage of total saleable/rentable GFA sold	34.2%
Percentage of total saleable/rentable GFA self-owned	57.7%(1)
Number of office units available for sale	528
Number of commercial units available for sale	194
Actual commencement date	January 2016
Actual commencement date for pre-sale of properties	October 2016
Actual completion date	June 2018
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, parts of this property project were owned by us, which consisted of rentable GFA for investment of 34,979 sq.m., which were investment properties leased as commercial properties, office premises and car parks. The rental income generated from such investment properties was nil, RMB1.2 million, RMB1.9 million and RMB2.1 million, in 2017, 2018 and 2019 and the first half of 2020, respectively. Additionally, this property project also included a hotel with a GFA of 10,229 sq.m. used by ourselves. Such self-used GFA was not accounted as saleable/rentable GFA.

For further information, please refer to Property No. 37 of the Property Valuation Report in Appendix III to this Prospectus.

37. Dynasty Zhenguan (大唐臻觀)

Dynasty Zhenguan is a residential property project located in Nanning, Guangxi. Dynasty Zhenguan was developed by Guangxi Tanggui Investment Co., Ltd. (廣西唐桂投資有限公司). The total land premium of RMB1,558.9 million has been fully paid. We have obtained the relevant land use rights certificate in March 2017. The project occupies an aggregate site area of approximately 45,582 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB2,302.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB297.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	45,582
Total GFA completed (sq.m.)	20,466
Total saleable/rentable GFA completed (in sq.m.)	17,635
Total saleable GFA completed and unsold (in sq.m.)	1,648
Total GFA under development (in sq.m.)	196,024
Saleable/rentable GFA under development (in sq.m.)	166,595
Total saleable GFA pre-sold (in sq.m.)	60,233
Land cost per site area (in RMB)	34,200
Land cost per saleable/rentable GFA (in RMB)	8,462
Percentage of total saleable/rentable GFA sold	90.7%
Percentage of total saleable/rentable GFA pre-sold	36.2%
Number of residential units available for sale	738
Actual commencement date	November 2017
Actual commencement date for pre-sale of properties	March 2018
Estimated completion date	June 2021
Attributable interest to our Group	85.00%[(1)]
Construction status	Under development

Note:

(1) The other shareholder of Guangxi Tanggui Investment Co., Ltd. (廣西唐桂投資有限公司) was Quanzhou Yuansheng Enterprise Management Co., Ltd. (泉州元昇企業管理有限公司), which mainly engages in real estate investment according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, holding 15.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 38 of the Property Valuation Report in Appendix III to this Prospectus.

38. Xingning Dynasty Impression (興寧大唐印象)

Xingning Dynasty Impression is a residential property project located in Nanning, Guangxi. Xingning Dynasty Impression was developed by Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司). The total land premium of RMB1,124.6 million has been fully paid. Our land cost per site area was RMB11,745 and our land cost per saleable/rentable GFA was RMB3,883. We have obtained the relevant land use rights certificate in January 2018. The project occupies an aggregate site area of approximately 95,750 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB2,055.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB300.6 million. The percentage of total saleable/rentable GFA pre-sold was 24.0%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Total GFA completed (in sq.m.)	76,373
Total saleable/rentable GFA completed (in sq.m.)	64,985
Total saleable GFA completed and unsold (in sq.m.)	64,985
Total GFA under development (in sq.m.)	—
Saleable/rentable GFA under development (in sq.m.)	—
Total saleable GFA pre-sold (in sq.m.)	—
Number of residential units available for sale	580
Number of commercial units available for sale	60
Actual commencement date	May 2018
Actual commencement date for pre-sale of properties	May 2018
Actual completion date	July 2020
Attributable interest to our Group	40.00%(1)
Construction status	Completed

Phase 2

Total GFA completed (in sq.m.)	85,596
Total saleable/rentable GFA completed (in sq.m.)	76,879
Total saleable GFA completed and unsold (in sq.m.)	76,879
Total GFA under development (in sq.m.)	42,393
Saleable/rentable GFA under development (in sq.m.)	22,198
Total saleable GFA pre-sold (in sq.m.)	5,322
Number of residential units available for sale	679
Number of commercial units available for sale	58
Actual commencement date	July 2018
Actual commencement date for pre-sale of properties	July 2018
Estimated completion date	November 2020
Attributable interest to our Group	40.00%(1)
Construction status	Under development

Phase 3

Total GFA completed (in sq.m.)	131,065
Total saleable/rentable GFA completed (in sq.m.)	125,525
Total saleable GFA completed and unsold (in sq.m.)	125,525
Number of residential units available for sale	551
Number of commercial units available for sale	108
Actual commencement date	November 2018
Actual commencement date for pre-sale of properties	December 2018
Actual completion date	June 2020
Attributable interest to our Group	40.00%(1)
Construction status	Completed

Note:

(1) The other shareholders of Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司) include (i) Nanning Dashanghui Industrial Co., Ltd. (南寧大商匯實業有限公司), which mainly engages in real estate development according to its business license and is a subsidiary of New Hope Group Co., Ltd (新希望集團有限公司), a minority indirect shareholder of two subsidiaries of our Group, (ii) Nanning Zhenlong Investment Management Co., Ltd. (南寧臻隆投資管理有限公司), which mainly engages in investments in the real estate, transportation, energy and construction sectors according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, and (iii) Ningbo Zhongjun Enterprise Management Partnership (Limited Partnership) (寧波眾君企業管理合夥企業) (有限合夥), an Investment Holding Platform for the employee of Nanning Dashanghui Industrial Co., Ltd. (南寧大商匯實業有限公司), holding 28.41%, 30.00%, and 1.59% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 39 of the Property Valuation Report in Appendix III to this Prospectus.

39. Nanning Yunxitai (南寧雲璽台)

Nanning Yunxitai is a residential property project located in Nanning, Guangxi. Nanning Yunxitai was developed by Guangxi Tangpeng Investment Co., Ltd. (廣西唐鵬投資有限公司). The total land premium of RMB200.2 million has been fully paid. We have obtained the relevant land use rights certificate in December 2019. The project occupies an aggregate site area of approximately 20,014 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB241.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB199.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	20,014
Total GFA under development (in sq.m.)	66,435
Saleable/rentable GFA under development (in sq.m.)	58,619
Total Saleable GFA pre-sold (in sq.m)	12,414
Land cost per site area (in RMB)	10,005
Land cost per-saleable/rentable GFA (in RMB)	3,416
Percentage of total saleable/rentable GFA pre-sold	21.2%
Number of residential units available for sale	480
Actual commencement date	February 2020
Actual commencement date for pre-sale of properties	March 2020
Estimated completion date	December 2021
Attributable interest to our Group	25.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangpeng Investment Co., Ltd. (廣西唐鵬投資有限公司) include (i) Guangxi Xuhui Enterprise Management Co., Ltd. (廣西旭輝企業管理有限公司), an Independent Third Party which mainly engages in enterprise management consultancy according to its business license, (ii) Guangxi Shengyang Real Estate Development Co., Ltd. (廣西盛陽房地產開發有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, and (iii) Nanning Jinhongyao Real Estate Development Co., Ltd. (南寧金泓耀房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and property services according to its business license, each holding 25.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 46 of the Property Valuation Report in Appendix III to this Prospectus.

40. Dynasty Shengshi Xuhui Mansion (大唐盛世旭輝府)

Dynasty Shengshi Xuhui Mansion is a residential and commercial property project located in Nanning, Guangxi. Guangxi Dynasty Shengshi Xuhui Mansion was developed by Guangxi Tangxiang Investment Co., Ltd. (廣西唐祥投資有限公司). The total land premium of RMB510.6 million has been fully paid. Guangxi Tangxiang Investment Co., Ltd. has obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 25,405 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB804.9 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	25,405
Planned GFA held for future development (in sq.m.)	105,349
Land cost per site area (in RMB)	20,100
Number of residential units available for sale	745
Estimated commencement date	September 2020
Estimated date of pre-sale commencement or pre-sale permit	September 2020
Estimated completion date	March 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 49 of the Property Valuation Report in Appendix III to this Prospectus.

41. Nanning Headquarters No.1 (南寧總部一號)

Nanning Headquarters No.1 is a commercial property project located in Nanning, Guangxi. Nanning Headquarters No.1 was developed by our then subsidiary, Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司) ("Guangxi Fuxin"). Guangxi Fuxin was disposed in 2018 and a portion of the developed properties was transferred to Guangxi Tangzhuang Investment Co., Ltd. (廣西唐莊投資有限公司) before the disposal.

Based on our internal records, details of the assets held for the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	—
Total GFA completed (sq.m.)	2,158
Total saleable/rentable GFA completed (in sq.m.)	2,158
Total saleable GFA completed and unsold (in sq.m.)	—
Rentable GFA held for property investment (in sq.m.)	2,158
Percentage of total saleable/rentable GFA sold	—
Percentage of total saleable/rentable GFA self-owned	100%(1)
Number of commercial units available for sale	30
Actual commencement date	January 2015
Actual commencement date for pre-sale of properties	May 2017
Actual completion date	December 2016
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, the property project was wholly owned by us, which consisted of rentable GFA for investment of 2,158 sq.m., which were investment properties leased as commercial properties.

For further information, please refer to Property No. 40 of the Property Valuation Report in Appendix III to this Prospectus.

Liuzhou

42. Dynasty Biyuan West Garden (大唐碧園西園)

Dynasty Biyuan West Garden is a residential property project located in Liuzhou, Guangxi. Dynasty Biyuan West Garden was developed by Guangxi Tangming Investment Co., Ltd. (廣西唐銘投資有限公司). The total land premium of RMB432.0 million has been fully paid. Our land cost per site area was RMB7,606 and our land cost per saleable/rentable GFA was RMB2,355. We have obtained the relevant land use rights certificates in September 2019. The project occupies an aggregate site area of approximately 56,797 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. The number of residential units available for sale was 1,249 and the number of commercial units available for sale was 19. As of June 30, 2020, our total development costs incurred was RMB570.8 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB423.1 million. The percentage of total saleable/rentable GFA pre-sold was 9.9%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Total GFA under development (in sq.m.)	193,493
Saleable/rentable GFA under development (in sq.m.)	183,459
Total saleable GFA pre-sold (in sq.m.)	18,206
Actual commencement date	September 2019
Actual date of pre-sale commencement or pre-sale permit.	December 2019
Estimated completion date	September 2022
Attributable interest to our Group	78.46%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangming Investment Co., Ltd. (廣西唐銘投資有限公司) include (i) Nanning Runxing Enterprise Management Co., Ltd. (南寧潤星企業管理有限公司) which mainly engages in enterprise consultancy, and (ii) Ningbo Tangsheng Investment Management Partnership (Limited Partnership) (寧波唐勝投資管理合夥企業(有限合夥)), an Investment Holding Platform for the Group's employees, holding 1.54% and 20.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 51 of the Property Valuation Report in Appendix III to this Prospectus.

43. Dynasty Biyuan East Garden (大唐碧園東園)

Dynasty Biyuan East Garden is a residential property project located in Liuzhou, Guangxi. Dynasty Biyuan East Garden was developed by Liuzhou Tangmei Real Estate Development Co., Ltd. (柳州唐美房地產開發有限公司). Half of the total land premium of RMB410.0 million has been paid, which is approximately RMB205.0 million. We expect to pay the remaining portion of the total land premium by July 2020. We have obtained the relevant land use rights certificate in June 2020. The project occupies an aggregate site area of approximately 45,246 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB467.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB449.6 million.

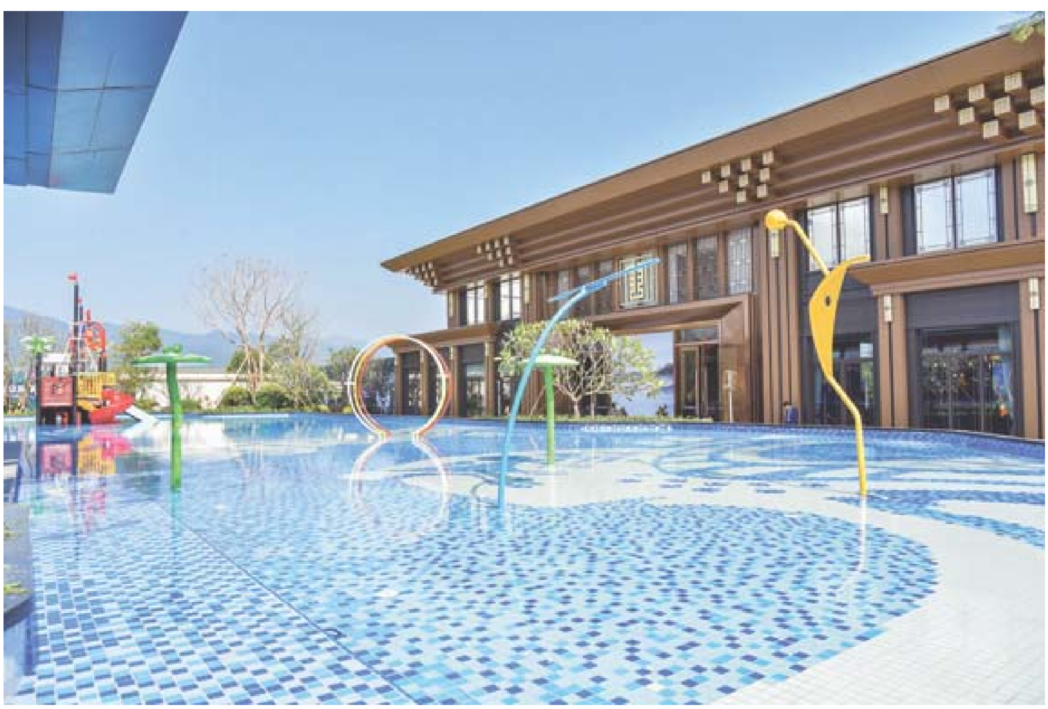
Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	45,246
Total GFA under development (in sq.m.)	168,586
Saleable/rentable GFA under development (in sq.m.)	160,165
Land cost per site area (in RMB)	9,062
Land cost per saleable/rentable GFA (in RMB)	2,560
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	92
Actual commencement date	May 2020
Estimated date of pre-sale commencement or pre-sale permit	June 2021
Estimated completion date	March 2024
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 52 of the Property Valuation Report in Appendix III to this Prospectus.

Guigang

44. Guigang Dynasty Royalty (貴港大唐世家)



Guigang Dynasty Royalty is a residential property project located in Guigang, Guangxi. Guigang Dynasty Royalty was developed by Guangxi Tanghui Investment Co., Ltd. (廣西唐暉投資有限公司). The total land premium of RMB209.5 million has been fully paid. We have obtained the relevant land use rights certificate in October 2019. The project occupies an aggregate site area of approximately 42,076 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB315.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB420.2 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	42,076
Total GFA under development (in sq.m.)	191,686
Saleable/rentable GFA (in sq.m.)	179,935
Total saleable GFA pre-sold (in sq.m.)	48,892
Planned GFA held for future development (in sq.m.)	—
Land cost per site area (in RMB)	4,979
Land cost per saleable/rentable GFA (in RMB)	1,164
Percentage of total saleable/rentable GFA pre-sold	27.2%
Number of residential units available for sale	1,352
Number of commercial units available for sale	15
Actual commencement date	November 2019
Actual commencement date for pre-sale of properties	December 2019
Estimated completion date	August 2022
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 54 of the Property Valuation Report in Appendix III to this Prospectus.

Beijing-Tianjin-Hebei-Region

Tianjin

45. Tang Yayuan (唐雅苑)

Tang Yayuan is a residential property project located in Tianjin. Tang Yayuan was developed by Tianjin Xinghuafu Properties Co., Ltd (天津星華府置業有限公司). The total land premium of RMB520.6 million has been fully paid. We have obtained the relevant land use rights certificate in February 2016. We acquired Tianjin Xinghuafu Real Estate Co., Ltd. in December 2015. The project occupies an aggregate site area of approximately 146,195 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,881.4 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	146,195
Total GFA completed (sq.m.)	248,922
Total saleable/rentable GFA completed (in sq.m.)	218,366
Total saleable GFA completed and unsold (in sq.m.)	16,524
Land cost per site area (in RMB)	3,561
Land cost per saleable/rentable GFA (in RMB)	2,384
Percentage of total saleable/rentable GFA sold	92.4%
Number of residential units available for sale	1,920
Actual commencement date	April 2016
Actual commencement date for pre-sale of properties	May 2016
Actual completion date	June 2018
Attributable interest to our Group	100.00%
Construction status	Completed

For further information, please refer to Property No. 55 of the Property Valuation Report in Appendix III to this Prospectus.

46. Bisong Garden (比松花園)

Bisong Garden is a residential and commercial property project located in Tianjin. Bisong Garden was developed by Tianjin Xinghuafu Properties Co., Ltd (天津星華府置業有限公司). The total land premium of RMB287.0 million has been fully paid. We have obtained the relevant land use rights certificate in March 2016. We acquired Tianjin Xinghuafu Real Estate Co., Ltd. in December 2015. The project occupies an aggregate site area of approximately 56,351 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,077.2 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	56,351
Total GFA completed (sq.m.)	168,769
Total saleable/rentable GFA completed (in sq.m.)	143,545
Total saleable GFA completed and unsold (in sq.m.)	19,788
Land cost per site area (in RMB)	5,093
Land cost per saleable/rentable GFA (in RMB)	2,000
Percentage of total saleable/rentable GFA sold	86.2%
Number of residential units available for sale	1,034
Number of commercial units available for sale	186
Actual commencement date	May 2017
Actual commencement date for pre-sale of properties	September 2017
Actual completion date	November 2019
Attributable interest to our Group	100.00%
Construction status	Completed

For further information, please refer to Property No. 56 of the Property Valuation Report in Appendix III to this Prospectus.

47. Tang Jinyuan (唐槿苑)

Tang Jinyuan is a residential property project located in Tianjin. Tang Jinyuan was developed by Tianjin Xinghuafu Properties Co., Ltd (天津星華府置業有限公司). The total land premium of RMB160.9 million has been fully paid. We have obtained the relevant land use rights certificate in March 2016. We acquired Tianjin Xinghuafu Real Estate Co., Ltd. in December 2015. The project occupies an aggregate site area of approximately 43,612 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB399.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB215.2 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	43,612
Total GFA under development (in sq.m.)	83,176
Saleable/rentable GFA under development (in sq.m.)	67,177
Total saleable GFA pre-sold (in sq.m.)	35,394
Land cost per site area (in RMB)	3,689
Land cost per saleable/rentable GFA (in RMB)	2,395
Percentage of total saleable/rentable GFA pre-sold	52.7%
Number of residential units available for sale	518
Actual commencement date	April 2018
Actual date of pre-sale commencement or pre-sale permit.	August 2018
Estimated completion date	December 2020
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 58 of the Property Valuation Report in Appendix III to this Prospectus.

48. Vision Commercial Square (左岸商業廣場)

Vision Commercial Square is a commercial property project located in Tianjin. Vision Commercial Square was developed by Tianjin Xinghuashang Properties Co., Ltd (天津星華商置業有限公司). The total land premium of RMB166.1 million has been fully paid. Tianjin Xinghuashang Real Estate Co., Ltd. has obtained the relevant land use rights certificate in May 2013. We acquired Tianjin Xinghuashang Real Estate Co., Ltd. in December 2015. The project occupies an aggregate site area of approximately 74,076 sq.m. and consists of commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB516.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB233.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	74,076
Total GFA completed (in sq.m.)	3,121
Rentable GFA held for property investment (in sq.m.)	3,121
Total GFA under development (in sq.m.)	117,117
Saleable/rentable GFA under development (in sq.m.)	97,558
Land cost per site area (in RMB)	2,242
Land cost per saleable/rentable GFA (in RMB)	1,650
Percentage of total saleable/rentable GFA pre-sold	—
Percentage of total saleable/rentable GFA self-owned	3.10%(1)
Number of commercial units available for sale	172
Actual commencement date	November 2014
Actual date of pre-sale commencement or pre-sale permit.	July 2015
Estimated completion date	December 2020
Attributable interest to our Group	100.00%
Construction status	Under development

Note:

(1) As of August 31, 2020, parts of this property project were owned by us, which consisted of rentable GFA for investment of 3,121 sq.m., which were investment properties leased as commercial properties. The rental income generated from such investment properties were RMB26.8 million, RMB20.1 million, nil and nil, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 57 of the Property Valuation Report in Appendix III to this Prospectus.

49. Gelin Town (格林小鎮)

Gelin Town is a residential property project located in Tianjin. Gelin Town was developed by Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司). The total land premium of RMB333.3 million has been fully paid. Tianjin Haihui Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in April 2010. We acquired Tianjin Haihui Real Estate Development Co., Ltd. in December 2016. The project occupies an aggregate site area of approximately 220,739 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB679.0 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	220,739
Total GFA completed (sq.m.)	214,888
Total saleable/ rentable GFA completed (in sq.m.)	193,677
Total saleable GFA completed and unsold (in sq.m.)	1,481
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	1,510
Land cost per saleable/rentable GFA (in RMB)	1,721
Percentage of total saleable/rentable GFA sold	99.2%
Actual commencement date	November 2010
Actual commencement date for pre-sale of properties	November 2010
Actual completion date	September 2016
Attributable interest to our Group	100%
Construction status	Completed

50. Guanya Garden (觀雅庭院)

Guanya Garden is a residential property project located in Tianjin. Guanya Garden was developed by Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司). The total land premium of RMB65.0 million has been fully paid. Tianjin Haihui Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in April 2010. We acquired Tianjin Haihui Real Estate Development Co., Ltd. in December 2016. The project occupies an aggregate site area of approximately 37,084 sq.m. and consists of residential units, commercial properties and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,178.6 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	37,084
Total GFA completed (in sq.m.)	137,855
Total saleable/rentable GFA completed (in sq.m.)	132,631
Total saleable GFA completed and unsold (in sq.m.)	3,059
Rentable GFA held for property investment (in sq.m.)	—
Land cost per site area (in RMB)	1,754
Land cost per saleable/rentable GFA (in RMB)	490
Percentage of total saleable/rentable GFA sold	97.7%
Number of residential units available for sale	1,323
Number of commercial units available for sale	22
Actual commencement date	April 2017
Actual date of pre-sale commencement or pre-sale permit.	September 2017
Actual completion date	December 2019
Attributable interest to our Group	100.00%
Construction status	Completed

For further information, please refer to Property No. 59 of the Property Valuation Report in Appendix III to this Prospectus.

51. Tangsheng Yayuan (唐晟雅苑)

Tangsheng Yayuan is a residential property project located in Tianjin. Tangsheng Yayuan was developed by Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司). The total land premium of RMB243.7 million has been fully paid. Tianjin Haihui Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in November 2016. We acquired Tianjin Haihui Real Estate Development Co., Ltd. in December 2016. The project occupies an aggregate site area of approximately 198,873 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,460.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB586.8 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	198,873
Total GFA under development (in sq.m.)	333,281
Saleable/rentable GFA under development (in sq.m.)	296,505
Total saleable GFA pre-sold (in sq.m.)	56,191
Land cost per site area (in RMB)	1,225
Land cost per saleable/rentable GFA (in RMB)	822
Percentage of total saleable/rentable GFA pre-sold	19.0%
Number of residential units available for sale	1,896
Actual commencement date	April 2018
Actual date of pre-sale commencement or pre-sale permit.	September 2018
Estimated completion date	December 2020
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 60 of the Property Valuation Report in Appendix III to this Prospectus.

52. Tangxi Yayuan (唐璽雅苑)

Tangxi Yayuan is a residential property project located in Tianjin. Tangxi Yayuan was developed by Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司). The total land premium of RMB43.7 million has been fully paid. We have obtained the relevant land use rights certificate in February 2017. The project occupies an aggregate site area of approximately 35,627 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB242.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB475.6 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	35,627
Total GFA under development (in sq.m.)	127,950
Saleable/rentable GFA under development (in sq.m.)	107,934
Total saleable GFA pre-sold (in sq.m.)	16,594
Land cost per site area (in RMB)	1,225
Land cost per saleable/rentable GFA (in RMB)	405
Percentage of total saleable/rentable GFA pre-sold	15.4%
Number of residential units available for sale	910
Actual commencement date	March 2019
Actual date of pre-sale commencement or pre-sale permit.	September 2019
Estimated completion date	December 2021
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 61 of the Property Valuation Report in Appendix III to this Prospectus.

53. Tangyun Yayuan (唐韻雅苑)

Tangyun Yayuan is a residential property project located in Tianjin. Tangyun Yayuan was developed by Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司). The total land premium of RMB171.6 million has been fully paid. Tianjin Haihui Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in November 2016. We acquired Tianjin Haihui Real Estate Development Co., Ltd. in December 2016. The project occupies an aggregate site area of approximately 97,911 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB639.8 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,323.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	97,911
Total GFA under development (in sq.m.)	282,979
Saleable/rentable GFA under development (in sq.m.)	236,322
Planned GFA held for future development (in sq.m.)	38,659
Land cost per site area (in RMB)	1,753
Land cost per saleable/rentable GFA (in RMB)	639
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	1,702
Actual commencement date	March 2020
Estimated date of pre-sale commencement or pre-sale permit	December 2020
Estimated completion date	December 2022
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 62 of the Property Valuation Report in Appendix III to this Prospectus.

Midstream Parts of the Yangtze River Region

Changsha

54. Changsha Repulse Bay (長沙淺水灣)

Changsha Repulse Bay is a residential property project located in Changsha, Hunan. Changsha Repulse Bay was developed by Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司). The total land premium of RMB9.8 million has been fully paid. Hunan Xingrong Investment Co., Ltd. has obtained the relevant land use rights certificate in October 2006. We acquired Hunan Xingrong Investment Co., Ltd. in January 2018. The project occupies an aggregate site area of approximately 133,163 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,088.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB62.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	133,163
Total GFA completed (sq.m.)	155,034
Total GFA under development (in sq.m.)	5,705
Saleable/rentable GFA under development (in sq.m.)	5,705
Total saleable/rentable GFA completed (in sq.m.)	147,472
Total saleable/rentable GFA completed and unsold (in sq.m.)	48,357
Land cost per site area (in RMB)	74
Land cost per saleable/rentable GFA (in RMB)	64
Percentage of total saleable/rentable GFA sold	67.2%
Number of residential units available for sale	591
Number of commercial units available for sale	2
Actual commencement date	September 2011
Actual commencement date for pre-sale of properties	December 2011
Estimated completion date	December 2021
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 63 of the Property Valuation Report in Appendix III to this Prospectus.

55. Changsha Dynasty Impression —Yufu (長沙大唐印象・御府)

Changsha Dynasty Impression—Yufu is a residential property project located in Changsha, Hunan. Changsha Dynasty Impression—Yufu was developed by Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司). The total land premium of RMB39.1 million has been fully paid. Hunan Xingrong Investment Co., Ltd. has obtained the relevant land use rights certificate in September 2013. We acquired Hunan Xingrong Investment Co., Ltd. in January 2018. The project occupies an aggregate site area of approximately 38,394 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB853.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB0.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	38,394
Total GFA under development (in sq.m.)	119,453
Saleable/rentable GFA under development (in sq.m.)	104,600
Total saleable GFA pre-sold (in sq.m.)	87,151
Land cost per site area (in RMB)	1,019
Land cost per saleable/rentable GFA (in RMB)	374
Percentage of total saleable/rentable GFA pre-sold	83.3%
Number of residential units available for sale	647
Actual commencement date	August 2018
Actual date of pre-sale commencement or pre-sale permit.	December 2018
Estimated completion date	November 2020
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 64 of the Property Valuation Report in Appendix III to this Prospectus.

56. Changsha Dynasty Impression —Yuxi (長沙大唐印象・御璽)

Changsha Dynasty Impression—Yuxi is a residential property project located in Changsha, Hunan. Changsha Dynasty Impression—Yuxi was developed by Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司). The total land premium of RMB33.9 million has been fully paid. Hunan Xingrong Investment Co., Ltd. has obtained the relevant land use rights certificate in July 2013. We acquired Hunan Xingrong Investment Co., Ltd. in January 2018. The project occupies an aggregate site area of approximately 81,362 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,062.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB557.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	81,362
Total GFA under development (in sq.m.)	192,726
Saleable/rentable GFA under development (in sq.m.)	181,464
Total saleable GFA pre-sold (in sq.m.)	89,728
Land cost per site area (in RMB)	417
Land cost per saleable/rentable GFA (in RMB)	187
Percentage of total saleable/rentable GFA pre-sold	49.4%
Number of residential units available for sale	1,106
Actual commencement date	August 2018
Actual date of pre-sale commencement or pre-sale permit.	September 2019
Estimated completion date	November 2021
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 65 of the Property Valuation Report in Appendix III to this Prospectus.

57. Changsha Dynasty Impression—Yuyuan (長沙大唐印象・御園)

Changsha Dynasty Impression—Yuyuan is a residential property project located in Changsha, Hunan. Changsha Dynasty Impression—Yuyuan was developed by Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司). The total land premium of RMB24.6 million has been fully paid. Hunan Xingrong Investment Co., Ltd. has obtained the relevant land use rights certificate in July 2013. We acquired Hunan Xingrong Investment Co., Ltd. in January 2018. The project occupies an aggregate site area of approximately 21,083 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB216.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB177.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	21,083
Total GFA under development (in sq.m.)	33,439
Saleable/rentable GFA under development (in sq.m.)	33,241
Total saleable GFA pre-sold (in sq.m.)	1,821
Planned GFA held for future development (in sq.m.)	10,120
Land cost per site area (in RMB)	1,167
Land cost per saleable/rentable GFA (in RMB)	568
Percentage of total saleable/rentable GFA pre-sold	5.5%
Number of residential units available for sale	172
Number of commercial units available for sale	2
Actual commencement date	November 2019
Estimated date of pre-sale commencement or pre-sale permit.	August 2020
Estimated completion date	November 2021
Attributable interest to our Group	100.00%
Construction status	Under development

For further information, please refer to Property No. 66 of the Property Valuation Report in Appendix III to this Prospectus.

Yueyang

58. Yueyang Dynasty Royalty Phases I & II & III (岳陽大唐世家一二和三期)

Yueyang Dynasty Royalty Phases I & II & III is a residential property project located in Yueyang, Hunan. Yueyang Dynasty Royalty Phases I & II & III was developed by Yueyang Tangyun Real Estate Development Co., Ltd. (岳陽唐韻房地產開發有限公司). The total land premium of RMB186.1 million has been fully paid. We have obtained the relevant land use rights certificate in October 2019. The project occupies an aggregate site area of approximately 122,085 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB358.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,024.6 million. The land cost per site area was RMB1,524 and the land cost per saleable/rentable GFA (in RMB) was 473. The percentage of total saleable/rentable GFA pre-sold was 37.9%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Site area (in sq.m.)	22,431
Total GFA under development (in sq.m.)	83,733
Saleable/rentable GFA under development (in sq.m.)	81,205
Total saleable GFA pre-sold (in sq.m.)	57,986
Number of residential units available for sale	520
Number of commercial units available for sale	47
Actual commencement date	November 2019
Actual commencement date for pre-sale of properties	January 2020
Estimate completion date	December 2021
Attributable interest to our Group	100.00%
Construction status	Under development

Phase 2

Site area (in sq.m.)	45,298
Total GFA under development (in sq.m.)	73,665
Saleable/rentable GFA under development (in sq.m.)	71,805
Number of residential units available for sale	918
Number of commercial units available for sale	58
Planned GFA held for future development (in sq.m.)	77,566
Actual commencement date	May 2020
Actual date of pre-sale commencement or pre-sale permit	July 2020
Estimated completion date	June 2022
Attributable interest to our Group	100.00%
Construction status	Under development

Phase 3

Site area (in sq.m.)	54,356
Planned GFA held for future development (in sq.m.)	170,009
Estimated commencement date	June 2021
Estimated date of pre-sale commencement or pre-sale permit	October 2021
Estimated completion date	June 2022
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 68 of the Property Valuation Report in Appendix III to this Prospectus.

59. Yueyang Dynasty Royalty Phases IV & V (岳陽大唐世家四五期)

Yueyang Dynasty Royalty Phases IV & V is a residential property project located in Yueyang, Hunan. Yueyang Dynasty Royalty Phases IV & V was developed by Yueyang Tangsheng Real Estate Development Co., Ltd. (岳陽唐盛房地產開發有限公司). We expect to pay a total land premium of RMB185.4 million by the end of November 2020. We estimate to obtain the relevant land use rights certificate in November 2020. The project occupies an aggregate site area of approximately 124,892 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB39.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,321.3 million. The land cost per site area was RMB1,484.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase IV

Site area (in sq.m.)	69,065
Planned GFA held for future development (in sq.m.)	210,474
Estimated commencement date	June 2021
Estimated date of pre-sale commencement or pre-sale permit	October 2021
Estimated completion date	June 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

Phase V

Site area (in sq.m.)	55,827
Planned GFA held for future development (in sq.m.)	194,752
Estimated commencement date	June 2021
Estimated date of pre-sale commencement or pre-sale permit	October 2021
Estimated completion date	June 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 69 of the Property Valuation Report in Appendix III to this Prospectus.

Yangtze River Delta Region

Nantong

60. Nantong Dynasty Zhongnan Yuehu (南通大唐中南閱湖)

Nantong Dynasty Zhongnan Yuehu is a residential property project located in Nantong, Jiangsu. Nantong Dynasty Zhongnan Yuehu was developed by Nantong Tangsheng Real Estate Co., Ltd. (南通唐盛房地產有限公司). The total land premium of RMB346.7 million has been fully paid. Nantong Tangsheng Real Estate Co., Ltd. has obtained the relevant land use rights certificate in May 2020. The project occupies an aggregate site area of approximately 60,240 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB365.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB424.6 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	60,240
Total GFA under development (in sq.m.)	97,778
Saleable/rentable GFA under development (in sq.m.)	87,376
Land cost per site area (in RMB)	5,755
Land cost per saleable/rentable GFA (in RMB)	3,968
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	664
Actual commencement date	June 2020
Actual date of pre-sale commencement or pre-sale permit	August 2020
Estimated completion date	April 2022
Attributable interest to our Group	55.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Nantong Tangsheng Real Estate Co., Ltd (南通唐盛房地產有限公司) includes Nantong Zhongnan New World Center Development Co., Ltd (南通中南新世界中心開發有限公司), and Independent Third Party which mainly engages in real estate investment and development according to its business license, holding 45.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 76 of the Property Valuation Report in Appendix III to this Prospectus.

Wuxi

61. Wuxi Lanyue Yayuan (無錫蘭樾雅院)

Wuxi Lanyue Yayuan is a residential property project located in Wuxi, Jiangsu. Wuxi Lanyue Yayuan was developed by Wuxi Tangmei Real Estate Co., Ltd. (無錫唐美房地產有限公司). The total land premium of RMB332.9 million has been fully paid. Wuxi Tangmei Real Estate Co., Ltd. has obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 47,112 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB850.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	47,112
Planned GFA held for future development (in sq.m.)	130,325
Land cost per site area (in RMB)	7,067
Number of residential units available for sale	948
Estimated commencement date	October 2020
Estimated date of pre-sale commencement or pre-sale permit	January 2021
Estimated completion date	March 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 78 of the Property Valuation Report in Appendix III to this Prospectus.

Changzhou

62. Changzhou Dynasty Zhongnan Shangyuecheng (常州大唐中南上悅城)

Changzhou Dynasty Zhongnan Shangyuecheng is a residential property project located in Changzhou, Jiangsu. Changzhou Dynasty Zhongnan Shangyuecheng was developed by Changzhou Tangsheng Real Estate Co., Ltd. (常州唐盛房地產有限公司). The total land premium of RMB655.0 million has been fully paid. Changzhou Tangsheng Real Estate Co., Ltd. has obtained the relevant land use rights certificate in August 2020. The project occupies an aggregate site area of approximately 53,338 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,218.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	53,338
Planned GFA held for future development (in sq.m.)	140,205
Land cost per site area (in RMB)	12,280
Number of residential units available for sale	1,139
Estimated commencement date	September 2020
Estimated date of pre-sale commencement or pre-sale permit	November 2020
Estimated completion date	October 2022
Attributable interest to our Group	51.00%[(1)]
Construction status	Held for future development

Note:

(1) The other shareholder of Changzhou Tangsheng Real Estate Co., Ltd. (常州唐盛房地產有限公司) includes Nantong Zhongnan New World Center Development Co., Ltd. (南通中南新世界中心開發有限公司), an Independent Third Party which mainly engages in real estate investment and development according to its business license, holding 49.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 77 of the Property Valuation Report in Appendix III to this Prospectus.

Ningbo

63. Chenyue Royalty (辰悅世家)

Chenyue Royalty is a residential property located in Ningbo, Zhejiang. Chenyue Royalty was developed by Yuyao Huachuan Properties Co., Ltd. (余姚華川置業有限公司). The total land premium of RMB210.4 million has been fully paid. We have obtained the relevant land use rights certificate in June 2020. The project occupies an aggregate site area of approximately 38,013 and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB218.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB389.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	38,013
Total GFA under development (in sq.m.)	113,391
Saleable/rentable GFA under development (in sq.m.)	103,382
Land cost per site area (in RMB)	5,535
Land cost per saleable/rentable GFA (in RMB)	2,035
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	850
Actual commencement date	June 2020
Estimated date of pre-sale commencement or pre-sale permit	October 2020
Estimated completion date	July 2022
Attributable interest to our Group	51.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Yuyao Huachuan Properties Co., Ltd. (余姚華川置業有限公司) was Zhejiang Jiafeng Real Estate Development Co., Ltd. (浙江嘉豐房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and operation and house leasing according to its business license, holding 49.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 79 of the Property Valuation Report in Appendix III to this Prospectus.

64. Jinxia Road 30 Mu Residential Parcel (錦霞路30畝住宅地塊)

Jinxia Road 30 Mu Residential Parcel is a residential property project located in Ningbo, Zhejiang. Jinxia Road 30 Mu Residential Parcel was developed by Ningbo Tangyao Properties Co., Ltd. (寧波唐耀置業有限公司). The total land premium of RMB107.1 million has been fully paid. Ningbo Tangyao Properties Co., Ltd. has obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 20,388 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB256.8 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	20,388
Planned GFA held for future development (in sq.m.)	39,882
Land cost per site area (in RMB)	5,252
Number of residential units available for sale	129
Estimated commencement date	December 2020
Estimated date of pre-sale commencement or pre-sale permit.	March 2021
Estimated completion date	January 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 80 of the Property Valuation Report in Appendix III to this Prospectus.

Taizhou

65. Taizhou Nanguan Impression (台州南官印象)

Taizhou Nanguan Impression is a residential property project located in Taizhouzhou, Zhejiang. Taizhou Nanguan Impression was developed by Taizhou Tangshun Properties Co., Ltd. (台州唐順置業有限公司). Half of the total land premium of RMB340.0 million has been paid. We expect to obtain the relevant land use rights certificate in December 2020. The project occupies an aggregate site area of approximately 16,048 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB557.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	16,048
Planned GFA held for future development (in sq.m.)	41,620
Land cost per site area (in RMB)	21,186
Number of residential units available for sale	198
Estimated commencement date	September 2020
Estimated date of pre-sale commencement or pre-sale permit	December 2020
Estimated completion date	October 2022
Attributable interest to our Group	81.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Taizhou Tangshun Properties Co., Ltd. (台州唐順置業有限公司) includes Hangzhou Xinze Yinghai Enterprise Management Partnership (杭州新澤盈海企業管理合夥企業), an Independent Third Party which mainly engages in business management and consultancy services according to its business license, holding 19.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 81 of the Property Valuation Report in Appendix III to this Prospectus.

Others

Xi'an

66. Xi'an Dynasty Youth (West District) (西安大唐果(西區))

Xi'an Dynasty Youth (West District) is a residential property project located in Xi'an, Shaanxi. Xi'an Dynasty Youth (West District) was developed by Xi'an Tangmen Real Estate Co., Ltd. (西安唐門房地產有限公司). We acquired Xi'an Tangmen Real Estate Co., Ltd. in February 2016. The total land premium of RMB5.6 million has been fully paid. Xi'an Tangmen Real Estate Co., Ltd. has obtained the relevant land use rights certificate in April 2014. The project occupies an aggregate site area of approximately 14,359 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB29.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB121.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	14,359
Planned GFA held for future development (in sq.m.)	43,346
Land cost per site area (in RMB)	388
Estimated commencement date	March 2021
Estimated date of pre-sale commencement or pre-sale permit	October 2021
Estimated completion date	December 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 70 of the Property Valuation Report in Appendix III to this Prospectus.

67. Xi'an Dynasty Youth (East District) (西安大唐果(東區))

Xi'an Dynasty Youth (East District) is a residential property project located in Xi'an, Shaanxi. Xi'an Dynasty Youth (East District) was developed by Xi'an Tangmei Real Estate Co., Ltd. (西安唐美房地產有限公司). We acquired Xi'an Tangmei Real Estate Co., Ltd. in December 2015. The total land premium of RMB4.6 million has been fully paid. Xi'an Tangmei Real Estate Co., Ltd. has obtained the relevant land use rights certificate in April 2014. The project occupies an aggregate site area of approximately 11,739 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB20.1 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB102.9 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	11,739
Planned GFA held for future development (in sq.m.)	39,615
Land cost per site area (in RMB)	388
Estimated commencement date	March 2021
Estimated date of pre-sale commencement or pre-sale permit	October 2021
Estimated completion date	December 2023
Attributable interest to our Group	100.00%
Construction status	Held for future development

For further information, please refer to Property No. 71 of the Property Valuation Report in Appendix III to this Prospectus.

Guiyang

68. Detian International New Town (德天國際新城)

Detian International New Town is a residential property project located in Guiyang, Guizhou. Detian International New Town was developed by Guiyang Detian Real Estate Development Co., Ltd. (貴陽德天房地產開發有限公司), which was acquired by Xiamen Datang in December 2013. The total land premium of RMB3.0 million has been fully paid. Guiyang Detian Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in October 2008. The project occupies an aggregate site area of approximately 20,096 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB34.7 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	20,096
Total GFA completed (sq.m.)	152,733
Total saleable/rentable GFA completed (in sq.m.)	109,545
Total saleable GFA completed and unsold (in sq.m.)	12,300
Rentable GFA held for property investment (in sq.m.)	2,022
Land cost per site area (in RMB)	149
Land cost per saleable/rentable GFA (in RMB)	27
Percentage of total saleable/rentable GFA sold	86.9%
Percentage of total saleable/rentable GFA self-owned	1.8%[(1)]
Number of residential units available for sale	910
Number of commercial units available for sale	93
Actual commencement date	July 2011
Actual commencement date for pre-sale of properties	January 2012
Actual completion date	December 2015
Attributable interest to our Group	100.00%
Construction status	Completed

Note:

(1) As of August 31, 2020, parts of this property project were owned by us, which consisted of rentable GFA for investment of 2,022 sq.m., which were investment properties leased as commercial properties. The rental income generated from such investment properties was RMB0.6 million, RMB1.5 million, RMB2.1 million and RMB0.1 million, in 2017, 2018 and 2019 and the first half of 2020, respectively.

For further information, please refer to Property No. 72 of the Property Valuation Report in Appendix III to this Prospectus.

Property projects developed by joint ventures and associates

In addition to property projects developed by our subsidiaries, we also have property projects developed by our joint ventures and associates, which are classified based on mainly the level of involvement and control in terms of management and operation of the relevant project companies used to develop the property projects, including our representation on their decision-making authorities, such as shareholders' meeting and board of directors' meetings as well as other relevant facts and circumstances. A project company is our joint venture if the operation of the entity shall be resolved by all shareholders on an unanimous basis according to its shareholders agreement(s), articles of association or rules of board meetings when there are side agreements among the shareholders. A project company is our associate if we cannot control or jointly control the operation of the entity. Control refers to when we are exposed to, or have rights to, variable returns from our involvement with the entity and have the ability to affect those returns through our power to direct the activities of the entity. For further details, please see Notes 3.3, 3.4 and 15 to the Accountant's Report in Appendix I to this Prospectus for more details.

Western Taiwan Strait Economic Region

Quanzhou

69. Jinjiang Dynasty Royalty (晉江大唐世家)

Jinjiang Dynasty Royalty is a residential property project located in Quanzhou, Fujian. Jinjiang Dynasty Royalty was developed by Quanzhou Tangjin Real Estate Co., Ltd. (泉州唐晉房地產有限公司). The total land premium of RMB339.0 million has been fully paid. Quanzhou Tangjin Real Estate

Co., Ltd. has obtained the relevant land use rights certificate in July 2018. The project occupies an aggregate site area of approximately 30,773 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB636.8 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB78.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	30,773
Total GFA under development (in sq.m.)	119,077
Saleable/rentable GFA under development (in sq.m.)	109,630
Total saleable GFA pre-sold (in sq.m.)	75,971
Land cost per site area (in RMB)	11,016
Land cost per saleable/rentable GFA (in RMB)	3,092
Percentage of total saleable/rentable GFA pre-sold	69.3%
Number of residential units available for sale	824
Number of commercial units available for sale	36
Actual commencement date	August 2018
Actual commencement date for pre-sale of properties	December 2018
Estimated completion date	October 2020
Attributable interest to our Group	55.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Quanzhou Tangjin Real Estate Co., Ltd. (泉州唐晉房地產有限公司) was Quanzhou Aoxuan Enterprise Management Co., Ltd. (泉州傲軒企業管理有限公司), which mainly engages in management of enterprise headquarters according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, holding 45.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 11 of the Property Valuation Report in Appendix III to this Prospectus.

70. Shimao Yuncheng (世茂雲城)

Shimao Yuncheng is a residential property project located in Quanzhou, Fujian. Shimao Yuncheng was developed by Quanzhou Shimao Shiyue Properties Co., Ltd. (泉州世茂世悅置業有限公司). The total land premium of RMB857.0 million has been fully paid. Our land cost per site area was RMB9,571 and our land cost per saleable/rentable GFA was RMB2,704. Quanzhou Shimao Shiyue Real Estate Co., Ltd. has obtained the relevant land use rights certificate in June 2018. The project occupies an aggregate site area of approximately 89,544 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,200.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB680.3 million. The percentage of total saleable/leasable GFA pre-sold was 24.0%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Total GFA under development (in sq.m.)	214,621
Saleable/rentable GFA under development (in sq.m.)	186,632
Total saleable GFA pre-sold (in sq.m.)	76,166
Number of residential units available for sale	1,136
Number of commercial units available for sale	35
Actual commencement date	September 2018
Actual commencement date for pre-sale of properties	December 2018
Estimated completion date	April 2022
Attributable interest to our Group	15.00%(1)
Construction status	Under development

Phase 2

Total GFA under development (in sq.m.)	131,641
Saleable/rentable GFA under development (in sq.m.)	130,307
Number of residential units available for sale	1,134
Number of commercial units available for sale	2
Actual commencement date	September 2018
Estimated commencement date for pre-sale of properties	September 2020
Estimated completion date	April 2022
Attributable interest to our Group	15.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Quanzhou Shimao Shiyue Properties Co., Ltd. (泉州世茂世悦置業有限公司) include (i) Lianyuetai (Xiamen) Properties Co., Ltd. (聯悦泰(廈門)置業有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, (ii) Shanghai Zhimei Enterprise Management Co., Ltd. (上海之玫企業管理有限公司), an Independent Third Party which mainly engages in business management consultancy according to its business license, and (iii) Xiamen Aorui Enterprise Management Co., Ltd. (廈門傲睿企業管理有限公司), which mainly engages in real estate development and management according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, holding 31.00%, 30.00% and 24.00% interest, respectively, in the property project as of August 31, 2020.

71. Jinjiang Dynasty Mansion (晋江大唐府)

Jinjiang Dynasty Mansion is a residential property project located in Quanzhou, Fujian. Jinjiang Dynasty Mansion was developed by Jinjiang Longxiang Properties Co., Ltd. (晋江龍翔置業有限公司). The total land premium of RMB65.5 million has been fully paid. Our land cost per site area was RMB981 and our land cost per saleable/rentable GFA was RMB330. Jinjiang Longxiang Real Estate Co., Ltd. has obtained the relevant land use rights certificate in December 2011. The project occupies an aggregate site area of approximately 66,781 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB113.7 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB575.2 million. The percentage of total saleable/rentable GFA pre-sold was 19.7%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Site area (in sq.m.)	37,204
Total GFA under development (in sq.m.)	102,491
Saleable/rentable GFA under development (in sq.m.)	96,529
Total saleable GFA pre-sold (in sq.m.)	19,002
Number of residential units available for sale	866
Actual commencement date	July 2019
Actual commencement date for pre-sale of properties	October 2019
Estimated completion date	February 2022
Attributable interest to our Group	60.00%(1)
Construction status	Under development

Phase 2

Site area (in sq.m.)	29,577
Planned GFA held for future development (in sq.m.)	108,103
Number of residential units available for sale	576
Estimated commencement date	December 2020
Estimated date of pre-sale commencement or pre-sale permit	March 2021
Estimated completion date	September 2023
Attributable interest to our Group	60.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Jinjiang Longxiang Properties Co., Ltd. (晉江龍翔置業有限公司) was Jinan Baihai Enterprise Management Co., Ltd. (濟南佰海企業管理有限責任公司), an Independent Third Party which mainly engages in enterprise management consultancy according to its business license, holding 40.00% interest in the property project as of August 31, 2020.

72. Spring Impression (印象春天小區)

Spring Impression is a residential property project located in Quanzhou, Fujian. Spring Impression was developed by Anxi Tangrui Real Estate Development Co., Ltd. (安溪唐瑞房地產開發有限公司). The total land premium of RMB65.5 million has been fully paid. Anxi Tangrui Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in September 2019. The project occupies an aggregate site area of approximately 29,253 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB388.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB263.5 million.

Based on our internal records details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	29,253
Total GFA under development (in sq.m.)	114,126
Total saleable GFA pre-sold (in sq.m.)	27,408
Saleable/rentable GFA (in sq.m.)	97,604
Planned GFA held for future development (in sq.m.)	—
Land cost per site area (in RMB)	2,239
Land cost per saleable/rentable GFA (in RMB)	671
Percentage of total saleable/rentable GFA pre-sold	28.1%
Number of residential units available for sale	752
Number of commercial units available for sale	43
Actual commencement date	November 2019
Actual commencement date for pre-sale of properties	January 2020
Estimated completion date	February 2022
Attributable interest to our Group	45.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Anxi Tangrui Real Estate Development Co., Ltd. (安溪唐瑞房地產開發有限公司) include (i) Anxi Baorui Property Development Co., Ltd. (安溪寶瑞置業發展有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, and (ii) Fujian Quanzhou Ruiken Investment Co., Ltd. (福建泉州市瑞肯投資有限公司), an Independent Third Party which mainly engages in the production and supply of electricity, heat, gas and water according to its business license, holding 38.00% and 17.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 7 of the Property Valuation Report in Appendix III to this Prospectus.

73. Hui'an Julong Guofeng (惠安聚龍國風)

Hui'an Julong Guofeng is a residential property located in Quanzhou, Fujian. Hui'an Julong Guofeng was developed by Quanzhou Julong Huamao Real Estate Co., Ltd. (泉州聚龍華茂房地產有限公司). The total land premium of RMB416.5 million has been fully paid. Quanzhou Julong Huamao Real Estate Co., Ltd. has obtained the relevant land use rights certificate in October 2018. The project occupies an aggregate site area of approximately 102,427 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB682.3 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB927.8 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	102,427
Total GFA under development (in sq.m.)	271,768
Saleable/rentable GFA (in sq.m.)	243,174
Total saleable GFA pre-sold (in sq.m.)	45,679
Land cost per site area (in RMB)	4,066
Land cost per saleable/rentable GFA (in RMB)	1,713
Percentage of total saleable/rentable GFA Pre-sold	18.8%
Number of residential units available for sale	2,148
Actual commencement date	November 2018
Actual date of pre-sale commencement or pre-sale permit	October 2018
Estimated completion date	December 2021
Attributable interest to our Group	10.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Quanzhou Julong Huamao Real Estate Co., Ltd. (泉州聚龍華茂房地產有限公司) include (i) Quanzhou Hengxin Enterprise Management Co., Ltd. (泉州恒新企業管理有限公司), which mainly engages in business management consultancy according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, and (ii) Fujian Shidaihua Investment Development Co., Ltd. (福建世代華投資發展有限公司), an Independent Third Party which mainly engages in investments in the real estate, agricultural, tourism, environment and mining according to its business license, holding 50.96% and 39.01% interest, respectively, in the property project as of August 31, 2020.

Zhangzhou

74. Jiangshan Tianjing (江山天境)

Jiangshan Tianjing is a residential property project located in Zhangzhou, Fujian. Jiangshan Tianjing was developed by Zhangzhou He'ai Real Estate Development Co., Ltd. (漳州和艾房地產開發有限公司). The total land premium of RMB718.0 million has been fully paid. Zhangzhou He'ai has obtained the relevant land use rights certificate in July 2019. The project occupies an aggregate site area of approximately 23,861 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB832.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB272.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	23,861
Total GFA under development (in sq.m.)	99,325
Saleable/rentable GFA under development (in sq.m.)	90,016
Total saleable GFA pre-sold (in sq.m.)	17,850
Land cost per site area (in RMB)	30,091
Land cost per saleable/rentable GFA (in RMB)	7,976
Percentage of total saleable/rentable GFA pre-sold	19.8%
Number of residential units available for sale	822
Actual commencement date	September 2019
Actual commencement date for pre-sale of properties	November 2019
Estimated completion date	November 2021
Attributable interest to our Group	30.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Zhangzhou He'ai Real Estate Development Co., Ltd. (漳州和艾房地產開發有限公司) was Xiamen Changzun Business Consultancy Co., Ltd. (廈門昌尊商務諮詢有限公司), an Independent Third Party which mainly engages in business consultancy according to its business license, holding 70.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 17 of the Property Valuation Report in Appendix III to this Prospectus.

75. Jiaomei Dynasty Impression (角美大唐印象)

Jiaomei Dynasty Impression is a residential property project located in Zhangzhou, Fujian. Jiaomei Dynasty Impression was developed by Zhangzhou Tangmei Real Estate Development Co., Ltd. (漳州唐美房地產開發有限公司). The total land premium of RMB325.0 million has been fully paid. Zhangzhou Tangmei Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in July 2019. The project occupies an aggregate site area of approximately 15,748 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB345.2 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB132.2 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	15,748
Total GFA under development (in sq.m.)	43,650
Saleable/rentable GFA under development (in sq.m.)	37,556
Land cost per site area (in RMB)	20,638
Land cost per saleable/rentable GFA (in RMB)	8,654
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	296
Actual commencement date	November 2019
Estimated date of pre-sale commencement or pre-sale permit	March 2021
Estimated completion date	April 2022
Attributable interest to our Group	30.00%[(1)]
Construction status	Under development

Note:

(1) The other shareholder of Zhangzhou Tangmei Real Estate Development Co., Ltd. (漳州唐美房地產開發有限公司) was Xiamen Changzun Business Consultancy Co., Ltd. (廈門昌尊商務諮詢有限公司), an Independent Third Party which mainly engages in business consultancy according to its business license, holding 70.00% interest in the property project as of August 31, 2020.

76. Zhangzhou Dynasty Chunfengli Phase II (漳州大唐春風里二期)

Zhangzhou Dynasty Chunfengli Phase II is a residential and commercial property project located in Zhangzhou, Fujian. Zhangzhou Dynasty Chunfengli Phase II was developed by Zhangzhou Tanghe Real Estate Development Co., Ltd. (漳州唐和房地產開發有限公司). The total land premium of RMB395.0 million has been fully paid. Zhangzhou Tanghe Real Estate Development Co., Ltd. obtained the relevant land use rights certificate in January 2020. The project occupies an aggregate site area of approximately 61,896 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB440.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB605.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	61,896
Total GFA under development (in sq.m.)	213,115
Saleable/rentable GFA under development (in sq.m.)	192,125
Total saleable GFA pre-sold (in sq.m.)	3,122
Land cost per site area (in RMB)	6,382
Land cost per saleable/rentable GFA (in RMB)	2,056
Percentage of total saleable/rentable GFA pre-sold	1.6%
Number of residential units available for sale	1,519
Number of commercial units available for sale	77
Actual commencement date	March 2020
Actual date of pre-sale commencement or pre-sale permit	April 2020
Estimated completion date	February 2022
Attributable interest to our Group	60.00%[(1)]
Construction status	Under development

Note:

(1) The other shareholder of Zhangzhou Tanghe Real Estate Development Co., Ltd. (漳州唐和房地產開發有限公司) was Hengsheng Group Co., Ltd. (恒晟集團有限公司), an Independent Third Party which mainly engages in building construction according to its business license, holding 40.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 19 of the Property Valuation Report in Appendix III to this Prospectus.

77. Dynasty Sanmu Impression West Lake (大唐三木印象西湖)

Dynasty Sanmu Impression West Lake is a residential and commercial property located in Zhangzhou, Fujian. Dynasty Sanmu Impression West Lake was developed by Zhangzhou Sentang Real Estate Development Co., Ltd. (漳州森唐房地產開發有限公司). The total land premium of RMB327.0 million has been fully paid. We have obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 17,659 and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB58.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB479.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	17,659
Planned GFA held for future development (in sq.m.)	70,186
Land cost per site area (in RMB)	18,517
Number of residential units available for sale	532
Number of commercial units available for sale	51
Estimated commencement date	September 2020
Estimated date of pre-sale commencement or pre-sale permit	October 2020
Estimated completion date	September 2022
Attributable interest to our Group	49.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Zhangzhou Sentang Real Estate Development Co., Ltd. (漳州森唐房地產開發有限公司) was Fujian Sanmu Chengxin Real Estate Development Co., Ltd. (福建三木城鑫房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and operation according to its business license, holding 51.00% interest in the property project as of August 31, 2020.

78. Shimao Dynasty Yunjing (世茂大唐雲璟)

Shimao Dynasty Yunjing is a residential and commercial property project located in Zhangzhou, Fujian. Shimao Dynasty Yunjing was developed by Longhai Maotang Properties Co., Ltd. (龍海茂唐置業有限公司). The total land premium of RMB150.0 million has been fully paid. Longhai Maotang Properties Co., Ltd. has obtained the relevant land use rights certificate in May 2020. The project occupies an aggregate site area of approximately 12,453 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB158.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB131.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	12,453
Total GFA under development (in sq.m.)	40,625
Saleable/rentable GFA under development (in sq.m.)	36,499
Land cost per site area (in RMB)	12,045
Land cost per saleable/rentable GFA (in RMB)	4,110
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	285
Number of commercial units available for sale	27
Actual commencement date	May 2020
Actual date of pre-sale commencement or pre-sale permit	July 2020
Estimated completion date	December 2021
Attributable interest to our Group	31.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Longhai Maotang Properties Co., Ltd. (龍海茂唐置業有限公司) include (i) Xiamen Jinze Enterprise Management Co., Ltd. (廈門晉澤企業管理有限公司), an Independent Third Party which mainly engages in corporate management and real estate development according to its business license and (ii) Fujian Dingze Investment Co., Ltd. (福建鼎澤投資有限公司), an Independent Third Party which mainly engages in investment in construction, real estate development and cargo transportation according to its business license, holding 49.00% and 20.00% interest, respectively, in the property project as of August 31, 2020.

Longyan

79. Longyan Royalty Wenyuan (龍岩世家文苑)

Longyan Royalty Wenyuan is a residential and commercial property project located in Longyan, Fujian. Longyan Royalty Wenyuan was developed by Longyan Maotang Real Estate Development Co., Ltd. (龍岩茂唐房地產開發有限公司). The total land premium of RMB301.0 million has been fully paid. Longyan Maotang Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 26,197 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB150.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB468.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	26,197
Planned GFA held for future development (in sq.m.)	80,969
Land cost per site area (in RMB)	11,490
Number of residential units available for sale	564
Number of commercial units available for sale	1
Estimated commencement date	September 2020
Estimated date of pre-sale commencement or pre-sale permit	December 2020
Estimated completion date	October 2022
Attributable interest to our Group	51.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Longyan Maotang Real Estate Development Co., Ltd. (龍岩茂唐房地產開發有限公司) include (i) Xiamen Shangche Enterprise Management Co., Ltd. (廈門尚澈企業管理有限公司), an Independent Third Party which mainly engages in corporate management and real estate development according to its business license and (ii) Fujian Hongsheng New Energy Group Co., Ltd. (福建宏昇新能源集團有限公司), an Independent Third Party which mainly engages in solar power technology services and products according to its business license, holding 25.00% and 24.00% interest, respectively, in the property project as of August 31, 2020.

Fuzhou

80. Longjiang Jiujin Pavilion (龍江玖錦閣)

Longjiang Jiujin Pavilion is a residential and commercial property located in Fuzhou, Fujian. Longjiang Jiujin Pavilion was developed by Fuzhou Qingnan Tangmao Real Estate Development Co., Ltd. (福州慶南唐茂房地產開發有限公司). The total land premium of RMB1,616.0 million has been fully paid. We have obtained the relevant land use rights certificate in July 2020. The project occupies an aggregate site area of approximately 113,059 and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB0.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB2,796.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	113,059
Total GFA under development (in sq.m.)	373,001
Saleable/rentable GFA under development (in sq.m.)	246,865
Land cost per site area (in RMB)	14,293
Land cost per saleable/rentable GFA (in RMB)	6,546
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	1,301
Number of commercial units available for sale	91
Actual commencement date	July 2020
Actual date of pre-sale commencement or pre-sale permit	August 2020
Estimated completion date	April 2023
Attributable interest to our Group	33.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Fuzhou Qingnan Tangmao Real Estate Development Co., Ltd. (福州慶南唐茂房地產開發有限公司) include (i) Fuzhou Hongjing Enterprise Management Co., Ltd. (福州泓景企業管理有限公司), which mainly engages in corporate management consulting services and real estate development and operation according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group; and (ii) Xiamen Chengxuan Real Estate Development Co., Ltd. (廈門呈軒房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and operation and property management according to its business license, holding 34.00% and 33.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 26 of the Property Valuation Report in Appendix III to this Prospectus.

Putian

81. Putian Xiuyu Dynasty Royalty (莆田秀嶼大唐世家)

Putian Xiuyu Dynasty Royalty is a residential property project located in Putian, Fujian. Putian Xiuyu Dynasty Royalty was developed by Putian Tangshun Real Estate Development Co., Ltd. (莆田唐順房地產開發有限公司). The total land premium of RMB402.0 million has been fully paid. Putian Tangshun Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in November 2019. The project occupies an aggregate site area of approximately 83,198 sq.m. and consists of residential units. As of June 30, 2020, our total development costs incurred was RMB501.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB657.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	83,198
Total GFA under development (in sq.m.)	252,522
Saleable/rentable GFA under development (in sq.m.)	211,211
Total saleable GFA pre-sold (in sq.m.)	60,069
Land cost per site area (in RMB)	4,832
Land cost per saleable/rentable GFA (in RMB)	1,903
Percentage of total saleable/rentable GFA pre-sold	28.4%
Number of residential units available for sale	1,615
Actual commencement date	November 2019
Actual commencement date for pre-sale of properties	November 2019
Estimated completion date	January 2023
Attributable interest to our Group	35.00%[(1)]
Construction status	Under development

Note:

(1) The other shareholders of Putian Tangshun Real Estate Development Co., Ltd. (莆田唐順房地產開發有限公司) include (i) Quanzhou Wanying Enterprise Management Consultancy Co., Ltd. (泉州萬盈企業管理諮詢有限公司), an Independent Third Party which mainly engages in enterprise management consultancy services according to its business license, (ii) Xiamen Tianzhisheng Properties Co., Ltd. (廈門天至盛置業有限公司), an Independent Third Party which mainly engages in real estate development and management according to its business license, and (iii) Xiamen Chunhua Investment Co., Ltd. (廈門春華投資有限公司), an Independent Third Party which mainly engages in investments in primary, secondary and tertiary industries according to its business license, holding 20.00%, 35.00% and 10.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 23 of the Property Valuation Report in Appendix III to this Prospectus.

Sanming

82. Shaxian Yunzhu (沙縣雲著)

Shaxian Yunzhu is a residential and commercial property project located in Sanming, Fujian. Shaxian Yunzhu was developed by Shaxian Shimao New Era Properties Co., Ltd. (沙縣世茂新紀元置業有限公司). The total land premium of RMB252.8 million has been fully paid. Shaxian Shimao New Era Properties Co., Ltd. has obtained the relevant land use rights certificate in August 2020. The project occupies an aggregate site area of approximately 53,688 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB260.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB371.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	53,688
Planned GFA held for future development (in sq.m.)	123,596
Land cost per site area (in RMB)	4,709
Number of residential units available for sale	778
Number of commercial units available for sale	10
Actual commencement date	September 2020
Estimated date of pre-sale commencement or pre-sale permit	September 2020
Estimated completion date	December 2022
Attributable interest to our Group	40.00%[(1)]
Construction status	Held for future development

Note:
(1) The other shareholder of Shaxian Shimao New Era Properties Co., Ltd. (沙縣世茂新紀元置業有限公司) includes Nanping Taoying Enterprise Management Co., Ltd. (南平韜盈企業管理有限公司), an Independent Third Party which mainly engages in business management and information consultancy services according to its business license, holding 60.00% interest in the property project as of August 31, 2020.

Beibu Gulf Region and Neighboring Cities

Nanning

83. Jinjiu Royalty (金玖世家)

Jinjiu Royalty is a residential property project located in Nanning, Guangxi. Jinjiu Royalty was developed by Nanning Yaoxin Real Estate Development Co., Ltd. (南寧市耀鑫房地產開發有限公司). The total land premium of RMB810.6 million has been fully paid. Nanning Yaoxin Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in October 2018. The project occupies an aggregate site area of approximately 68,401 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,572.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB621.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	68,401
Total GFA under development (in sq.m.)	380,330
Saleable/rentable GFA under development (in sq.m.)	247,857
Total saleable GFA pre-sold (in sq.m.)	205,593
Land cost per site area (in RMB)	11,850
Land cost per saleable/rentable GFA (in RMB)	3,270
Percentage of total saleable/rentable GFA pre-sold	82.9%
Number of residential units available for sale	2,058
Actual commencement date	January 2019
Actual commencement date for pre-sale of properties	February 2019
Estimated completion date	April 2021
Attributable interest to our Group	25.00%(1)
Construction status	Under development

Note:
(1) The other shareholders of Nanning Yaoxin Real Estate Development Co., Ltd. (南寧市耀鑫房地產開發有限公司) include (i) Shenzhen Zhenya Investment Co., Ltd. (深圳市圳雅投資有限公司), an Independent Third Party which mainly engages in enterprise management consultancy according to its business license, and (ii) Nanning Jinzhuoli Real Estate Development Co., Ltd. (南寧金卓立房地產開發有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, holding 50.00% and 25.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 41 of the Property Valuation Report in Appendix III to this Prospectus.

84. Jinyue Qingshan (錦悅青山)

Jinyue Qingshan is a residential property project located in Nanning, Guangxi. Jinyue Qingshan was developed by Nanning Xinyong Properties Co., Ltd. (南寧新邕置業有限公司). The total land premium of RMB659.7 million has been fully paid. Nanning Xinyong Properties Co., Ltd. has obtained the relevant land use rights certificate in December 2017. The project occupies an aggregate site area of approximately 32,507 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,060.1 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB235.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	32,507
Total GFA completed (sq.m.)	53,293
Total saleable/rentable GFA completed (in sq.m.)	48,421
Total saleable GFA completed and unsold (in sq.m.)	48,421
Total GFA under development (in sq.m.)	115,434
Saleable/rentable GFA under development (in sq.m.)	81,132
Total saleable GFA pre-sold (in sq.m.)	58,304
Land cost per site area (in RMB)	20,295
Land cost per saleable/rentable GFA (in RMB)	5,092
Percentage of total saleable/rentable GFA pre-sold	71.9%
Number of residential units available for sale	753
Actual commencement date	June 2018
Actual commencement date for pre-sale of properties	July 2018
Estimated completion date	June 2021
Attributable interest to our Group	49.43%(1)
Construction status	Under development

Note:

(1) The other shareholders of Nanning Xinyong Properties Co., Ltd. (南寧新邕置業有限公司) include (i) Nanning Dashanghui Industrial Co., Ltd. (南寧大商匯實業有限公司), which mainly engages in real estate development and management according to its business license and is a subsidiary of New Hope Group Co., Ltd (新希望集團有限公司), a minority indirect shareholder of two subsidiaries of our Group, (ii) Ningbo Zhongjun Enterprise Management Partnership (Limited Partnership) (寧波眾君企業管理合夥企業(有限合夥), an Investment Holding Platform for the employees of Nanning Dashanghui Industrial Co., Ltd. (南寧大商匯實業有限公司), and (iii) Ningbo Tangsheng Investment Management Partnership (Limited Partnership) (寧波唐勝投資管理合夥企業(有限合夥)), an Investment Holding Platform for the Group's employees, holding 47.62%, 2.38% and 0.57% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 42 of the Property Valuation Report in Appendix III to this Prospectus.

85. Wuxiang Lanting Mansion (五象瀾庭府)

Wuxiang Lanting Mansion is a residential property project located in Nanning, Guangxi. Wuxiang Lanting Mansion was developed by Guangxi Yangtangmao Real Estate Co., Ltd. (廣西陽唐茂房地產有限公司). The total land premium of RMB2,239.1 million has been fully paid. Our land cost per site area was RMB13,995 and our land cost per saleable/rentable GFA was RMB3,866. Guangxi Yangtangmao Real Estate Co., Ltd. has obtained the relevant land use rights certificate in May 2019. The project occupies an aggregate site area of approximately 159,991 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB3,235.1 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB2,088.9 million. The percentage of total saleable/rentable GFA pre-sold was 57.9%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Site area (in sq.m.)	57,249
Total GFA under development (in sq.m.)	323,439
Saleable/rentable GFA under development (in sq.m.)	193,600
Total saleable GFA pre-sold (in sq.m.)	146,285
Number of residential units available for sale	1,565
Actual commencement date	August 2019
Actual commencement date for pre-sale of properties	August 2019
Estimated completion date	December 2022
Attributable interest to our Group	33.00%(1)
Construction status	Under development

Phase 2

Site area (in sq.m.)	37,765
Total GFA under development (in sq.m.)	213,765
Saleable/rentable GFA under development (in sq.m.)	172,404
Total saleable GFA pre-sold (in sq.m.)	1,572
Number of residential units available for sale	869
Actual commencement date	April 2020
Actual date of pre-sale commencement or pre-sale permit	June 2020
Estimated completion date	June 2023
Attributable interest to our Group	33.00%(1)
Construction status	Under development

Phase 3

Site area (in sq.m.)	64,977
Total GFA under development (in sq.m.)	365,112
Saleable/rentable GFA under development (in sq.m.)	213,182
Total saleable GFA pre-sold (in sq.m.)	187,641
Number of residential units available for sale	1,731
Actual commencement date	August 2019
Actual commencement date for pre-sale of properties	August 2019
Estimated completion date	December 2022
Attributable interest to our Group	33.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Yangtangmao Real Estate Co., Ltd. (廣西陽唐茂房地產有限公司) include (i) Nanning Zhengcanguang Investment Management Co., Ltd. (南寧正燦光投資管理有限公司), which mainly engages in investments in the real estate, transportation, energy and municipal construction sectors according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, and (ii) Xiamen Zeling Enterprise Management Co., Ltd. (廈門澤翎企業管理有限公司), which mainly engages in enterprise management according to its business license and is a subsidiary of Shimao Group Holdings Limited (世茂集團控股有限公司), an indirect minority shareholder of four subsidiaries of our Group, holding 34.00% and 33.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 43 of the Property Valuation Report in Appendix III to this Prospectus.

86. Shenghu Yuejing (盛湖悅景)

Shenghu Yuejing is a residential and commercial property project located in Nanning, Guangxi. Shenghu Yuejing was developed by Guangxi Tangxin Xuguang Investment Co., Ltd. (廣西唐欣旭光投資有限公司). The total land premium of RMB1,227.5 million has been fully paid. Our land cost per site area was RMB13,500 and our land cost per saleable/rentable GFA was RMB4,024. Guangxi Tangxin Xuguang Investment Co., Ltd. has obtained the relevant land use rights certificate in March 2019. The project occupies an aggregate site area of approximately 90,929 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,701.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB703.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	90,929
Total GFA under development (in sq.m.)	351,979
Saleable/rentable GFA under development (in sq.m.)	305,058
Total saleable GFA pre-sold (in sq.m.)	206,599
Land cost per site area (in RMB)	13,500
Land cost per saleable/rentable GFA (in RMB)	4,024
Percentage of total saleable/rentable GFA pre-sold	67.7%
Number of residential units available for sale	2,280
Number of commercial units available for sale	230
Actual commencement date	March 2019
Actual commencement date for pre-sale of properties	April 2019
Estimated completion date	October 2021
Attributable interest to our Group	26.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangxin Xuguang Investment Co., Ltd. (廣西唐欣旭光投資有限公司) include (i) Nanning Chuanwang Properties Co., Ltd. (南寧川望置業有限公司), which mainly engages in real estate development according to its business license and is a subsidiary of New Hope Group Co., Ltd (新希望集團有限公司), a minority indirect shareholder of two subsidiaries of our Group, (ii) Nanning Litenghui Real Estate Development Co., Ltd. (南寧利騰暉房地產開發有限公司), which mainly engages in real estate development and management, and architectural design and construction according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, and (iii) Nanning Zhenghuiguang Investment Management Co., Ltd. (南寧正輝光投資管理有限公司), an Independent Third Party which mainly engages in investments in real estate, transportation and energy according to its business license, holding 28.00%, 26.00% and 20.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 44 of the Property Valuation Report in Appendix III to this Prospectus.

87. Tanfu Impression (檀府印象)

Tanfu Impression is a residential property project located in Nanning, Guangxi. Tanfu Impression was developed by Guangxi Zhongqing Yiju Investment Co., Ltd. (廣西眾擎易舉投資有限公司). The total land premium of RMB1,644.9 million has been fully paid. Our land cost per site area was RMB11,936 and our land cost per saleable/rentable GFA was RMB3,325. Guangxi Zhongqing Yihu Investment Co., Ltd. has obtained the relevant land use rights certificate in June 2018. The project occupies an aggregate site area of approximately 137,811 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB2,984.7 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,014.0 million. The percentage of total saleable/rentable GFA pre-sold was 86.6%.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Site area (in sq.m.)	70,870
Total GFA under development (in sq.m.)	410,311
Saleable/rentable GFA under development (in sq.m.)	198,125
Total saleable GFA pre-sold (in sq.m.)	168,833
Number of residential units available for sale	1,377
Actual commencement date	September 2018
Actual commencement date for pre-sale of properties	September 2018
Estimated completion date	December 2021
Attributable interest to our Group	30.00%(1)
Construction status	Under development

Phase 2

Site area (in sq.m.)	66,941
Total GFA under development (in sq.m.)	354,150
Saleable/rentable GFA under development (in sq.m.)	296,554
Total saleable GFA pre-sold (in sq.m.)	259,509
Number of residential units available for sale	1,935
Actual commencement date	November 2018
Actual commencement date for pre-sale of properties	December 2018
Estimated completion date	February 2022
Attributable interest to our Group	30.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Zhongqing Yiju Investment Co., Ltd. (廣西眾擎易舉投資有限公司) include (i) Nanning Tianyu Yujun Investment Co., Ltd. (南寧天譽譽浚投資有限公司), an Independent Third Party which mainly engages in investments in construction and hotel industries according to its business license, and (ii) Nanning Guangyi Investment Management Co., Ltd. (南寧光翼投資管理有限公司), which mainly engages in investments in real estate, transportation, energy and municipal engineering according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, holding 40.00% and 30.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 45 of the Property Valuation Report in Appendix III to this Prospectus.

88. Impression Discovery Bay (印象愉景灣)

Impression Discovery Bay is a residential property project located in Nanning, Guangxi. Impression Discovery Bay was developed by Guangxi Tangqin Tongguang Investment Co., Ltd. (廣西唐沁同光投資有限公司). The total land premium of RMB1,100.3 million has been fully paid. Guangxi Tangqin Tongguang Investment Co., Ltd. has obtained the relevant land use rights certificate in June 2018. The project occupies an aggregate site area of approximately 111,138 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,687.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,491.8 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	111,138
Total GFA under development (in sq.m.)	614,237
Saleable/rentable GFA under development (in sq.m.)	412,262
Total saleable GFA pre-sold (in sq.m.)	201,699
Land cost per site area (in RMB)	9,900
Land cost per saleable/rentable GFA (in RMB)	2,669
Percentage of total saleable/rentable GFA pre-sold	48.9%
Number of residential units available for sale	3,215
Actual commencement date	January 2019
Actual commencement date for pre-sale of properties	April 2019
Estimated completion date	December 2022
Attributable interest to our Group	16.50%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Tangqin Tongguang Investment Co., Ltd. (廣西唐沁同光投資有限公司) include (i) Guangxi Kaijun Properties Co., Ltd. (廣西凱竣置業有限公司), an Independent Third Party which mainly engages in real estate development and management according to its business license, (ii) Shenzhen Zhenya Investment Co., Ltd. (深圳市圳雅投資有限公司), an Independent Third Party which mainly engages in enterprise management consultancy according to its business license, and (iii) Nanning Hongxingsheng Real Estate Development Co., Ltd. (南寧泓興晟房地產開發有限公司), which mainly engages in real estate development and management according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, holding 34.00%, 33.00% and 16.50% interest, respectively, in the property project as of August 31, 2020.

89. Nanning Shengshi Jinyue (南寧盛世金悅)

Nanning Shengshi Jinyue is a residential property located in Nanning, Guangxi. Nanning Shengshi Jinyue was developed by Guangxi Shengcan Real Estate Development Co., Ltd. (廣西盛燦房地產開發有限公司). The total land premium of RMB316.5 million has been fully paid. Guangxi Shengcan Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in January 2020. The project occupies an aggregate site area of approximately 25,266 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB363.5 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB236.6 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	25,266
Total GFA under development (in sq.m.)	106,074
Saleable/rentable GFA under development (in sq.m.)	92,367
Total saleable GFA pre-sold (in sq.m.)	43,467
Land cost per site area (in RMB)	12,525
Land cost per saleable/rentable GFA (in RMB)	3,426
Percentage of total saleable/rentable GFA pre-sold	47.1%
Number of residential units available for sale	841
Actual commencement date	February 2020
Actual commencement date for pre-sale of properties	March 2020
Estimated completion date	May 2022
Attributable interest to our Group	25.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Shengcan Real Estate Development Co., Ltd. (廣西盛燦房地產開發有限公司) include (i) Nanning Jinhongyao Real Estate Development Co., Ltd. (南寧金泓耀房地產開發有限公司), an Independent Third Party which mainly engages in

real estate development and property services according to its business license, (ii) Guangxi Shengyang Real Estate Development Co., Ltd. (廣西盛陽房地產開發有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, (iii) Nanning Chuanwang Properties Co., Ltd (南寧川望置業有限公司) which mainly engages in real estate development according to its business license and is a subsidiary of New Hope Group Co., Ltd (新希望集團有限公司), a minority indirect shareholder of two subsidiaries of our Group, each holding 25.00% interest in the property project as of August 31, 2020.

90. Nanning Yango Dynasty Royalty (陽光城大唐世家)

Nanning Yango Dynasty Royalty is a residential property project located in Nanning, Guangxi. Nanning Yango Dynasty Royalty was developed Guangxi Tangyao Investment Co., Ltd. (廣西唐耀投資有限公司). The total land premium of RMB505.7 million has been fully paid. Guangxi Tangyao Investment Co., Ltd. has obtained the relevant land use rights certificate in May 2020. The project occupies an aggregate site area of approximately 37,047 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB544.4 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB617.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	37,047
Total GFA under development (in sq.m.)	203,597
Saleable/rentable GFA under development (in sq.m.)	125,296
Total saleable GFA pre-sold (in sq.m.)	12,254
Land cost per site area (in RMB)	13,650
Land cost per saleable/rentable GFA (in RMB)	4,036
Percentage of total saleable/rentable GFA pre-sold	9.8%
Number of residential units available for sale	1,061
Actual commencement date	May 2020
Actual date of pre-sale commencement or pre-sale permit	June 2020
Estimated completion date	August 2022
Attributable interest to our Group	49.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Guangxi Tangyao Investment Co., Ltd. (廣西唐耀投資有限公司) includes Nanning Zhengyuyang Investment Co., Ltd. (南寧正珏陽投資有限公司), which mainly engages real estate, transportation, energy, municipal engineering and construction investment according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, holding 51.00% interest in the project as of August 31, 2020.

For further information, please refer to Property No. 47 of the Property Valuation Report in Appendix III to this Prospectus.

91. Yango Dynasty Tanjing (陽光城大唐檀境)

Yango Dynasty Tanjing is a residential and commercial property located in Nanning, Guangxi. Yango Dynasty Tanjing was developed by Nanning Yangzheng Xuguang Real Estate Development Co., Ltd. (南寧陽正煦光房地產開發有限公司). The total land premium of RMB3,069.7 million has been fully paid. We have obtained the relevant land use rights certificate in April 2020. The project occupies an aggregate site area of approximately 177,954 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB3,225.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB2,898.0 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	177,954
Total GFA under development (in sq.m.)	81,656
Saleable/rentable GFA under development (in sq.m.	66,253
Planned GFA held for future development (in sq.m.)	776,745
Land cost per site area (in RMB)	17,250
Land cost per saleable/rentable GFA (in RMB)	4,407
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	3,902
Actual commencement date	August 2020
Actual date of pre-sale commencement or pre-sale permit	September 2020
Estimated completion date	June 2023
Attributable interest to our Group	41.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Nanning Yangzheng Xuguang Real Estate Development Co., Ltd. (南寧陽正煦光房地產開發有限公司) were (i) Nanning Zhenglanyang Investment Co., Ltd. (南寧正瀾陽投資有限公司), which mainly engages in investments in real estate, transportation, energy, municipal engineering and construction according to its business license and is a subsidiary of Yango Group Co., Ltd. (陽光城集團股份有限公司), an indirect shareholder of six subsidiaries of our Group, and (ii) Nanning Zhenghuanyang Investment Co., Ltd (南寧正洹陽投資有限公司), an Independent Third Party which mainly engaged in investment in real estate and construction according to its business license, holding 39% interest and 20% interest respectively in the property project as of August 31, 2020.

For further information, please refer to Property No. 48 of the Property Valuation Report in Appendix III to this Prospectus.

92. Shengshi Chunjiang (盛世春江)

Shengshi Chunjiang is a residential and commercial property project located in Nanning, Guangxi. Shengshi Chunjiang was developed by Guangxi Tanghe Investment Co., Ltd. (廣西唐和投資有限公司). Out of the total land premium of RMB1,058.4 million, we have paid 489 million. Guangxi Tanghe Investment Co., Ltd. will obtain the relevant land use rights certificate in December 2020. The project occupies an aggregate site area of approximately 52,774 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was nil and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,707.1 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	52,774
Planned GFA held for future development (in sq.m.)	220,436
Land cost per site area (in RMB)	20,055
Number of residential units available for sale	1,618
Estimated commencement date	November 2020
Estimated date of pre-sale commencement or pre-sale permit.	December 2020
Estimated completion date	May 2023
Attributable interest to our Group	49.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Guangxi Tanghe Investment Co., Ltd. (廣西唐和投資有限公司) includes Nanning Xingjing Business Consulting Co., Ltd. (南寧興涇商務諮詢有限公司), an Independent Third Party which mainly engages in construction engineering design and information consultancy services according to its business license, holding 51.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 50 of the Property Valuation Report in Appendix III to this Prospectus.

93. Liuzhou Dynasty Residence (柳州大唐觀邸)

Liuzhou Dynasty Residence is a residential and commercial property project located in Liuzhou, Guangxi. Liuzhou Dynasty Residence was developed by Guangxi Sanmenjiang Property Investment Co., Ltd. (廣西三門江置業投資有限公司). The total land premium of RMB497.7 million has been fully paid. Guangxi Sanmenjiang Real Estate Investment Co., Ltd. has obtained the relevant land use rights certificate in March 2020. The project occupies an aggregate site area of approximately 74,989 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB647.5 million and our estimated future development costs to be incurred was RMB693.3 million. The total development costs of approximately RMB647.5 million are the accumulated development costs incurred for this property project as of June 30, 2020, which included development costs of approximately RMB488.9 million incurred by Guangxi Sanmenjiang Real Estate Co., Ltd. prior to our acquisition, and development costs of approximately RMB158.6 million incurred by Guangxi Sanmenjiang Real Estate Co., Ltd. from the time of the acquisition to June 30, 2020.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	74,989
Total GFA under development (in sq.m.)	206,716
Saleable/rentable GFA under development (in sq.m.)	202,466
Total saleable GFA pre-sold (in sq.m.)	24,542
Planned GFA held for future development (in sq.m.)	75,210
Land cost per site area (in RMB)	5,829
Land cost per saleable/rentable GFA (in RMB)	1,583
Percentage of total saleable/rentable GFA pre-sold	12.1%
Number of residential units available for sale	1,291
Number of commercial units available for sale	51
Actual commencement date	April 2020
Actual commencement date for pre-sale of properties	April 2020
Estimated completion date	March 2023
Attributable interest to our Group	51.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Guangxi Sanmenjiang Property Investment Co., Ltd. (廣西三門江置業投資有限公司) include (i) Guangxi Hesheng Investment Co., Ltd. (廣西禾生投資有限責任公司), an Independent Third Party which mainly engages in investments in real estate, domestic trade, hotels, tourism and high-tech products industry according to its business license, and (ii) Guangxi Yuhe Investment Co., Ltd. (廣西宇和投資有限公司), an Independent Third Party which mainly engages in investments in real estate, hotel, tourism industries according to its business license, holding 40.00% and 9.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 53 of the Property Valuation Report in Appendix III to this Prospectus.

Guigang

94. Guigang Yating (貴港雅庭)

Guigang Yating is a residential and commercial property project located in Guigang, Guangxi. Guigang Yating was developed by Guigang Shimao Properties Development Co., Ltd. (貴港世茂置業發展有限公司). The total land premium of RMB203.8 million has been fully paid. Guigang Shimao Properties Development Co., Ltd. has obtained the relevant land use rights certificate in July 2020. The project occupies an aggregate site area of approximately 45,229 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB103.8 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB566.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	45,229
Total GFA under development (in sq.m.)	178,718
Saleable/rentable GFA under development (in sq.m.)	166,499
Total saleable GFA pre-sold (in sq.m.)	13,567
Land cost per site area (in RMB)	4,506
Land cost per saleable/rentable GFA (in RMB)	1,224
Percentage of total saleable/rentable GFA pre-sold	8.1%
Number of residential units available for sale	1,136
Number of commercial units available for sale	46
Actual commencement date	July 2020
Actual date of pre-sale commencement or pre-sale permit.	July 2020
Estimated completion date	July 2023
Attributable interest to our Group	26.00%[(1)]
Construction status	Under development

Note:

(1) The other shareholder of Guigang Shimao Properties Development Co., Ltd. (貴港世茂置業發展有限公司) include (i) Nanning Runpeng Enterprise Management Co., Ltd. (南寧潤澎企業管理有限公司), an Independent Third Party which mainly engages in business information and information technology consultancy according to its business license and (ii) Nanning Jinhongyao Real Estate Development Co., Ltd. (南寧金泓耀房地產開發有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, holding 54.00% and 20.00% interest, respectively, in the property project as of August 31, 2020.

95. Guigang Chenguang (貴港辰光)

Guigang Chenguang is a residential and commercial property project located in Guigang, Guangxi. Guigang Chenguang was developed by Guigang Yuegui Real Estate Development Co., Ltd. (貴港悅桂房地產開發有限公司). The total land premium of RMB200.2 million has been fully paid. Guigang Yuegui Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in July 2020. The project occupies an aggregate site area of approximately 32,760 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB65.7 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB573.8 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	32,760
Total GFA under development (in sq.m.)	168,902
Saleable/rentable GFA under development (in sq.m.)	158,381
Total saleable GFA pre-sold (in sq.m.)	—
Land cost per site area (in RMB)	6,111
Land cost per saleable/rentable GFA (in RMB)	1,264
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	954
Number of commercial units available for sale	229
Actual commencement date	August 2020
Actual date of pre-sale commencement or pre-sale permit.	September 2020
Estimated completion date	July 2023
Attributable interest to our Group	34.00%[(1)]
Construction status	Under development

Note:

(1) The other shareholder of Guigang Yuegui Real Estate Development Co., Ltd. (貴港悅桂房地產開發有限公司) include (i) Nanning Runpeng Enterprise Management Co., Ltd. (南寧潤澎企業管理有限公司), an Independent Third Party which mainly engages in business information and information technology consultancy according to its business license; (ii) Nanning Jinhongyao Real Estate Development Co., Ltd. (南寧金泓耀房地產開發有限公司), an Independent Third Party which mainly engages in real estate development according to its business license and (iii) Guangxi Liangxian Properties Co., Ltd. (廣西梁賢置業有限公司), an Independent Third Party which mainly engages in real estate development and operation according to its business license, holding 10.00%, 31.00% and 25.00% interest, respectively, in the property project as of August 31, 2020.

Beihai

96. Dynasty Tingtao Residence (大唐聽濤居)

Dynasty Tingtao Residence is a residential and commercial property project located in Beihai, Guangxi. Dynasty Tingtao Residence was developed by Beihai Zhirui Asset Management Co., Ltd. (北海智瑞資產管理有限公司). The total land premium of RMB57.2 million has been fully paid. Beihai Zhirui Asset Management Co., Ltd. has obtained the relevant land use rights certificate in August 2017. The project occupies an aggregate site area of approximately 22,052 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB258.7 million and our estimated future development costs to be incurred as of June 30, 2020 was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	22,052
Total GFA completed (in sq.m.)	72,777
Total saleable/rentable GFA completed (in sq.m.)	67,896
Total saleable GFA completed and unsold (in sq.m.)	4,953
Land cost per site area (in RMB)	2,595
Land cost per saleable/rentable GFA (in RMB)	843
Percentage of total saleable/rentable GFA sold	92.7%
Number of residential units available for sale	710
Number of commercial units available for sale	135
Actual commencement date	June 2017
Actual commencement date for pre-sale of properties	September 2017
Actual completion date	October 2019
Attributable interest to our Group	80.00%(1)
Construction status	Completed

Note:

(1) The other shareholder of Beihai Zhirui Asset Management Co., Ltd. (北海智瑞資產管理有限公司) was Beihai Yintan Development and Investment Co., Ltd. (北海銀灘開發投資股份有限公司), an Independent Third Party which mainly engages in urban infrastructure investment, operation and management according to its business license, holding 20.00% interest in the property project as of August 31, 2020.

97. Dynasty Tinghai Residence (大唐聽海居)

Dynasty Tinghai Residence is a residential property project located in Beihai, Guangxi. Dynasty Tinghai Residence was developed by Guangxi Beihai Datang Xingqi Real Estate Co., Ltd. (廣西北海大唐星啟房地產有限公司). The total land premium of RMB36.4 million has been fully paid. Guangxi Beihai Datang Xingqi Real Estate Co., Ltd. has obtained the relevant land use rights certificate in September 2014. The project occupies an aggregate site area of approximately 14,688 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB170.5 million and our estimated future development costs to be incurred was nil.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	14,688
Total GFA completed (sq.m.)	46,966
Total saleable/rentable GFA completed (in sq.m.)	43,952
Total saleable GFA completed and unsold (in sq.m.)	1,702
Land cost per site area (in RMB)	2,476
Land cost per saleable/rentable GFA (in RMB)	829
Percentage of total saleable/rentable GFA sold	96.1%
Number of residential units available for sale	608
Number of commercial units available for sale	52
Actual commencement date	June 2014
Actual commencement date for pre-sale of properties	July 2014
Actual completion date	April 2017
Attributable interest to our Group	80.00%(1)
Construction status	Completed

Note:

(1) The other shareholder of Guangxi Beihai Datang Xingqi Real Estate Co., Ltd. (廣西北海大唐星啟房地產有限公司) was Beihai Yintan Development and Investment Co., Ltd. (北海銀灘開發投資股份有限公司), an Independent Third Party which mainly engages in urban infrastructure investment, operation and management according to its business license, holding 20.00% interest in the property project as of August 31, 2020.

Midstream Parts of Yangtze River Region

Changsha

98. Hantang Royalty (漢唐世家)

Hantang Royalty is a residential and commercial property located in Changsha, Hunan. Hantang Royalty was developed by Changsha Hantang Properties Co., Ltd. (長沙漢唐置業有限公司). The total land premium of RMB1,634.5 million has been paid. We have obtained the relevant land use rights certificate in September 2020. Our land cost per site area was RMB6,810. The project occupies an aggregate site area of approximately 240,004 and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB743.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB2,836.4 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Phase 1

Site area (in sq.m.)	65,728
Planned GFA held for future development (in sq.m.)	132,740
Number of residential units available for sale	870
Number of commercial units available for sale	2
Estimated commencement date	November 2020
Estimated date of pre-sale commencement or pre-sale permit	November 2020
Estimated completion date	April 2022
Attributable interest to our Group	49.00%(1)
Construction status	Held for future development

Phase 2

Site area (in sq.m.)	41,589
Planned GFA held for future development (in sq.m.)	325,842
Number of residential units available for sale	2,148
Number of commercial units available for sale	6
Estimated commencement date	March 2021
Estimated date of pre-sale commencement or pre-sale permit	June 2021
Estimated completion date	October 2023
Attributable interest to our Group	49.00%(1)
Construction status	Held for future development

Phase 3

Site area (in sq.m.)	132,686
Planned GFA held for future development (in sq.m.)	147,423
Number of commercial units available for sale	2,308
Estimated commencement date	June 2021
Estimated date of pre-sale commencement or pre-sale permit	October 2022
Estimated completion date	May 2024
Attributable interest to our Group	49.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholders of Changsha Hantang Properties Co., Ltd. (長沙漢唐置業有限公司) include (i) Dahan Town Construction Co., Ltd. (大漢城鎮建設有限公司), an Independent Third Party which mainly engages in urbanization construction according to its business license; and (ii) Zheng Hui (鄭暉), an Independent Third Party, holding 48.50% and 2.50% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 67 of the Property Valuation Report in Appendix III to this Prospectus.

Yangtze River Delta Region

Ningbo

99. Feng Lan Di (鳳瀾邸)

Feng Lan Di is a residential and commercial property project located in Ningbo, Zhejiang. Ningbo Feng Lan Di was developed Yuyao Tianyi Properties Co., Ltd. (余姚天邑置業有限公司). The total land premium of RMB440.8 million has been fully paid. Yuyao Tianyi Real Estate Co., Ltd. has obtained the relevant land use rights certificate in April 2020. The project occupies an aggregate site area of approximately 24,387 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB437.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB251.3 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	24,387
Total GFA under development (in sq.m.)	61,929
Saleable/rentable GFA under development (in sq.m.)	57,088
Total saleable GFA pre-sold (in sq.m.)	18,345
Land cost per site area (in RMB)	18,075
Land cost per saleable/rentable GFA (in RMB)	7,721
Percentage of total saleable/rentable GFA pre-sold	32.1%
Number of residential units available for sale	289
Actual commencement date	April 2020
Actual date of pre-sale commencement or pre-sale permit	July 2020
Estimated completion date	April 2022
Attributable interest to our Group	35.00%(1)
Construction status	Under development

Note:

(1) The other shareholder of Yuyao Tianyi Properties Co., Ltd (余姚天邑置業有限公司) was Ningbo Tianyu Enterprise Management Co., Ltd (寧波天隅企業管理有限公司), an Independent Third Party which mainly engages in business management and information consultancy according to its business license, holding 65.00% interest in the property project as of August 31, 2020.

Taizhou

100. Chuangshi Mingdi (創世銘邸)

Chuangshi Mingdi is a residential property located in Taizhou, Zhejiang. Chuangshi Mingdi was developed by Taizhou Tianli Properties Co., Ltd. (台州天勵置業有限公司). The total land premium of RMB263.5 million has been fully paid. We have obtained the relevant land use rights certificate in September 2020. The project occupies an aggregate site area of approximately 32,862 and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB134.6 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB568.7 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	32,862
Planned GFA held for future development (in sq.m.)	99,413
Land cost per site area (in RMB)	8,018
The number of residential units available for sale	756
Actual commencement date	June 2020
Estimated date of pre-sale commencement or pre-sale permit	November 2020
Estimated completion date	December 2022
Attributable interest to our Group	49.00%(1)
Construction status	Held for future development

Note:

(1) The other shareholder of Taizhou Tianli Properties Co., Ltd. (台州天勵置業有限公司) was Taizhou Tianrong Properties Co., Ltd. (台州天榮置業有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, indirectly holding 51.00% interest in the property project as of August 31, 2020.

Chengdu-Chongqing Region

Chongqing

101. Boyun Mansion (泊雲府)

Boyun Mansion is a residential property project located in Chongqing. Boyun Mansion was developed by Chongqing Jinnan Shengtang Real Estate Development Co., Ltd. (重慶金南盛唐房地產開

發有限公司). The total land premium of RMB438.2 million has been fully paid. Chongqing Jinnan Shengtang Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in September 2019. The project occupies an aggregate site area of approximately 63,610 sq.m. As of June 30, 2020, our total development costs incurred was RMB612.1 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB313.6 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	63,610
Total GFA under development (in sq.m.)	140,725
Saleable/rentable GFA under development (in sq.m.)	137,572
Total saleable GFA pre-sold (in sq.m.)	35,228
Land cost per site area (in RMB)	6,889
Land cost per saleable/rentable GFA (in RMB)	3,186
Percentage of total saleable/rentable GFA pre-sold	25.6%
Number of residential units available for sale	848
Number of commercial units available for sale	657
Actual commencement date	November 2019
Actual date of pre-sale commencement or pre-sale permit	December 2019
Estimated completion date	September 2021
Attributable interest to our Group	30.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Chongqing Jinnan Shengtang Real Estate Development Co., Ltd. (重慶金南盛唐房地產開發有限公司) include (i) Chongqing Jinke Chenju Properties Co., Ltd. (重慶市金科宸居置業有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, and (ii) Chongqing Jinteng Real Estate Development Co., Ltd. (重慶錦騰房地產開發有限公司), an Independent Third Party which mainly engages in real estate development according to its business license, holding 40.00% and 30.00% interest, respectively, in the property project as of August 31, 2020.

102. Xichen Yijing (西辰藝境)

Xichen Yijing is a residential property located in Chongqing. Xichen Yijing was developed by Chongqing Jinhetang Real Estate Development Co., Ltd. (重慶金合唐房地產開發有限公司). The total land premium of RMB377.1 million has been fully paid. Chongqing Jinhetang Real Estate Development Co., Ltd. obtained the relevant land use right certificate in March 2020. The project occupies an aggregate site area of approximately 42,170 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB444.0 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB250.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	42,170
Total GFA under development (in sq.m.)	87,268
Saleable/rentable GFA under development (in sq.m.)	84,076
Land cost per site area (in RMB)	8,943
Land cost per saleable/rentable GFA (in RMB)	4,486
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	632
Actual commencement date	April 2020
Actual date of pre-sale commencement or pre-sale permit	June 2020
Estimated completion date	November 2021
Attributable interest to our Group	31.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Chongqing Jinhetang Real Estate Development Co., Ltd. (重慶金合唐房地產開發有限公司) include (i) Chengdu Yongjin Heneng Real Estate Co., Ltd. (成都永進合能房地產有限公司), an Independent Third Party which mainly engages in real estate development and property management according to its business license, (ii) Chongqing Jindi Langze Properties Co., Ltd. (重慶金地琅澤置業有限公司), an Independent Third Party which mainly engages in real estate development and property management according to its business license, and (iii) Chongqing Jincheng Jiaxing Enterprise Management Co., Ltd. (重慶金誠佳興企業管理有限公司), an Independent Third Party which mainly engages in business management consultancy according to its business license, holding 35.00%, 30.00% and 4.00% interest, respectively, in the property project as of August 31, 2020.

103. Hanlin Tianchen (翰粼天辰)

Hanlin Tianchen is a residential property located in Chongqing. Hanlin Tianchen was developed by Chongqing Supin Real Estate Development Co., Ltd. (重慶肅品房地產開發有限公司). The total land premium of RMB746.0 million has been fully paid. Chongqing Supin Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in March 2020. The project occupies an aggregate site area of approximately 90,075 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB941.9 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB562.6 million.

Based on our internal records, details of the project as of June 30, 2020 were as follows:

Site area (in sq.m.)	90,075
Total GFA under development (in sq.m.)	185,195
Saleable/rentable GFA under development (in sq.m.)	177,315
Total saleable GFA pre-sold (in sq.m.)	44,952
Land cost per site area (in RMB)	8,282
Land cost per saleable/rentable GFA (in RMB)	4,207
Percentage of total saleable/rentable GFA pre-sold	25.4%
Number of residential units available for sale	1,368
Actual commencement date	March 2020
Actual date of pre-sale commencement or pre-sale permit	May 2020
Estimated completion date	June 2022
Attributable interest to our Group	30.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Chongqing Supin Real Estate Development Co., Ltd. (重慶肅品房地產開發有限公司) include (i) Zhongjiao Real Estate Co., Ltd. (中交地產股份有限公司), an Independent Third Party which mainly engages in real estate development and operation according to its business license, and (ii) Chongqing Jinke Real Estate Development Co., Ltd. (重慶金科房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and property management according to its business license, each holding 35.00% interest in the property project as of August 31, 2020.

For further information, please refer to Property No. 73 of the Property Valuation Report in Appendix III to this Prospectus.

104. Jiuzhu Tianchen (玖著天宸)

Jiuzhu Tianchen is a residential property located in Chongqing. Jiuzhu Tianchen was developed by Chongqing Nantangfu Real Estate Development Co., Ltd. (重慶南唐府房地產開發有限公司). The total land premium of RMB1,207.3 million has been fully paid. We obtained the relevant land use rights certificate in April 2020. The project occupies an aggregate site area of approximately 136,328 sq.m. and consists of residential units, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB1,304.8 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB1,108.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	136,328
Total GFA under development (in sq.m.)	292,053
Saleable/rentable GFA under development (in sq.m.)	278,784
Total saleable GFA pre-sold (in sq.m.)	36,641
Land cost per site area (in RMB)	8,856
Land cost per saleable/rentable GFA (in RMB)	4,331
Percentage of total saleable/rentable GFA pre-sold	13.1%
Number of residential units available for sale	2,180
Actual commencement date	May 2020
Actual date of pre-sale commencement or pre-sale permit	June 2020
Estimated completion date	June 2022
Attributable interest to our Group	33.00%(1)
Construction status	Under development

Note:

(1) The other shareholders of Chongqing Nantangfu Real Estate Development Co., Ltd. (重慶南唐府房地產開發有限公司) include (i) Chongqing Jinteng Real Estate Development Co., Ltd. (重慶錦騰房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and property management according to its business license, and (ii) Chongqing Kunxiang Real Estate Development Co., Ltd. (重慶昆翔房地產開發有限責任公司), an Independent Third Party which mainly engages in real estate development and property leasing according to its business license, holding 34.00% and 33.00% interest, respectively, in the property project as of August 31, 2020.

For further information, please refer to Property No. 74 of the Property Valuation Report in Appendix III to this Prospectus.

Yibin

105. Yibin Jinke Town (宜賓金科城)

Yibin Jinke Town is a residential and commercial property project located in Yibin, Chengdu. Yibin Jinke Town was developed by Yibin Jinbei Real Estate Development Co., Ltd. (宜賓市金北房地產開發有限公司). The total land premium of RMB1,037.4 million has been fully paid. Yibin Jinbei Real Estate Development Co., Ltd. has obtained the relevant land use rights certificate in July 2020. The project occupies an aggregate site area of approximately 184,590 sq.m. and consists of residential units, commercial properties, car parks and ancillary facilities. As of June 30, 2020, our total development costs incurred was RMB632.1 million and our estimated future development costs to be incurred as of June 30, 2020 was RMB2,433.5 million.

Based on our internal records, details of the project as of August 31, 2020 were as follows:

Site area (in sq.m.)	184,590
Total GFA under development (in sq.m.)	376,283
Saleable/rentable GFA under development (in sq.m.)	285,237
Planned GFA held for future development (in sq.m.)	253,301
Land cost per site area (in RMB)	5,620
Land cost per saleable/rentable GFA (in RMB)	2,174
Percentage of total saleable/rentable GFA pre-sold	—
Number of residential units available for sale	4,448
Actual commencement date	July 2020
Actual date of pre-sale commencement or pre-sale permit	September 2020
Estimated completion date	October 2023
Attributable interest to our Group	40.00%(1)
Construction status	Under development

Note

(1) The other shareholder of Yibin Jinbei Real Estate Development Co., Ltd. (宜賓市金北房地產開發有限公司) includes Chengdu Jinke Real Estate Development Co., Ltd. (成都金科房地產開發有限公司), an Independent Third Party which mainly engages in real estate development and operation according to its business license, holding 60.00% interest in the property project as of August 31, 2020.

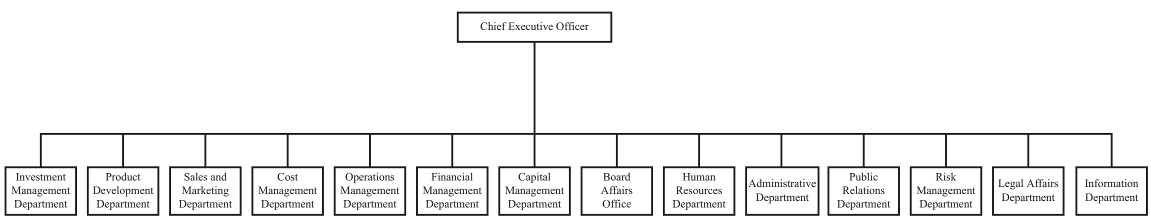
For further information, please refer to Property No. 75 of the Property Valuation Report in Appendix III to this Prospectus.

OUR PROPERTY DEVELOPMENT MANAGEMENT

Overview

We established 14 functional departments at the Group level, namely, investment management department, product development department, sales and marketing department, cost management department, operations management department, financial management department, capital management department, human resources department, administrative department, public relations department, risk management department, legal affairs department, information department and Board affairs office. We have nine regional companies at the local level to manage our property development operations on a daily basis.

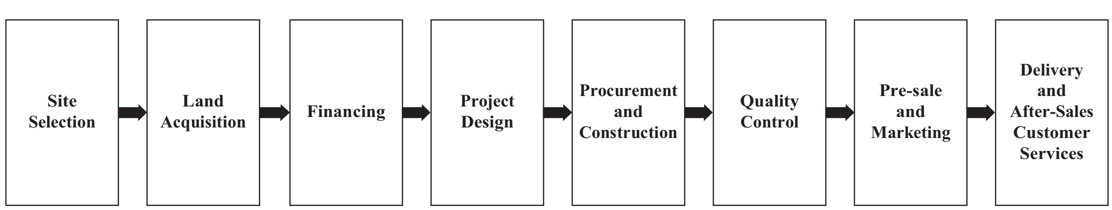
The diagram below provides our management structure at the Group level.



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 operating efficiency. Through the utilization of our standardized operating procedures, we generally have been able to complete our property projects within the expected timetable. We formulate and modify the procedures based on our operational experience and needs and, sometimes 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 for different types of projects developed in different cities.

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

We undergo a careful examination and selection process for our property sites. We focus on suitable locations in cities located in mainly the six economic regions, such as Xiamen, Zhangzhou, Quanzhou, Fuzhou, Nanning, Tianjin, Changsha, Chongqing, Nantong and Ningbo.

We assess the potential of land appreciation primarily through investigating and evaluating the economic and demographic conditions of a city. The site selection process is led by our investment and development personnel at the regional level, which is primarily responsible for identifying potential land parcels for acquisition. Several departments at the Group level and relevant project company also participate in the site selection process and provide their inputs: our sales and marketing personnel at the Group and regional level conduct market research for potential projects and provide preliminary estimates on sales prices and marketing strategies and/or design proposals. Our project planning personnel at regional level research legal and regulatory requirements for obtaining certain land parcels and provides inputs on potential hurdles and/or preparation work. Thereafter, a detailed feasibility study report will be submitted by our investment management department to our investment management committee for review and approval. We carry out the site selection process in our 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:

- scale and price of the land;
- 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 assessment on the rate of return, recoverability of investments and construction costs, and profit margin of the sales of relevant properties; and
- the potential for value appreciation of land for potential projects.

Land Acquisition

During the Track Record Period, we obtained our land reserves through the following methods:

- participation in public tenders, auctions and listings-for-sale organized by the relevant government authorities;
- acquisition of equity interests in, or land parcels from, third parties which possess land parcels; and
- joint ventures with other property developers.

During the Track Record Period, we primarily acquire land through tenders, auctions and listings-for-sale from the PRC government in accordance with relevant PRC laws and regulations. For further details of the applicable PRC laws and regulations relating to land acquisition, see "Regulatory Overview — Land Use Rights for Real Estate Development — Land Grants" and "Regulatory Overview — Land Use Rights for Real Estate Development — Land Grants Methods."

We acquired equity interests in, or land parcels from, companies that possess or have the rights to possess land use rights for certain land parcel. Our acquisitions of equity interests in companies that possess land-use rights or have the rights to possess land use rights during the Track Record Period were for the purpose of property development and not for property investment. These methods allow 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. In selecting target companies, we mainly consider, among others, the target company's financial conditions, the location of the relevant land parcels, potential for value appreciation.

We acquired land through cooperation with third-party property developers. Such cooperation help us break 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.

Financing

We finance our projects primarily through internal cash flows including proceeds from the pre-sale of our properties, bank loans and trust financing. During the Track Record Period, approximately 50% to 70% of our project development costs were financed by proceeds from the pre-sale our properties, and approximately 30% to 50% were financed by bank loans and trust financing. See "Regulatory Overview — Real Estate Financing" for details on the PRC policies regarding financing of property developers. As of June 30, 2020, our outstanding borrowings amounted to RMB8,191.2 million. See "Financial Information — Liquidity and Capital Resources — Indebtedness" for details of our financing and indebtedness.

Project Design

Our product development department is responsible for the overall project planning, and the relevant project company at the regional level is in charge of construction design work outsourced to third-party construction design firms. Such third-party construction design firms are selected through an invite-only tender process. We generally outsource construction design work to third-party construction design firms. We also work with our associate, Xiamen Yingzao Architectural Design Co., Ltd., on the designs for some of our projects. See "Connected Transactions — (B) Continuing Connected Transactions Which are Subject to the Reporting, Annual Review and Announcement Requirements But Exempted from the Independent Shareholders' Approval Requirement — 1. Architecture Design Services" for more details on the relationship with this associate. We also work with other well-known architectural firms such as PT Architecture Design (Shanghai) Co., Ltd. Our project companies at the regional level closely monitor the work of construction design firms to ensure that the project designs meet our specifications and any problems encountered with the proposed design during construction are resolved in a timely manner.

Construction and Procurement

Project management

We deploy a project management team to each project, and have around 300 project management personnel overall for the Group. These employees are deployed on site and are responsible for communicating with our construction contractors and specialized contractors and performing quality inspection and control.

Appointment of construction contractors

We do not maintain a construction team, and we engage qualified third-party general construction contractors to carry out construction works of all our property development projects. Such construction works include, among other things, foundation digging and installation of equipment. The general contractors of our property developments are selected through an invite-only tender process. The tender process is managed by a tender management team established for each individual project, which mainly include the general manager and head of the cost management team of the respective project company, members of the cost management department and product development department at the Group level, and engineers for the respective project. 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 added to our database and are further 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 maintain an information system on general contractors we have worked with and take relevant information from the system into account when evaluating the bids. During the Track Record Period, we had engaged and maintained stable business relationships with a number of general construction contractors.

We are not responsible for any labor issues of our contractors or accidents and injuries that may occur during construction. These risks are borne by the contractors, as provided in our contracts with them. 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 dispute with our contractors nor were there any case of material personal injury or death involving our contractors that had a material adverse effect on our business.

Under typical agreements with our contractors, we make payments to contractors in stages according to progress of construction works. The percentage of each stage payment varies from project to project according to the terms stipulated in the relevant contract.

In term of internal operations management, the planning and operations personnel of each of our project companies is responsible for preparing and implementing construction plans for our property projects and prepares progress reports of the property projects under development on a monthly basis. The construction department of each of our project companies also holds weekly meetings with contractors to review the progress and work completed. Any issue that may cause a delay to the construction schedule is reported to the management of the project company by the planning and operations personnel. The planning and operations personnel works with the contractors on solutions to ensure the construction work will catch up to the original construction schedules while maintaining compliance with the relevant quality checks and regulatory procedures. The planning and operations department at our regional company level prepares construction plans focusing on key milestone targets for each relevant phases of a property project and progress reports on on-going construction projects for further internal review at the Group level. The operations management department at the Group level conducts reviews and analyses on our property projects on a monthly basis to ensure that the construction progress follow the construction schedules in a timely manner.

Procurement

Our procurement activities fall into two categories: construction raw materials and equipment. Our construction contractors are responsible for procuring certain raw materials, notably steel and concrete. We are responsible for procuring certain equipment and materials, such as elevators, entrance doors and ceramic tiles.

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 — We may experience fluctuations in our construction costs."

Idle land

Under the relevant PRC laws and regulations, if a property developer fails to develop land according to the terms of the land grant contract, the relevant PRC land bureau may issue a warning to, or impose a penalty on, the developer or reclaim its land. In particular, the land that is not developed within one year of construction commencement date stipulated in the land grant contract, or developed but the construction has been suspended for more than one year and falls under either of the following two situations may be considered as idle land: (1) the construction has been commenced but the area of land under construction is less than one third of the total area that should have been under construction; or (2) the invested amount is less than 25% of the total investment. Where the land is not developed due to the adjustment of the government planning, the relevant land authority shall consult with the developer to deal with the land and the developer will not be subject to forfeiture of the land or any idle land fee or other penalties). See "Regulatory Overview — Development of Real Estate Projects — Commencement of Real Estate Development Projects" for further details. Based on the confirmation letters we received and consultations conducted with relevant government authorities, we did not have any idle land as identified by government authorities nor have we received any notice requiring us to pay idle land fees during the Track Record Period and up to the Latest Practicable Date. 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 premium or fail to develop properties within the time and in accordance with the terms set out in the relevant land grant contracts."

Quality Control

We place a significant emphasis on quality control in the management of our projects. As of June 30, 2020, we had a team of 68 employees engaged in our stringent quality control with an average of approximately 11.3 years of experience in the construction industry. We will continue to focus on quality control over the construction of our properties to ensure regulatory compliance and quality products. In furtherance of this goal, we have formulated a number of measures or procedures, including but not limited to:

- we require our contractors to first perform their own quality control inspections, followed by inspections of our project management teams. In addition, our Group conducts internal reviews on a regular basis to identify potential issues and promotes measures and initiatives proven to be successful in previous projects;
- we retain qualified independent third-party professional firms to oversee and supervise the overall construction of our projects;
- we assign each project its own on-site project management team, which comprises qualified engineers led by our project managers to monitor the progress and workmanship of construction;

- we establish a set of standardized technical guidelines for the construction management of our projects; and
- we carry out quality control in accordance with the relevant laws and regulations, and other compulsory standards promulgated by the relevant PRC governmental authorities and other industry associations.

Sales and Marketing

Sales and marketing plan

The sales and marketing teams of our project companies study local market information and formulate sales, marketing and pricing plans and procedures for approval by the relevant sales and marketing department at the regional level. Certain parts of pricing plans are also submitted to relevant personnel at our headquarters for approval.

Our sales and marketing department operates Dynasty E-home (大唐E家), our online sales and marketing platform operated through WeChat (微信). Any WeChat user can register to become a member of Dynasty E-home, and refer potential purchasers to join the platform and learn about our property projects available for sale. The referrer will receive a referral bonus if the referee purchases our property.

Our sales and marketing personnel also work with external real estate agents. During the Track Record Period, the sales commission rate of our external real estate agents generally ranged from 0.6% to 2.0% of the total contracted sales price of the properties sold through such agents, subject to variations from city to city depending on local market conditions.

We provide comprehensive sales assistance to our customers by coordinating internally and externally with engaged real estate agents to address queries raised by, and collect feedback from, our customers and potential customers. Based on such feedback and our experience, we evaluate the designs of our future properties and make modifications as appropriate to better address any changes in market demand.

Pre-sale

In line with market 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 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 rights certificate, construction works planning permit, construction works commencement permit and pre-sale permit before the commencement of pre-sales.

We generally schedule the launch of our pre-sale campaigns according to the progress of construction, market conditions and any general holidays. Once a project is substantially sold out, we re-deploy our sales staff to other projects.

Our pre-sale contracts are prepared in accordance with applicable PRC laws and regulations. Purchasers are typically required to make a deposit according to the schedule stipulated in the sales contract. The amount of deposit and the circumstances in which deposits may be forfeited are stipulated in relevant pre-sales contracts. In accordance with the requirements of applicable PRC laws and regulations, we register such pre-sale with the relevant local authorities and provide warranties on the quality of properties we construct or sell to our customers for periods no less than that for quality warranties we receive from our construction contractors under the relevant construction contracts, being generally two years. See "Risk Factors — Risks Relating to Our Business — We are exposed to contractual and legal risks related to pre-sales" for further details regarding the associated risks.

Canceled contracted sales are sales transactions canceled after the payment of deposit and the signing of pre-sale contracts. Such incidents are rare. Our Directors further confirm that any canceled contracted sales did not have a material adverse effect on our financial condition during the Track Record Period.

During the Track Record Period, we did not experience any significant delays in obtaining the required certificates and permits for the pre-sale of our properties, and we have complied with all relevant and applicable PRC laws and regulations governing property pre-sales in the PRC in all material respects.

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 of residential properties by mortgage financing shall, according to the terms stipulated in the relevant sales contract, normally pay a down-payment of approximately 30% to 50% 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 building ownership certificate to the purchaser and the certificate is registered in favor of the bank. 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 do not conduct credit checks on our customers but review the results of credit checks conducted by relevant banks.

As of December 31, 2017, 2018 and 2019 and June 30, 2020, our outstanding guarantees in respect of the mortgages for purchasers of our properties amounted to RMB841.1 million, RMB2,018.3 million, RMB10,451.8 million and RMB10,651.0 million, respectively. During the Track Record Period, we were jointly and severally liable for certain customers' defaults under mortgages loans in relation to their purchases of our properties, which amounted to approximately RMB15.3 million. See "Financial Information — Commitments and Contingent Liabilities — 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 are liable to the mortgagees if our customers default." In the case of a purchaser default, we are entitled to forfeit the deposits the purchaser has made with us and foreclose on the relevant property.

Delivery of Properties and After-Sale 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 certain percentage of the purchase price as penalty in accordance with the terms of the relevant sales contracts. Under current PRC laws and regulations, we are required to obtain completion certificates before delivering properties to our customers. See "Regulatory Overview — Development of Real Estate Projects — Planning of Real Estate Projects" 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 at their expense. We may also be liable to compensate our customers for any delay in the delivery of properties. See "Risk Factors — Risks Relating to our Business — We are exposed to contractual and legal risks related to pre-sales." During the Track Record Period, we did not experience any significant delays in the completion of our property development projects or delivery of relevant title documents after sale during the Track Record Period.

After-sale services

Our after-sale customer service personnel provide after-sale assistance to our customers, including assistance to customers to obtain mortgage loans and ownership certificates, and handling of customers' complaints and maintenance requests. During the Track Record Period, we were not aware of any material customers' complaints or product liability claims. Our customers may also participate in our activities and obtain first-handed information regarding our new property development projects. We hire third-party survey companies to conduct our customer satisfaction survey every year. We also closely monitor the proportion of second-time buyers of our overall buyers for evaluating the degree of customer satisfaction to our existing projects.

CONSTRUCTION OF RESETTLEMENT HOUSING

Background

During the Track Record Period, in connection with our development of certain projects, as specified in the relevant land grant contracts or related agreements, we cooperated or agreed to cooperate with the local governments in constructing resettlement housing in Nanning, Guiyang, Fuzhou and Zhangzhou. The construction of such resettlement housing was typically used by the relevant local governments as part of the package for the acquisition of related parcels of land by property developers. The profit margin of such construction contracts is relatively low. However, since undertaking these construction contracts was a prerequisite to acquiring the relevant land parcels for property development, we would bid for the land parcels (and would be obliged to undertake such contracts if we succeed) if the economic return from such property development projects as a whole (taking the obligation to undertake such contracts into consideration) appeared attractive to us. Under such arrangement, we pay the relevant land premium and receive the land use rights certificates registered in our name. We are paid by the relevant local governments for the resettlement housing at pre-fixed prices determined by them. Such payments are generally made in installments based on our construction process and according to our contracts with the relevant local governments. Similar to our other residential property projects, we engage construction contractors to construct properties with resettlement housing. See "Business — Our Property Development Management — Construction and Procurement — Appointment of construction contractors." We deliver the completed properties to parties designated by the relevant local governments. According to Jones Lang LaSalle, our arrangements relating to resettlement housing with the relevant local governments are generally in line with the industry practice. As such, we record the revenue from such source as "revenue from provision of construction services" in our consolidated statements of comprehensive income.

Salient Contractual Terms

The key terms of such construction contracts typically include the location, number of units, total GFA of resettlement housing to be constructed, the specification of certain resettlement housing units to be delivered, the construction period and consideration.

The table below sets forth further details of such construction contracts entered into by our subsidiaries, including, where applicable, the basis for repurchase price determination:

No.	City where the project is located	Project name	Description of contract details	Description of the project
1	Nanning	Wuxiang Dynasty Youth (五象大唐果)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 16,800 sq.m. The repurchase price is the aggregate of approximately RMB4,969 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 7,000 sq.m. The repurchase price is the aggregate of approximately RMB4,969 per sq.m.	This project was developed by Guangxi Tangxun Investment Co., Ltd. (廣西唐勳投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 32% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 35. Wuxiang Dynasty Youth (五象大唐果)."
2	Nanning	Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 210,420 sq.m. The repurchase price is the aggregate of approximately RMB4,144 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 17,535 sq.m. The repurchase price is the aggregate of approximately RMB4,144 per sq.m. We are contracted to build resettlement housing with a total GFA of car parks no less	This project was developed by Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 45% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 31. Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期)."

No.	City where the project is located	Project name	Description of contract details	Description of the project
			than 50,427 sq.m. The repurchase price is the aggregate of approximately RMB2,981 per sq.m.	
3	Nanning	Nanning Dynasty Shengshi Phase III (南寧大唐盛世三期)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 29,462 sq.m., and the repurchase price is the aggregate of approximately RMB4,144 per sq.m. to RMB4,233 per sq.m., as adjusted pursuant to the confirmations issued by the relevant government authority. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 222 sq.m., and the repurchase price is the aggregate of approximately RMB4,035 per sq.m. to RMB4,144 per sq.m., as adjusted pursuant to the confirmations issued by the relevant government authority. We are contracted to build resettlement housing with a total GFA of car parks no less than 7,623 sq.m. and the repurchase price is the aggregate of approximately RMB2,981 per sq.m., as adjusted pursuant to the confirmations issued by the relevant government authority.	This project was developed by Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 7% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 32. Nanning Dynasty Shengshi Phase III (南寧大唐盛世三期)."
4	Nanning	Longgang Dynasty Royalty (龍崗大唐世家)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 151,860 sq.m. The repurchase price is the aggregate of approximately RMB4,293 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 9,768 sq.m. The repurchase price is the aggregate of approximately RMB4,293 per sq.m.	This project was developed by Guangxi Datang Shijia Investment Co., Ltd. (廣西大唐世家投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 33% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 34. Longgang Dynasty Royalty (龍崗大唐世家)."

No.	City where the project is located	Project name	Description of contract details	Description of the project
			We are contracted to build resettlement housing with a total GFA of car parks no less than 39,285 sq.m. The repurchase price is the aggregate of approximately RMB2,981 per sq.m.	
5	Nanning	Longgang Dynasty Youth (龍崗大唐果)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 54,360 sq.m. The repurchase price is the aggregate of approximately RMB4,210 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 3,360 sq.m. The repurchase price is the aggregate of approximately RMB4,210 per sq.m. We are contracted to build resettlement housing with a total GFA of car parks no less than 14,040 sq.m. The repurchase price is the aggregate of approximately RMB2,981 per sq.m.	This project was developed by Guangxi Datang Shijia Investment Co., Ltd. (廣西大唐世家投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 33% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 33. Longgang Dynasty Youth (龍崗大唐果)."
6	Fuzhou	Dynasty Shuxiang Yazhu (大唐書香雅築)	We are contracted to build resettlement housing with a total GFA no less than 60,000 sq.m. The repurchase price is the aggregate of approximately RMB7,239 per sq.m. We are contracted to build repurchase housing with a total GFA no less than 19,400 sq.m. The repurchase price is the aggregate of approximately RMB5,140 per sq.m.	This project was developed by Fuzhou Tangmei Real Estate Co., Ltd. (福州唐美房地產有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 34% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 23. Dynasty Shuxiang Yazhu (大唐·書香雅築)."
7	Zhangzhou	Zhangzhou Dynasty Impression (漳州大唐印象)	We are contracted to build resettlement housing with a total GFA no less than 15,758 sq.m. The repurchase price is the aggregate of approximately RMB3,000 per sq.m.	This project was developed by Zhangzhou Xindi Real Estate Co., Ltd. (漳州信地房地產有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted

No.	City where the project is located	Project name	Description of contract details	Description of the project
				for 9% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 15. Zhangzhou Dynasty Impression (漳州大唐印象)."
8	Guiyang	Detian International New Town (德天國際新城)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 26,112 sq.m. We are contracted to build resettlement housing with a total GFA of shopping mall no less than 4,825 sq.m. We are contracted to build resettlement housing with a total GFA of car parks no less than 1,766 sq.m. The repurchase price is the aggregate of approximately RMB3,500 to RMB5,000 per sq.m.	This project was developed by Guiyang Detian Real Estate Development Co., Ltd. (貴陽德天房地產開發有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 21% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 68. Detian International New Town (德天國際新城)."
9	Nanning	Nanning Dynasty Tiancheng Phases I & II (南寧大唐天城一期和二期)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 14,417 sq.m. The repurchase price is the aggregate of approximately RMB6,685 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 819 sq.m. The repurchase price is the aggregate of approximately RMB42,540 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 540 sq.m. The repurchase price is the aggregate of approximately RMB15,156 per sq.m. We are contracted to build resettlement housing with a total GFA of office no less than 281 sq.m. The repurchase price	This project was developed by Guangxi Xindi Investment Co., Ltd. (廣西信地投資有限公司) and consists of residential units, commercial properties, office, car parks and ancillary facilities. The GFA of resettlement housing accounted for 11% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 27. Nanning Dynasty Tiancheng Phases I & II (南寧大唐天城一期和二期)."

No.	City where the project is located	Project name	Description of contract details	Description of the project
			is the aggregate of approximately RMB7,267 per sq.m.	
10	Nanning	Nanning Dynasty Tiancheng Phase III (南寧大唐天城三期)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 42,648 sq.m. The repurchase price is the aggregate of approximately RMB7,032 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 1,888 sq.m. The repurchase price is the aggregate of approximately RMB11,215 to RMB26,817 per sq.m.	This project was developed by Guangxi Xindi Investment Co., Ltd. (廣西信地投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 25% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 28. Nanning Dynasty Tiancheng Phases III (南寧大唐天城三期)."
11	Nanning	Nanning Dynasty Tianyue (南寧大唐天悦)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 2,062 sq.m. The repurchase price is the aggregate of approximately RMB8,509 per sq.m.	This project was developed by Guangxi Tangtong Investment Co., Ltd. (廣西唐通投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 2% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 26. Nanning Dynasty Tianyue (南寧大唐天悦)."
12	Nanning	Xingning Dynasty Youth (興寧大唐果)	We are contracted to build resettlement housing with a total GFA of residential properties no less than 22,000 sq.m. The repurchase price is the aggregate of approximately RMB6,705 per sq.m. We are contracted to build resettlement housing with a total GFA of commercial properties no less than 1,500 sq.m. The repurchase price is the aggregate of approximately RMB17,091 to RMB22,788 per sq.m. We are contracted to build resettlement housing with a	This project was developed by Guangxi Tangning Investment Co., Ltd. (廣西唐寧投資有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 26% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 30. Xingning Dynasty Youth (興寧大唐果)."

No.	City where the project is located	Project name	Description of contract details	Description of the project
			total GFA of car parks no less than 7,000 sq.m. The repurchase price is the aggregate of approximately RMB3,053 per sq.m.	
13	Fuzhou	Pukou Dynasty Royalty (浦口大唐世家)	We are contracted to build resettlement housing with a total GFA of commercial properties and office units no less than 10,000 sq.m. The repurchase price is the aggregate of approximately RMB8,502 per sq.m.	This project was developed by Fuzhou Tangsheng Real Estate Development Co., Ltd. (福州唐盛房地產開發有限公司) and consists of residential units, commercial properties, car parks and ancillary facilities. The GFA of resettlement housing accounted for 19% of the total GFA of this project. See "Business — Description of Projects — Property projects developed by subsidiaries — 24. Pukou Dynasty Royalty (浦口大唐世家)."

For the years ended December 31, 2017, 2018 and 2019 and the first half of 2020, our revenue from such construction contracts amounted to approximately RMB534.8 million, RMB204.0 million, RMB218.6 million and RMB127.5 million, respectively, and our cost of sales for such construction contracts amounted to approximately RMB508.0 million, RMB193.8 million, RMB207.7 million and RMB121.4 million, respectively. Our revenue and cost of sales for provision of construction services generally decreased during the Track Record Period, primarily due to the fact that Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期) constituted a substantial portion of our total revenue and cost for provision of construction services for 2017 and was mainly completed by 2017; and the fact that the portions of the resettlement projects completed in 2018 and 2019 were of a smaller scale than those in 2017. As of August 31, 2020, the total GFA of resettlement housing properties (including residential properties, commercial properties and car parks) under development or held for future development accounted for 5.1% of our total land bank as of the same date. The gross profit margin from such construction contracts remained stable at 5.0% throughout the Track Record Period. See "Financial Information — Description of Certain Consolidated Statements of Comprehensive Income Items — Revenue."

OUR PROPERTY INVESTMENT

As part of our strategy to generate a diversified and recurrent revenue stream, we will retain commercial components of certain of our residential and commercial developments as investment properties for lease. This allows us to take advantage of the growth potential of selected commercial property segments in the selected cities where we operate. Retaining such commercial properties as investment properties for lease is not part of our principal activities. All the commercial properties for long-term investment purposes acquired by the Group during the Track Record Period were incidental parts of packaged land parcels acquired by the Group for property development. For the years of 2017, 2018 and 2019 and the first half of 2020, we generated rental income in the amount of approximately RMB42.0 million, RMB35.3 million, RMB40.6 million and RMB21.8 million, respectively, accounting for approximately 1.0%, 0.6%, 0.5% and 1.2% of our total revenue in the same periods, respectively.

OUR HOTELS

We focus on property development projects in selected cities, some of which have a combination of residential, hotels, commercial and office properties. While we hold all of our residential properties for sale, we hold our hotels and some commercial or office properties for investment purposes.

We generate revenue from hotel operations. As of June 30, 2020, we had three hotels, namely, Xiamen Dynasty Jinglan Jia Hotel (大唐景瀾酒店) in Xiamen, Nanning Dynasty Congyue Hotel (南寧大唐叢悅酒店) in Nanning and Tong'an Dynasty Hotel (同安大唐酒店) in Xiamen. As of the same date, Xiamen Dynasty Jinglan Jia Hotel and Nanning Dynasty Congyue Hotel had been completed, and Tong'an Dynasty Hotel had been under construction. As of June 30, we had a total of 482 guest rooms at Xiamen Dynasty Jinglan Jia Hotel and Nanning Dynasty Congyue Hotel. The tables below sets forth certain information relating to our hotels which had been completed or under development as of June 30, 2020:

	GFA	Number of rooms	Ownership interest	Date of commencement of operation
	(sq.m.)			
Xiamen Dynasty Jinglan Jia Hotel	32,625	302	100.0%	May 2019
Nanning Dynasty Congyue Hotel	10,229	180	100.0%	April 2019

	Estimated year of Completion	Estimated GFA	Estimated number of rooms	Ownership interest
		(sq.m.)		
Tong'an Dynasty Hotel	2022	36,000	250	100.0%

Xiamen Dynasty Jinglan Jia Hotel (大唐景瀾酒店)

We commenced operation of our Xiamen Dynasty Jinglan Jia Hotel in Xiamen in May 2019. Xiamen Dynasty Jinglan Jia Hotel has an aggregate GFA of 32,625 sq.m. Xiamen Dynasty Jinglan Jia Hotel offers a total of 302 guest rooms. The hotel features various facilities including two ball rooms, three conference rooms and various dining rooms. We entered into a management agreement with Jinglan Jia Hotel Investment Management Co., Ltd. ("Jinglan Jia Management") (景瀾酒店投資管理有限公司) with respect to the operations of the hotel. Under the agreement, Jinglan Jia Management is expected to manage and operate Xiamen Dynasty Jinglan Hotel, and undertake responsibilities such as sales and marketing, booking services and centralized procurement of supplies for hotel rooms, office and kitchen. We pay a basic management fee and bonus to Jinglan Jia Management on an annual basis, the amount of which depends on profits received from the hotel operations for the year.

For the first half of 2020, our revenue generated from the operation Xiamen Dynasty Jinglan Jia Hotel amounted to approximately RMB7.7 million. Revenue from the operation of Xiamen Dynasty Jinglan Jia Hotel is mainly attributable to revenue generated from hotel accommodation, conference service, and food and beverage services. For the period from August 1, 2019 to June 30, 2020, we achieved an average occupancy rate of approximately 40.5% per month and an average room rate of approximately RMB429.

The table below sets forth a breakdown of revenue by type generated from our Xiamen Dynasty Jinglan Jia Hotel for the first half of 2020:

	For the six months ended June 30, 2020
	(RMB'000)
Hotel accommodation	4,305.1
Food and beverages	3,406.0
Others	0.4
Total	**7,711.5**

Nanning Congyue Hotel (南寧叢悦酒店)

We commenced operation of our Nanning Congyue Hotel in Nanning in April 2019. Nanning Congyue Hotel is a boutique business hotel has an aggregate GFA of 10,229 sq.m. Nanning Congyue Hotel offers a total of 180 guest rooms. We established the "Conyue" brand, and operate Nanning Congyue Hotel with our employees.

For the first half of 2020, our revenue generated from the operation of our Nanning Congyue Hotel amounted to approximately RMB3.9 million. Revenue from the operation of Nanning Congyue Hotel is mainly attributable to revenue generated from hotel accommodation and food and beverage services. For the period from August 1, 2019 to June 30, 2020, we achieved an occupancy rate of approximately 43.7% per month and an average room rate of approximately RMB287.

The table below sets forth a breakdown of revenue by type generated from our Nanning Dynasty Congyue Hotel for the first half of 2020:

	For the six months ended June 30, 2020
	(RMB'000)
Hotel accommodation	3,216.4
Food and beverages	707.6
Total	**3,924.0**

Tong'an Dynasty Hotel (同安大唐酒店)

We have obtained the land use rights certificates for the land for Tong'an Dynasty Hotel in May 2017. As of June 30, 2020, Tong'an Dynasty Hotel was under development. We expect to commence operation of the hotel in 2022. It is designed to be a boutique business hotel with approximately 250 guest rooms and expected to provide facilities such as ballrooms, conference rooms and restaurants.

Our Other Businesses

During the Track Record Period, we also derived a small portion of revenue from other business, which primarily include revenue from provisions of management services to joint ventures and associates and, to a lesser extent, income from the operation of a sports stadium and utility fees from our tenants and general contractors which we paid in advance to utility providers. In 2017, 2018 and 2019 and the first half of 2020, revenue from our other businesses amounted to approximately RMB20.1 million, RMB25.7 million, RMB41.6 million and RMB40.7 million, respectively, representing approximately 0.5%, 0.5%, 0.5% and 2.3% of our total revenue for the same periods, respectively.

OWNED PROPERTIES FOR SELF-USE

As of June 30, 2020, we had a property of a total GFA of approximately 7,491.2 sq.m. which we occupied mainly for our own use as offices.

LEASED PROPERTIES FOR SELF-USE

As of the Latest Practicable Date, we leased 63 properties in 18 cities in China with a total GFA of approximately 17,883.1 sq.m., mainly for use as our office premises. Our leases generally have a term ranging from one to five years, and we expect to renew the leases upon their expiry.

As of the Latest Practicable Date, we failed to register 63 lease agreements we entered into as tenant for certain properties with a total GFA of approximately 17,883.1 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 identify documentation and property ownership certificates, to the relevant authorities and therefore the registration is subject to cooperation of landlords which is not within our control. Our PRC Legal Advisors, Jingtian & Gongcheng, 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 or been subject to any fines in respect of non-registration of any of our lease agreements. 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 will adopt a variety of risk control measures to mitigate such regulatory risk in the future.

SUPPLIERS AND CUSTOMERS

Suppliers

In 2017, 2018 and 2019 and the first half of 2020, our five largest suppliers, primarily comprising construction contractors, accounted for 30.5%, 39.3%, 41.6% and 41.3% of our total purchases, respectively, and our single largest supplier accounted for 11.3%, 11.4%, 12.0% and 19.8% of our total purchases during the same periods, respectively. All of our five largest suppliers during the Track Record Period were construction companies engaged by us, and all of them were independent third parties to us.

The following tables set forth certain information of our five largest suppliers during the Track Record Period:

Supplier	Duration of Business Relationship	Total purchase amount	Percentage of our total purchases
		(RMB'000)	
For the first half of 2020			
1. Supplier D[(1)]	Five	337,924	19.8%
2. Supplier J[(2)]	One	105,453	6.2%
3. Supplier E[(3)]	Four	96,165	5.6%
4. Supplier K	Three	94,908	5.5%
5. Supplier L	Two	71,757	4.2%
For the year ended December 31, 2019			
1. Supplier D[(1)]	Five	531,858	12.0%
2. Supplier A	Six	410,524	9.3%
3. Supplier C	Two	350,313	7.9%
4. Supplier E[(3)]	Four	324,007	7.3%
5. Supplier B	Three	230,339	5.2%
For the year ended December 31, 2018			
1. Supplier A	Six	483,237	11.4%
2. Supplier E[(3)]	Four	450,333	10.6%
3. Supplier B	Three	410,529	9.6%
4. Supplier F	Three	174,978	4.1%
5. Supplier G	Two	154,879	3.6%
For the year ended December 31, 2017			
1. Supplier A	Six	373,905	11.3%
2. Supplier E[(3)]	Four	242,723	7.3%
3. Supplier H	Six	165,876	5.0%
4. Supplier F	Three	118,306	3.6%
5. Supplier I	Four	105,867	3.2%

Notes:

(1) Supplier D was also one of our customers during the Track Record Period and purchased residential properties developed by us. In 2017, 2018 and 2019 and the first half of 2020, revenue derived from the sale of properties to Supplier D amounted to approximately nil, nil, nil and RMB14.3 million, respectively, accounting for nil, nil, nil and 0.8 %, respectively, of our revenue for such respective periods. Gross profit for the sale of properties to Supplier D for 2017, 2018 and 2019 and the first half of 2020 was nil, nil, nil and RMB12.1 million respectively, and the gross profit margin was nil, nil, nil and 84.7% for such respective periods, which was similar to the gross profit margin derived from the sale of such properties to our other customers. In 2017, 2018 and 2019 and the first half of 2020, we paid approximately RMB57.9 million, RMB152.5 million, RMB531.9 million and RMB337.9 million, respectively, accounting for 1.9%, 3.8%, 9.0% and 24.7% of our total costs of sales of the respective periods.

(2) Supplier J was also one of our customers during the Track Record Period and purchased residential properties developed by us. In 2017, 2018 and 2019 and the first half of 2020, revenue derived from the sale of properties to Supplier J amounted to approximately nil, nil, nil and RMB13.7 million, respectively, accounting for nil, nil, nil and 0.8%, respectively, of our revenue for such respective periods. Gross profit for the sale of properties to Supplier J for 2017, 2018 and 2019 and the first half of 2020 was nil, nil, nil and RMB3.1 million respectively, and the gross profit margin was nil, nil, nil and 22.6%, for such respective periods, which was similar to the gross profit margin derived from the sale of such properties to our other customers. In 2017, 2018 and 2019 and the first half of 2020, we paid approximately nil, nil, RMB50.9 million and RMB105.4 million, respectively, accounting for nil, nil, 0.9% and 7.7%, of our total costs of sales of the respective periods.

(3) See descriptions of Customer K in "— Suppliers and Customers — Customers" for more details.

To the best of the knowledge of our Directors, none of our Directors, their respective 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

We primarily target customers who are looking to either purchase their first home or upgrade their living environment. During the Track Record Period, we also derived revenue from certain local governments in Nanning and Fuzhou for our services under construction contracts relating to resettlement housing. In 2017, 2018 and 2019 and the first half of 2020, our five largest customers accounted for 14.5%, 4.1%, 2.9% and 8.0% of our revenue, respectively, and our single largest customer accounted for 12.2%, 1.2%, 0.8% and 3.9% of our revenue during the same periods, respectively. Except for Customer G and Customer K as disclosed below, none of our top five customers during the Track Record Period was our supplier.

All of our five largest customers (except local governments as counter-parties to our construction contracts) in 2017, 2018 and 2019 and for the first half of 2020, save as disclosed below, are individual and corporate purchasers of our properties, and except as disclosed below, all of them are independent third parties to us.

The following tables set forth certain information of our five largest customers during the Track Record Period:

Customer	Business activities	Duration of Business Relationship	Total sales amount	Percentage of our total revenue	Independent third party
		(years)	*(RMB'000)*		
For the first half of 2020					
1. Customer B	Principally engaged in real estate investment	One	70,026	3.9%	Yes
2. Customer J	Local government	Two	21,852	1.2%	Yes
3. Customer D	Local government	Four	20,156	1.1%	Yes
4. Customer E	Local government	Two	15,466	0.9%	Yes
5. Customer K(3)	Principally engaged in construction and engineering	Four	14,707	0.8%	Yes
For the year ended December 31, 2019					
1. Customer A(1)	Local government	Four	62,072	0.8%	Yes
2. Customer B	Principally engaged in real estate investment	One	56,999	0.7%	Yes
3. Customer D	Local government	Four	42,528	0.5%	Yes
4. Customer C	Property owner	Two	40,093	0.5%	Yes
5. Customer E	Local government	Two	32,020	0.4%	Yes
For the year ended December 31, 2018					
1. Customer D	Local government	Four	63,835	1.2%	Yes
2. Customer A(1)	Local government	Four	55,186	1.0%	Yes
3. Customer E	Local government	Two	43,335	0.8%	Yes
4. Customer H	Principally engaged in real estate investment and development	Three	35,750	0.7%	Yes
5. Customer I	Principally engaged in real estate investment and development	One	26,902	0.5%	Yes
For the year ended December 31, 2017					
1. Customer A(1)	Local government	Four	491,350	12.2%	Yes
2. Customer D	Local government	Four	34,830	0.9%	Yes
3. Customer H	Principally engaged in real estate investment and development	Three	19,250	0.5%	Yes
4. Customer G(2)	Principally engaged in real estate investment and development	Three	18,892	0.5%	Yes
5. Customer F	Principally engaged in real estate investment and development	Four	16,542	0.4%	Yes

Notes:

(1) Customer A, a PRC local government, has been one of our top five customers in the years of 2017 and 2018 and 2019 and for the first half of 2020 and its purchases from us accounted for approximately 12.2%, 1.0%, 0.8% and nil of our total revenue in these periods, respectively. In 2017, the purchases of resettlement housing by this PRC local government from us amounted to approximately RMB491.4 million, which mainly included a portion of Nanning Dynasty Shengshi Phases I and II (南寧大唐盛世一期和二期). In 2018, 2019 and for the first half of 2020, the purchases of resettlement housing by this PRC local government from us amounted to RMB55.2 million, RMB62.1 million and nil, respectively. See "— Construction of Resettlement Housing" for more details.

(2) Customer G was also one of our suppliers during the Track Record Period and provided general construction services to us. For 2017, 2018 and 2019 and the first half of 2020, we paid approximately nil, RMB8.9 million, RMB1.3 million and nil, respectively, mainly for the general construction services to us in relation to Nanning Dynasty Shengshi Phase III (南宁大唐盛世三期), accounting for nil, approximately 0.22%, 0.02% and nil, respectively, of our total cost of sales for the respective periods. For 2017, 2018 and 2019 and the first half of 2020, revenue derived from the sale of properties to Customer G amounted to approximately RMB18.9 million, RMB6.3 million, nil and nil, respectively, accounting for 0.5%, 0.1%, nil and nil of our total revenue for such respective periods. Gross profit for the sale of properties to Customer G for 2017, 2018 and 2019 and the first half of 2020 was approximately RMB9.7 million, RMB3.3 million, nil and nil, respectively, and the gross profit margin was 51.5%, 51.7%, nil and nil, for such respective periods, which was similar to the gross profit margin derived from the sale of such properties to our other customers. Negotiations of the terms of our sale of properties to Customer G and Customer G's provision of general construction services to us were conducted on an individual basis and such sales and engagement of construction services were neither inter-connected nor inter-conditional with each other. Our Directors confirmed that the terms of such transactions are similar to those transactions with our other customers and suppliers.

(3) Customer K was also one of our top five suppliers during the Track Record Period and provided general construction services to us. For 2017, 2018 and 2019 and the first half of 2020, we paid approximately RMB242.7 million, RMB450.3 million, RMB324.0 million and RMB96.2 million, respectively, mainly for the general construction services to us in relation to various projects, such as Bisong Garden (比松花園), Tangsheng Yayuan (唐晟雅苑) and Xingning Dynasty Youth (興寧大唐果), accounting for 8.0%, 11.3%, 5.5% and 7.0%, respectively, of our total cost of sales for the respective periods. In 2017, 2018 and 2019 and the first half of 2020, revenue derived from the sale of properties to Customer K amounted to approximately nil, nil, nil and RMB14.7 million, respectively, accounting for nil, nil, nil and 0.8% of our total revenue for such respective periods. Gross profit for the sale of properties to Customer K for 2017, 2018 and 2019 and the first half of 2020 was approximately nil, nil, nil and RMB3.8 million, respectively, and the gross profit margin was nil, nil, nil and 26.1%, for such respective periods, which was similar to the gross profit margin derived from the sale of such properties to our other customers.

To the best of the knowledge of our Directors, except as disclosed above, none of our Directors, their respective associates or any shareholder who owns more than 5% of our issued share capital had any interest in any of our five largest customers during the Track Record Period.

AWARDS AND RECOGNITIONS

Over the past years, we have received awards and recognitions from various industry associations, government authorities and the public. The table below sets out certain of the awards and recognitions we received in respect of our property development operations:

Year	Award/Recognition	Awarding Body
2020	Ranked 88th among Top 500 Real Estate Property Developers in China in terms of comprehensive strength (中國房地產開發企業500強第88名)	China Real Estate Association and China Real Estate Appraisal Center, the latter being a research center jointly set up by China Real Estate and Housing Research Association (中國房地產及住宅研究會), China Enterprises Evaluation Association (中國企業評價協會), the Real Estate Research and Appraisal Center of Peking University (北京大學不動產研究鑒定中心), Shanghai E-House Real Estate Research Institute (上海易居房地產研究院) and Sina Technology China Co., Ltd. (新浪網技術中國有限公司)
2020	China Real Estate Outstanding Award 2020 (2020中國年度成長力地產企業)	Guandian Index Academy (觀點指數研究院)
2019	China Star Real Estate Developer of 2019 (2019中國房地產百強之星)	China Real Estate Top 10 Research Team, a research center jointly set up by Enterprise Research Institute, Development Research Center of the State Council, Center for Real Estate, Tsinghua University and China Index Academy
2019	Outstanding Property Developer of Guangxi (廣西標桿房企大獎)	E-house China & CRIC (易居●克爾瑞), News Channel of Guangxi TV (廣西電視台新聞頻道) and Star Media Perfect Property (星播傳媒●完美地產)

Year	Award/Recognition	Awarding Body
2019	Ranked third among the property developers in Nanning in terms of contracted sales amount of 2019 (2019年南寧房地產權益金額銷售排行榜第三名)	CRIC (克爾瑞)
2019	Ranked third among the property developers in urban areas of Zhangzhou in terms of contracted sales amount of 2019 (2019年漳州市區房地產操盤金額銷售排行榜第三名)	CRIC (克爾瑞)
2018	Valued Corporate Brand of 2018 (2018 年度實力品牌企業)	The Fifth Summit of Valued Real Estate (第五屆房地產價值峰會), which was organized by People.cn (人民網)
2018	Corporation of Excellence of 2018 (2018 年度優秀企業)	The Fifth Summit of Valued Real Estate which was organized by People.cn
2018	Best Condo Interior Design (亞洲不動產獎最佳戶型設計大獎)	Property Guru
2018	Ranked second among the property developers in Nanning in terms of contracted sales amount of 2018 (2018年度南寧房地產權益金額銷售排行榜第二名)	E-House China and CRIC (易居●克爾瑞)
2018	Ranked first among the property developers in urban areas of Zhangzhou in terms of contracted sales amount of 2018 (2018年漳州市區房地產操盤金額銷售排行榜第一名)	E-House China and CRIC (易居●克爾瑞)
2017	Responsible Property Developer of Xiamen (廈門地產奧斯卡責任地產)	Xiamen Press Media Group (廈門報業傳媒集團) and Xiamen Cultural, Broadcast Media Group (廈門文廣傳媒集團) and Xiamen Evening News (廈門晚報)
2017	Top 10 Property Developers in Nanning in terms of GFA sold (南寧房企商品房銷售面積 10 強)	Guangxi Real Estate Association (廣西房地產業協會), E-house China & CRIC and News Channel of Guangxi TV
2017	Reputable Western Taiwan Strait Property Developer (海西口碑房企)	xmfish.com (廈門小魚網), and lanfw.com (藍房網)
2017	Oscar Comfortable Living Award for Residential Properties in Xiamen (第八屆廈門地產奧斯卡年度宜居獎) for Tong'an Shuiyunjian (同安•水雲間)	Xiamen Press Media Group, Xiamen Cultural and Broadcast Media Group and Xiamen Evening News
2016	Best Value Residential Property in Tianjin (天津地產年度力量人居價值典藏樓盤) for Tang Yayuan (唐雅苑)	house.qq.com (騰訊房產網)

COMPETITION

The PRC real estate industry is highly competitive. As a real estate developer in China, we primarily compete with other Chinese real estate developers focusing on the development of residential and commercial properties in the PRC. We compete on many fronts, including product quality, service quality, price, financial resources, brand recognition, ability to acquire land and other factors. Property developers from the PRC and overseas have entered the property development markets in the regions and cities where we have operated. The rapid development of these regions and/or cities in recent years has led to a diminishing supply of undeveloped land in desirable locations in these regions and/or cities. Moreover, the PRC government has implemented a series of policies to control the growth and curtail the overheating of, and foreign investment in, the PRC property sector. 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 effective management team, we are able to respond promptly and effectively to challenges in the PRC property market.

INTELLECTUAL PROPERTY

We believe our brand "Dynasty" ("大唐") is well known and widely recognized in cities where we have established market presence, such as Nanning, Changsha, Tianjin and Chongqing. 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 in the process of our business development. As of the Latest Practicable Date, we owned 147 trademarks and three domain names which were registered in the PRC, and six trademarks which were registered in Hong Kong. We rely to a significant extent on our brand name, "Datang Real Estate" ("大唐地產"), in marketing our properties but our business is otherwise not materially dependent on any intellectual property rights. We believe that we did not suffer from any infringement of our intellectual property rights by any third parties or violate any intellectual property rights of third parties which may materially and adversely affect our business during the Track Record Period.

INSURANCE

We maintain insurances that we consider to be appropriate for our business operations and in line with the industry norm. We normally do not maintain any insurance policies for our property development projects. We generally require the contractors of our property development projects to maintain insurance policy for construction in accordance with the contracting agreements. We have not maintained insurance in respect of litigation risks, business termination risks and product liability, which are not required under the applicable PRC laws and regulations. There is a risk that we may incur uninsured losses, damage or liabilities. See "Risk Factors — Risks Relating to Our Business — Our insurance coverage may not sufficiently cover the risks related to our business."

HEALTH, WORK SAFETY, SOCIAL 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 maintain social welfare insurance for our full-time employees in the PRC, including pension insurance, medical insurance, occupational injury insurance, unemployment insurance and maternity insurance, in accordance with relevant PRC laws and regulations.

Our employee's administrative measures (員工管理辦法) 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 gloves, boots and hats. Our human resources department and administrative department are responsible for recording and handling work accidents as well as maintaining health and work safety compliance records.

During the Track Record Period and up to the Latest Practicable Date, we did not encounter any material safety accident, there were no material 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.

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 — Environment Protection" for details of these laws and regulations. Pursuant to the applicable 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 works, 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 promptly rectify any default or non-compliance identified.

In 2017, 2018 and 2019 and the first half of 2020, we incurred approximately RMB2.1 million, RMB1.1 million, RMB4.7 million and RMB1.6 million, respectively, as cost for compliance with applicable environmental rules and regulations. 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 required approvals in relation to the environmental impact reports, where applicable, for our projects under development.

EMPLOYEES

As of June 30, 2020, we had a total of 2,269 employees. All of our employees are located in the PRC. There had been no complaints or claims from employees that materially affected our operations during the Track Record Period and up to the Latest Practicable Date. A breakdown of our employees by function as of June 30, 2020 is set forth below:

Function	Number of employees	Percentage of total employees
Sales and customer service	648	28.6%
Construction management/quality control	353	15.6%
Finance	201	8.9%
Operation and investment	171	7.5%
Cost management and procurement	152	6.7%
Human resources and administration	142	6.3%
Commercial operations and management	163	7.2%
Design	93	4.1%
Management	50	2.2%
Others	296	13.1%
Total	**2,269**	**100.0%**

We believe that the successful implementation of our growth and business strategies relies on a team of experienced, motivated and well-trained managers and employees at all levels. We generally recruit employees from recognized universities, reputable property developer companies and large corporations in the PRC. We provide our employees with orientation sessions and specialized skill training sessions on a regular basis. Our training program, "Dynasty Army Program" (大唐鐵軍計劃), is especially designed for our sales personnel. We invite our experienced sales personnel and external sales experts to conduct the training sessions. We also tailor such training programs to sales personnel based on their level of experience.

We enter into individual employment contracts with our employees to cover matters such as wages, salaries, benefits and terms for termination. We generally formulate our employees' remuneration package to include a salary, bonus and various allowances. In 2017, 2018 and 2019 and the first half of 2020, we incurred employee benefit expenses of RMB112.1 million, RMB222.1 million, RMB323.3 million and RMB123.1 million, respectively, representing approximately 2.8%, 4.0%, 4.0% and 6.9% 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 a periodical review system to assess the performance of our employees, which forms the basis of our determination on salary raise, bonus and promotion.

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, occupational 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 "Risk Factors — Risks Relating to Our Business — Failure to make adequate contributions to various employee benefit plans and schemes as required by the PRC regulations may subject us to penalties" for more details.

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 adverse effect on our operations.

LEGAL PROCEEDINGS AND COMPLIANCE

We have been involved in legal proceedings or disputes in the ordinary course of business, including, but not limited to, claims relating to disputes with our suppliers and disputes arising from property purchase agreements with our customers. See "Risk Factors — Risks Relating to Our Business — We may be involved in claims, disputes, legal proceedings and negative publicity, which may adversely affect our financial condition, divert management attention and harm our reputation." During the Track Record Period and up to 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.

Compliance with Laws and Regulations

During the Track Record Period and up to the Latest Practicable Date, except as disclosed in this Prospectus, we had complied with all the relevant and applicable PRC laws and regulations governing the business of property development and management in all material respects, and we had obtained all material licenses, permits and certificates for the purpose of operating our business.

A summary of certain of our non-compliance incidents during the Track Record Period and up to the Latest Practicable Date is set forth in the table below. As of the Latest Practicable Date, all non-compliance incidents disclosed below have been rectified.

No.	Non-compliance incident(s)	Reasons	Legal Consequences and Impact	Remedial measures
1.	*Commencement of construction works prior to obtaining the construction work permit or planning approval*			
	In 2017, 2018, 2019, the first half of 2020 and during the period between June 30, 2020 and the Latest Practicable Date, three, one, four, two and nil of our project companies, respectively, received fines for commencing construction works before obtaining the requisite construction works commencement permits. We realized the non-compliance incidents when the relevant regulatory authorities imposed fines on the relevant project companies.	Such non-compliance incidents occurred primarily because we did not maintain sufficient and timely communications with the construction companies which we engaged and we did not put in place stringent policies requiring that the construction companies to obtain approval from us before commencing the construction work.	The aggregate fines for such incidents amounted to approximately RMB4.7 million during the Track Record Period and up to the Latest Practicable Date, which have been fully settled as of the Latest Practicable Date. For the incidents for which fines were levied during the Track Record Period, we have received confirmation letters issued by or consulted with the relevant regulatory authorities confirming or in accordance with the relevant regulation providing that these non-compliance incidents are immaterial. The governmental authorities that issued confirmation letters to us or consulted by us include City Management and Administrative Enforcement Bureau of Yongning District of Nanning (南寧市邕寧區城市管理綜合行政執法局), City Management and Comprehensive Enforcement Brigade of Tianxin District of Changsha (長沙市天心區城市管理綜合執法大隊), Natural Resources and Planning Bureau of Changsha (長沙市自然資源和規劃局), Housing and Urban and Rural Development Bureau of Nanning (南寧市住房和城鄉建設局), City Management and Administrative Enforcement Bureau of Nanning (南寧市城市管理綜合行政執法局), the Planning and Development Management Committee of Wuxiang New District of Nanning (南寧市五象新區規劃建設管理委員會) and the Comprehensive Administrative Enforcement Bureau of Haimen District of Nantong City (南通市海門區綜合行政執法局). As advised by our PRC Legal Advisors, Jingtian & Gongcheng, such relevant regulatory authorities are of appropriate authorities and are competent to issue the above confirmations. As we have fully settled the fines and having considered the confirmation letters issued by or consultations with the relevant regulatory authorities, our PRC Legal Advisors, Jingtian & Gongcheng, is of the view that the risks that we will be subject to further administrative penalties by such relevant regulatory authorities for these non-compliance incidents are remote. For the incident for which fines were levied during the period between December 31, 2019 and the Latest Practicable Date, as the fines imposed were not material under the applicable PRC regulations, and as the fines has been fully settled, our PRC Legal Advisors, Jingtian & Gongcheng, is of the view that	As of the Latest Practicable Date, we had received all the required permits for these non-compliance incidents. We further enhanced our relevant internal control measures. See "— Risk Management — Remedial Internal Control Measures."

No.	Non-compliance incident(s)	Reasons	Legal Consequences and Impact	Remedial measures
			the risk that we will be subject to further administrative penalties by the relevant regulatory authority for this non-compliance incident is remote. Our Directors are of the view that such non-compliance would not have a material operational or financial impact on us. Accordingly, no provision was made in our financial statements for such non-compliances.	
2.	*Carrying out construction works that did not comply with the requirements or specifications set out in the relevant construction planning permits and/or other related planning approvals*			
	In 2017, 2018 and 2019, one, one and two of our project companies, respectively, received fines for carrying out construction works that did not comply with the requirements or specifications set out in the requisite construction planning permits and/or other related planning approvals. We realized the non-compliance incidents when the relevant regulatory authorities imposed fines on the relevant project companies.	Such non-compliance incidents occurred primarily because the construction contractors engaged by us carried out construction preparation or the relevant construction work according to the project development plans or schedules as agreed in the construction contracts, but failed to ensure that the relevant work adheres to the specific requirements in the construction planning permits and/or other related planning approvals, and that we did not maintain sufficient and timely communications with those construction contractors to ensure the completion of checks required with respect to the construction planning permits and other related planning approvals.	The aggregate fines for such incidents amounted to approximately RMB1.3 million during the Track Record Period, which have been fully settled as of the Latest Practicable Date. We have received confirmation letters issued by or consulted with the relevant regulatory authorities confirming or in accordance with the relevant regulation providing that these non-compliance incidents are immaterial. The governmental authorities that issued a confirmation letter to us or consulted by us include the Jinnan Branch of Planning and Natural Resources Bureau of Tianjin (天津市規劃和自然資源局津南分局), and City Management and Administrative Enforcement Bureau of Nanning (南寧市城市管理綜合行政執法局). As advised by our PRC Legal Advisors, Jingtian & Gongcheng, such relevant regulatory authorities are of appropriate authorities and are competent to issue the above confirmations. As we have fully settled the fines and having considered the confirmation letters issued by or consultations with the relevant regulatory authorities, our PRC Legal Advisors, Jingtian & Gongcheng, is of the view that the risks that we will be subject to further administrative penalties by such relevant government authorities for these non-compliance incidents are remote. Our Directors are of the view that such non-compliance would not have a material operational or financial impact on us. Accordingly, no provision was made in our financial statements for such non-compliances.	We further enhanced our relevant internal control measures. See "— Risk Management — Remedial Internal Control Measures."

No.	Non-compliance incident(s)	Reasons	Legal Consequences and Impact	Remedial measures
3.	*Delivery of properties without completing the relevant construction completion procedures*			
	In 2018 and 2019, two of our project companies in total had received fines for delivering properties to customers without completing the relevant construction completion procedures. We realized the non-compliance incidents when the relevant regulatory authorities imposed fines on the relevant project companies.	Such non-compliance incidents occurred primarily because we failed to adequately train our relevant personnel to fully understand the delivery requirements under the relevant PRC laws and regulations for the relevant local markets.	The aggregate fines for such incidents amounted to approximately RMB0.4 million during the Track Record Period, which have been fully settled as of the Latest Practicable Date. We have received confirmation letters issued by or consulted with the relevant regulatory authorities confirming or in accordance with the relevant regulation providing that these non-compliance incidents are immaterial. The governmental authorities that issued a confirmation letter to us or consulted by us include the Housing and Urban and Rural Development Committee of Jinnan District of Tianjin (天津市津南區住房和建設委員會), and the Housing and Urban and Rural Development Bureau of Nanning (南寧市住房和城鄉建設局). As advised by our PRC Legal Advisors, Jingtian & Gongcheng, such relevant regulatory authorities are of appropriate authorities and are competent to issue the above confirmations. As we have fully settled the fines and having considered the confirmation letters issued by or consultations with the relevant regulatory authorities, our PRC Legal Advisors, Jingtian & Gongcheng, is of the view that the risks that we will be subject to further administrative penalties by such relevant government authorities for these non-compliance incidents are remote. Our Directors are of the view that such non-compliance would not have a material operational or financial impact on us. Accordingly, no provision was made in our financial statements for such non-compliances.	We further enhanced our relevant internal control measures. See "— Risk Management — Remedial Internal Control Measures."
4.	*Violation of the PRC Advertising Law*			
	In 2017 and 2018, one and two of our project companies, respectively, published property advertisements that failed to comply with the relevant requirements of the PRC Advertising Law. We realized the non-compliance incidents when the relevant regulatory authorities imposed fines on the relevant project companies.	Such non-compliance incidents occurred primarily because (i) certain of our employees failed to gain a sufficient understanding of the local advertising laws and regulations due to	Under the PRC Advertising Law, we were fined an aggregate of approximately RMB0.5 million by the relevant local government authorities, which have been fully settled as of the Latest Practicable Date. We have consulted with the Market Regulation and Management Bureau of Nanning (南寧市市場監督管理局) to confirm, or considered the issue in accordance	We further enhanced our relevant internal control measures. See "— Risk Management — Remedial Internal Control Measures" for more details.

No.	Non-compliance incident(s)	Reasons	Legal Consequences and Impact	Remedial measures
		inconsistencies in the implementation and interpretation of the relevant PRC laws and regulations among different local government authorities, (ii) the advertising firms engaged by us failed to comply with the relevant requirements under the PRC Advertising Law, and (iii) we did not adequately train certain of our employees to stay abreast of the changing requirements of the PRC Advertising Law.	with the relevant PRC regulations that, these non-compliance incidents are immaterial or did not bring about any material adverse social impact. As advised by our PRC Legal Advisors, Jingtian & Gongcheng, such relevant government authorities are of the appropriate authority and are competent to be consulted with in respect of these non-compliance incidents. As we have fully settled the fines, and having considered the consultations conducted with the relevant government authorities, our PRC Legal Advisors, Jingtian & Gongcheng, is of the view that the risk of the relevant project companies will be subject to further administrative penalties by such relevant government authorities for these non-compliance incidents are remote. Our Directors are of the view that such non-compliance incidents would not have a material operational or financial impact on us. Accordingly, no provision has been made in our financial statements for these non-compliance incidents.	

Pre-sale Incidents

Background

The relevant laws and regulations governing the management of pre-sale proceeds in the PRC mainly include (i) the applicable laws and regulations at the national level which set out the general principles and requirements and (ii) the applicable regulations at the provincial, municipal and other local levels which set out more detailed requirements. See "Regulatory Overview — Real Estate Transactions — Measures Regarding the Supervision and Use of Pre-sale Proceeds" for further details of the relevant laws and regulations at the national and local levels, particularly the local requirements governing pre-sale proceeds in the different cities in which we had pre-sold properties during the Track Record Period. During the Track Record Period, some of our PRC subsidiaries failed to fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts as generally required by the relevant local regulatory requirements. Whilst some of our PRC subsidiaries failed to maintain the required regulatory threshold levels of restricted cash balances and had shortfalls in their respective designated escrow accounts. The above incidents are collectively referred to as the "Pre-sale Incidents," and the details of such Pre-sale Incidents are set forth below.

Failure to Fully or Directly Deposit the Required Amounts into the Designated Escrow Accounts

In 2017, 2018, 2019 and the first half of 2020, 10, 18, 21 and 24 of our property projects, respectively, were involved in the Pre-sale Incidents for failure to fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts. The detailed quantitative information in relation to our deposit of pre-sale proceeds is set forth below:

	For the year ended December 31,			For the six months ended June 30,
	2017	2018	2019	2020
	(RMB in million)			
Pre-sale proceeds received	5,495.6	8,949.9	9,636.9	3,300.2
Pre-sale proceeds required to be deposited ("A")	5,495.6	8,949.9	9,636.9	3,300.2
Pre-sale proceeds actually deposited[(1)] ("B")	2,585.9	4,520.7	6,618.4	3,300.2
Pre-sale proceeds not fully deposited as required[(2)] ("C")	2,909.7	4,330.9	3,071.7	—

Notes:

(1) Include pre-sale proceeds that were indirectly deposited into the designated escrow accounts of RMB442.2 million, RMB1,137.3 million, RMB2,766.0 million and RMB1,893.9 million, respectively, in 2017, 2018 and 2019 and the six months ended June 30, 2020.

(2) The slight difference between "A-B" and "C" represents timing differences, as in certain cities such as Quanzhou, our depository of pre-sale proceeds into designated escrow accounts within one month after the signing of the relevant pre-sale contracts was permitted under the relevant local regulations.

In 2017, 2018, 2019 and the first half of 2020, the aggregate amount of pre-sale proceeds that were required to be deposited in the designated escrow accounts based on the relevant regulations amounted to approximately RMB5,495.6 million, RMB8,949.9 million, RMB9,636.9 million and RMB3,300.2 million, respectively, and during the same periods, the aggregate amount of pre-sale proceeds that were actually deposited amounted to approximately RMB2,585.9 million, RMB4,520.7 million, RMB6,618.4 million and RMB3,300.2 million, respectively. The pre-sale proceeds that were not deposited in full into the designated escrow accounts amounted to approximately RMB2,909.7 million, RMB4,330.9 million, RMB3,071.7 million and nil during the same periods, respectively, representing 52.9%, 48.4%, 31.9% and nil of the total pre-sale proceeds that were required to be deposited in the designated escrow accounts based on the relevant regulations, respectively. Pre-sale proceeds that were indirectly deposited into the designated escrow accounts accounted for approximately 8.0%, 12.7%, 28.7% and 57.4% of the pre-sale proceeds required to be deposited in designated escrow accounts in 2017, 2018, 2019 and the six months ended June 30, 2020, respectively. Such amounts were first deposited into the relevant project companies' general corporate accounts and then subsequently transferred into the designated escrow accounts. Our Directors confirm that the pre-sale proceeds that were not fully or directly deposited into the designated escrow accounts were deposited into the general corporate accounts of the respective project companies, and the pre-sale proceeds maintained in the general corporate accounts were mainly used to settle construction-related payments, and project-related costs and expenses such as administrative and sales expenses, and interest payments for project financing for the respective projects.

Failure to Maintain the Required Regulatory Threshold Levels of Restricted Cash Balances

As of December 31, 2017, 2018, 2019 and June 30, 2020, seven, 11, seven and nil of our property projects, respectively, were involved in the Pre-sale Incidents for failure to maintain the required regulatory threshold levels of restricted cash balances and had shortfalls in the designated escrow accounts. The detailed quantitative information in relation to our remaining balance of pre-sale proceeds maintained in all of our designated escrow accounts is set forth below:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB in million)			
Required remaining balance of pre-sale proceeds	990.9	1,392.7	1,591.7	1,102.3
Actual remaining balance of pre-sale proceeds	879.8	1,177.9	1,277.9	1,833.8

The maximum amount of shortfall in the restricted cash balance of our relevant designated escrow accounts in 2017, 2018, 2019 and the first half of 2020 was approximately RMB111.1 million, RMB232.6 million, RMB335.5 million and nil, respectively, representing approximately 11.2%, 16.7%, 21.1% and nil, respectively, of the required regulatory threshold levels of restricted cash balances in the relevant designated escrow accounts as of December 31, 2017, 2018 and 2019 and June 30, 2020.

Reasons for the Occurrence of the Pre-sale Incidents

We believe that the Pre-sale Incidents occurred primarily because: (i) there was inadvertent oversight of the relevant staff of our PRC subsidiaries and/or their unfamiliarity with the relevant PRC local requirements and application/interpretations of the same in different areas of the PRC; and (ii) we had failed to provide adequate training to our employees to enable them to fully understand the relevant PRC local requirements and to execute our then established internal control policies to properly supervise the deposit of pre-sale proceeds. In addition, there may be certain differences in the implementation practices of the relevant presale proceeds regulations among the different local authorities in some areas of the PRC. Some of our subsidiaries may have simply followed certain local practices as implemented by the local authorities or experienced practical difficulties in the process of understanding and following the implementation measures at the relevant time; our relevant subsidiaries mainly relied on the communications and/or consultations with the local authorities which, in most cases, focus on the local implementations, and thus, our employees lacked sufficient training on the relevant regulations and requirements. In addition, from a procedural perspective, certain banks had internal policies which restricted the depositing of the pre-sale proceeds mortgaged loan funds. Generally, a project company can only open one designated escrow account for each of the pre-sale permit that it has been granted for a given property project in Nanning City. The purchasers of our properties, however, can apply for mortgage loans with different banks, which may be different from the one where the designated escrow account for the relevant property project is established and maintained. The project company itself can also maintain general corporate accounts with a number of banks and not necessarily only with the bank with which we had established the designated escrow account. Certain mortgage banks had internal policies requiring the mortgaged loan funds to only be deposited into general corporate accounts that the relevant project company had opened and maintained with themselves, and not the designated escrow account which was maintained with a different bank. This has resulted in the relevant pre-sale proceeds being deposited into the general corporate account of the project company instead of the designated escrow account for the project. During the Track Record Period, a few of the commercial banks in Nanning City, where we had operations had such internal policy. The Company's industry consultant, Jones Lang LaSalle, has observed that in the cities where the Group's property projects are located, some mortgage banks may choose to deposit mortgaged loan funds into bank accounts maintained with themselves, rather than the relevant designated escrow accounts maintained with other banks. During the Track Record Period and up to the Latest Practicable Date, our PRC Legal Advisors have advised that, as confirmed by our Directors, we did not enter into loan agreements containing covenants on maintaining minimum deposit balance as pledged deposits or guarantee to our borrowing. Therefore, our PRC Legal Advisors have advised that, as confirmed by our Directors, compliance with the regulatory requirements in relation to pre-sale proceeds, including the requirements to directly deposit pre-sale proceeds into the designated escrow accounts rather than mortgage bank accounts, does not constitute a breach of the loan agreements between us and the relevant financial institutions.

We have adopted specific enhanced internal control measures to address the reasons for the occurrence of the Pre-sale Incidents. Regarding the insufficient training to our employees on the relevant pre-sale laws and regulations, the financial management department of the Group regularly collects and organizes the updates to relevant local requirements relating to pre-sale proceeds and the relevant interpretations (including any communications with local government authorities), and provides regular training sessions to employees of the relevant project companies and regional companies on the updates to the relevant local requirements. In addition, the financial management department has set up an internal message board involving all designated personnel of the finance department at the project company and regional company levels, which shares the updates to the relevant requirements and policies. Regarding the fact that certain banks had internal policies which restricted the depositing of its mortgaged loan funds into the designated escrow accounts with other banks, (i) we request the relevant project companies to manually transfer the mortgaged loan funds from the mortgage bank accounts to the designated escrow accounts regularly mainly via e-banking system; (ii) before engaging new mortgage banks, each project company shall consider whether a mortgage bank can accommodate such requests and generally sets forth the direct deposit of mortgaged loan funds into our designated escrow accounts as a condition in the negotiations with the relevant banks before engaging them; (iii) we proactively communicate with the relevant mortgage banks for directly depositing the mortgaged loan funds to designated escrow accounts, and in the meantime, proactively explore alternative banks that could directly deposit the mortgaged loan funds to designated escrow accounts with other banks; and (iv) we clearly specify in the relevant agreements that the mortgage banks shall timely and directly deposit the loan proceeds into the designated escrow accounts.

Current Status of the Property Projects Involved in the Pre-sale Incidents and Our Working Capital Sufficiency

As of August 31, 2020, among the 24 property projects involved in the Pre-sale Incidents during the Track Record Period, seven had completed construction, four had been partially completed, and 13 were under development. For those property projects that have yet to be completed and delivered, we have sufficient working capital to complete and deliver the pre-sold units to property purchasers by the scheduled date of delivery. For the completed projects, given that the restrictions on the use or withdrawal of pre-sales proceeds deposited into the designated escrow accounts would be released following the 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 remaining funds in the designated escrow accounts would no longer be restricted in terms of withdrawal or use upon release from the designated escrow accounts, and accordingly, we would not be required to maintain such remaining 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, 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 Directors confirm that our general escrow funds were also primarily used to settle construction-related payments, and project-related costs and expenses such as administrative and sales expenses, and interest payments for project financing for the respective projects. 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, we used pre-sale proceeds to settle construction-related payments, and project-related costs and expenses such as administrative and sales expenses, and interest payments for project financing for the respective projects. During the Track Record Period, certain of our non-wholly owned subsidiaries made advances to their non-controlling shareholders in proportion of their respective shareholding interests using pre-sale proceeds. Such advances were made only when such pre-sale proceeds were general escrow funds with no use restrictions and the required threshold of pre-sale proceeds was maintained in the designated escrow account. As advised by our PRC Legal Advisors, such practice is in compliance with applicable laws and regulations with respect to pre-sale proceeds.

To the best knowledge, information and belief of our Directors having made all reasonable enquiry, each non-controlling shareholder of our subsidiaries generally used the cash advances that it received from relevant project companies into its operation and other property projects that are not developed with us. During the Track Record Period and up to the Latest Practicable Date, there were no arrangements or agreements between the non-controlling shareholders and us, directly or indirectly, such that the cash advances we provided to the non-controlling shareholders would be used for (i) purchasing the properties developed by us, (ii) investments in us and/or other our property development projects (other than those of the relevant subsidiaries held by the non-controlling shareholders), and (iii) the settlement of our purchases and/or financing our working capital. We understand that the non-controlling shareholders of the subsidiaries generally repay such cash advances by using their internally generated funds or dividends received from project companies after the relevant projects are delivered and generate profits.

Our Directors confirm that during the Track Record Period, our subsidiaries did not utilize pre-sale proceeds beyond permitted scope of usage under relevant local regulations and policies. Given that relevant national laws and regulations relating to pre-sale proceeds delegate the authority to formulate and supervise the implementation of specific requirements on the management of presale proceeds to local authorities, we were also in compliant with the relevant national laws with regard to the utilization of pre-sale proceeds during the Track Record Period.

Taking into account the amount of pre-sale proceeds that are expected to be generated from property projects we had as of August 31, 2020 and our unutilized credit facilities, 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 August 31, 2020 are expected to generate aggregate cash surplus sufficient to support the development of our property projects going forward.

The Group would have had sufficient funds for the development of our project portfolio during the Track Record Period if our use of pre-sale proceeds had been in full compliance with the requirements of relevant laws and regulations relating to pre-sale proceeds, because we had sufficient balance in the general corporate accounts at the subsidiary, regional company or Group level that would have covered any shortfalls in the relevant subsidiaries' respective restricted cash balances in the designated escrow accounts during the Track Record Period. In case there is any delay in the withdrawal of pre-sale proceeds from designated escrow accounts, 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 laws and regulations relating to pre-sale proceeds. In particular, we conducted a sensitivity analysis assuming that the pre-sale proceeds can only be withdrawn one month, two months or three months after being deposited into the designated escrow accounts, and only under the three-month scenario, we would need to use our unutilized credit facilities to cover the shortfall for the third quarter of 2018 and would incur extra financing costs of RMB2.2 million for 2018. Our 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.

Consequences for the Pre-sale Incidents

During the Track Record Period and up to the Latest Practicable Date, we had not been imposed any penalties nor to our best knowledge, had not been subjected to investigation or engaged in any dispute with government authorities with respect to the Pre-sale Incidents. Upon becoming aware of the Pre-sale Incidents, we have voluntarily taken the initiative to make up the shortfalls in full, which was not required by relevant government authorities. Upon such rectifications, the restricted cash balances in the relevant designated escrow accounts of our PRC subsidiaries have satisfied the relevant regulatory threshold requirements as of February 29, 2020 and no further shortfall occurred from February 29, 2020 and up to the Latest Practicable Date.

Our Directors confirm that since February 29, 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) withdrew and 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 that, the enhanced internal control measures adopted by the Group, are adequately and effectively designed to reasonably prevent such Pre-sale Incidents from taking place in the future. As of the Latest Practicable Date, there were limited situations where we had to indirectly deposit the pre-sale proceeds into the designated escrow accounts due to internal policies of mortgage banks by manually transferring the relevant pre-sale proceeds, which are not in compliance with the relevant PRC laws and regulations in relation to pre-sale proceeds. Therefore, our Directors believe that save for such limited situations, we have fully complied with all the relevant applicable national and local laws and regulations relating to pre-sale proceeds in all material aspects.

In addition, we have obtained confirmation letters from the Real Estate Funds Management Center of Nanning City (南寧市房產資金管理中心) for our relevant property projects in Nanning, the Housing and Urban-Rural Development Bureau of Zhangzhou City (漳州市住房和城鄉建設局), the Construction Bureau of Zhangzhou Taiwan Business Investment Zone (漳州台商投資區建設局), and the Planning and Construction Bureau of Zhangzhou Merchant Economic and Technology Development Zone (漳州招商局經濟技術開發區規劃建設局) for our relevant property projects in Zhangzhou, Xiamen Housing Security and Housing Administrative Bureau (廈門市住房保障和房屋管理局) for our relevant property projects in Xiamen, the Housing and Urban-Rural Development Bureau of Luojiang District of Quanzhou City (泉州市洛江區住房和城鄉建設局) for our relevant property projects in Quanzhou, the Housing and Urban-Rural Development Bureau of Nan'an City (南安市住房和城鄉建設局) for our relevant property projects in Quanzhou, the Housing and Urban-Rural Development Bureau of Minhou Township (閩侯縣住房和城鄉建設局) for our relevant property projects in Fuzhou, the Real Estate Market Service Center of Tianjin (天津市房地產市場服務中心) for our relevant property projects in Tianjin, the Changsha Housing Trade and Management Center (長沙市房屋交易管理中心) for our relevant property projects in Changsha, the Housing and Urban-Rural Development Bureau of Guigang City (貴港市住房和城鄉建設局) for our relevant property projects in Guigang, and Housing and Urban-Rural Development Bureau of Liuzhou City (柳州市住房和城鄉建設局) for our relevant property projects in Liuzhou, confirming that no penalty has been imposed on and/or no penalty will be imposed on us in relation to the Pre-sale Incidents. The confirmation letters we obtained and the interviews we conducted with competent local government authorities confirmed that the Pre-sale Incidents were not material non-compliances.

Our PRC Legal Advisors are of the view that the above-mentioned local authorities are competent authorities to issue such confirmation letters because pursuant to relevant national laws and regulations relating to pre-sale proceeds, local authorities are delegated to formulate and supervise the implementation of specific requirements on the management of pre-sale proceeds, and accordingly, such local authorities have the authority to impose administrative penalties for violations of such requirements. Based on our PRC Legal Advisors' consultation with the provincial-level authorities, our PRC Legal Advisors are of the view that the risk of such confirmations issued by local authorities being challenged by provincial-level authorities is low. The confirmations we received have covered all of our property projects that have been involved in Pre-sale Incidents during the Track Record Period.

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 — Real Estate Transactions — Measures Regarding the Supervision and Use of Pre-sale Proceeds — Applicable Laws and Regulations at National Level." Accordingly, as advised by our PRC Legal Advisors, the aggregate amount of potential maximum penalty with respect to the Pre-sale Incidents would be approximately RMB0.7 million if the relevant government authorities impose the maximum fine for each of the 24 property projects involved in the Pre-sale Incidents.

Taking into account our voluntary rectifications and the confirmations we obtained from relevant regulatory authorities, and the fact that, as of the Latest Practicable Date, we had not received any penalties, nor to our best knowledge, subjected to any investigations or involved in any dispute with any regulatory authorities relating to the Pre-sale Incidents, our PRC Legal Advisors, Jingtian & Gongcheng, are of the view that the risk of us being penalized by the relevant government authorities which issued the above-mentioned confirmation letters relating to the Pre-sale Incidents is low. Our PRC Legal Advisors, Jingtian & Gongcheng also advised that except for the above-mentioned incidents relating to pre-sale proceeds, we were in compliance with the requirements of relevant PRC laws and regulations relating to pre-sale proceeds, including the use of pre-sale proceeds, in all material respects during the Track Record Period.

Based on the foregoing, we consider that no provision is needed to be made in respect of any local requirements regarding the Pre-sale Incidents. As a result, we have not made any provisions in our financial statements in relation to any pre-sale proceeds requirements. In view of the foregoing, our Directors are of the view that the Pre-sale Incidents were not material non-compliance incidents and have no material adverse effect on our business operations and financial conditions.

Our Internal Control Measures

We handled pre-sale proceeds with the following measures prior to the implementation of our enhanced internal control measures in February 2020: (i) regarding the deposit of pre-sale proceeds, we had formulated procedures for personnel of the sales department of our project companies, requiring them to deposit pre-sale proceeds into the designated escrow accounts established in the designated banks. In addition, the finance department of project companies were required to regularly check the balances of such accounts and maintain sufficient balances; (ii) regarding the withdrawal of pre-sale proceeds, our staff were required to collect and submit relevant documents and records to the relevant government authorities to apply for withdrawal of pre-sale proceeds; and (iii) regarding the use of pre-sale proceeds, after obtaining approvals from relevant government authorities for withdrawal, our staff were still required to complete internal approval procedures at project company and regional company level for transferring such pre-sale proceeds into general corporate accounts and for payment of construction costs.

We further enhanced our internal control measures and related monitoring mechanisms to comprehensively cover the different stages and aspects of the procedures involving the handling of pre-sale proceeds and ensure full compliance with the relevant PRC law and/or requirements relating to pre-sale proceeds. Details of these enhanced internal control measures are set forth below:

(i) at our project company level, the planning and operations department is responsible for monitoring construction progress of our property projects. The sales department is responsible for pre-sales activities and the designated personnel in finance department are responsible for depositing and monitoring the proceeds from such pre-sales into the designated escrow accounts in accordance with the relevant regulatory requirements in relation to pre-sales.

   a. the finance department is responsible for ensuring pre-sale proceeds are directly deposited into the designated escrow accounts. Personnel who are responsible for receiving pre-sale proceeds from our customers are required to report to managers of the finance department on a regular basis regarding the depositing of pre-sale proceeds. The finance department only conducts withdrawals from the relevant designated escrow accounts strictly in accordance with the relevant local regulatory requirements.

b. In daily operations, the finance department maintains communications with the planning and operations department to ensure that the most up-to-date construction information and/or documentary evidence are available for the preparation of documents required for withdrawals from the relevant designated escrow accounts.

c. The designated personnel in the finance department would regularly collect, file and submit the documents/records on the pre-sale proceeds of relevant property projects to regional companies for checking and approval.

The above-mentioned measures are overseen by the manager of the finance department of each project company, who reports to the head of the finance department at the relevant regional company.

(ii) at our regional company level, the finance department conducts overall self-assessment on the management of pre-sale proceeds by the projects companies under their purview on a quarterly basis. The reviews are conducted by the manager(s) of the finance department and the results are approved by the head of the finance department. Once approved, the results are further reported to the financial management at the Group level. These regular internal assessments check the pre-sales proceeds in the designated escrow accounts and the related records to make sure that the required cash is deposited in accordance with the local regulatory requirements.

a. if any compliance issues are identified in these regular internal assessments, the head of finance department would conduct investigations into the background and reasons for the non-compliance, and propose a rectification plan for the financial management department at the Group level to further review and approve;

b. the head of finance department would ensure that the approved rectification measures comply with the applicable rules and requirements. Once implemented, the follow-ups and final results are reported to the financial management at the Group level and, if necessary, the relevant issues would be reported to the senior management of the Group for the pre-sale proceeds matters and the Director responsible for pre-sale proceeds matters at the Group level; and

c. the head of finance department review payments to our suppliers and contractors by checking, among others, invoice amounts, payment terms under the relevant contracts and construction progress reports. Managers and directors of our cost control department are also involved in this review process to determine the amount of pre-sale proceeds to be applied for withdrawal. The designated personnel of the finance department are responsible for preparing the application forms for withdrawing the pre-sale proceeds and collecting and providing the supporting documents to the relevant government authorities for approval. Managers and director of the finance department, and general manager of the regional company review and verify the application materials before submitting the application for withdrawal of pre-sale proceeds to the relevant government authority. Once approved, the same personnel at the finance department are allowed to make the withdrawals from the relevant designated escrow accounts.

The above-mentioned measures are overseen by the head of the finance department of each of our regional companies, who reports to the financial controller at our Group level.

(iii) at our Group level, the financial management department regularly collects and organizes the updates to relevant local requirements relating to pre-sale proceeds and the relevant interpretations (including any communications with local government authorities) and communicating the same to the relevant project companies and regional companies.

a. the financial management has set up an internal message board involving all designated personnel of the finance department at the project company and regional company levels, which shares the updates to the relevant requirements and policies; and

b. the financial management also collects and reviews the relevant regulatory requirements relating to pre-sale proceeds on a monthly basis, focusing particularly on the requirements relating to property projects that are scheduled to commence pre-sale in each of the following month, and discusses the requirements with the designated personnel of the finance department of the relevant regional company to ensure agreement on the procedures and requirements for the relevant property project. The financial management department also plans to engage external legal consultants to help us to understand the local requirements relating to pre-sale proceeds.

The above-mentioned measures are overseen by financial controller at the Group level, who reports to the senior management at the Group level responsible for pre-sale proceeds matters and the Director responsible for pre-sale proceeds matters at the Group level.

Our internal control consultant conducted a follow-up review of the enhanced internal control measures in May 2020 and did not make any further recommendations. Based on the follow-up review on the enhanced internal control procedures, we demonstrated that we have implemented all major internal control measures recommended to prevent future non-compliance incidents as described above and no material deficiencies were identified during the follow-up review. Our internal control consultant is of the view that the enhanced internal control measures adopted by us, if implemented continuously, are adequately and effectively designed to reasonably prevent the occurrence of any similar future non-compliance.

According to our internal policies mentioned above, designated personnel at project company, regional company and Group levels are responsible for the management of pre-sale proceeds in compliance with relevant regulations and policies. As such, our Directors were not directly 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 Incidents. On the basis that (i) we had obtained confirmation letters from the competent government authorities in relation to the Pre-sale Incidents; (ii) our PRC Legal Advisors are of the view that the risk of us being penalized by the relevant government authorities which issued the confirmation letters relating to the Pre-sale Incidents is low, and the Pre-sale Incidents are not material breaches of the relevant PRC laws and regulations during the Track Record Period, and (iii) the enhanced internal control measures adopted by us to prevent future non-compliance in relation to the management of pre-sale proceeds as disclosed above, our Directors are of the view, and the Sole Sponsor concurs, that the Pre-sale Incidents would not have any negative bearings on our Directors' competence and suitability under Rules 3.08 and 3.09 of the Listing Rules.

Qualifications

As of the Latest Practicable Date, our PRC subsidiaries had obtained all material requisite licenses, permits, certificates or approvals for their daily business operations in the PRC. The table below sets forth the details of certain material real property development qualifications we held as of the Latest Practicable Date:

	Company name	Qualification	Classification	Status
1.	Xiamen Datang	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class I	In effect, expiring on December 31, 2020
2.	Xiamen Tangmen Real Estate Co., Ltd. (廈門唐門房地產有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class IV	In effect, subject to annual examination
3.	Xiamen Dazu Real Estate Development Co., Ltd. (廈門市大族房地產開發有限責任公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on January 21, 2023
4.	Zhangzhou Xindi	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class III	In effect, subject to annual examination
5.	Zhangzhou Tangsheng Real Estate Co., Ltd. (漳州唐盛房地產有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class II	In effect, subject to annual examination
6.	Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on September 21, 2023
7.	Zhangzhou Tangyi Real Estate Development Co., Ltd. (漳州唐毅房地產開發有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on June 18, 2021
8.	Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on March 29, 2021
9.	Guangxi Datang Real Estate Co., Ltd. (廣西大唐房地產有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on September 6, 2021
10.	Guangxi Datang Shijia	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on October 14, 2022
11.	Guangxi Tangmei	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on January 15, 2021
12.	Guangxi Tanggui Investment Co., Ltd. (廣西唐桂投資有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on December 12, 2020
13.	Guangxi Xindi	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on November 8, 2022

	Company name	Qualification	Classification	Status
14.	Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Provisional	In effect, expiring on December 30, 2020
15.	Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class IV	In effect, expiring on April 30, 2022
16.	Tianjin Xinghuashang Properties Co., Ltd. (天津星華商置業有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class IV	In effect, expiring on October 31, 2021
17.	Tianjin Xinghuafu	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class IV	In effect, expiring on October 31, 2021
18.	Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司)	Qualification Certificate for Property Development (房地產開發企業資質證書)	Class III	In effect, expiring on June 4, 2022

We intend to renew our qualification certificates upon expiration and according to our business plans. 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 or completing the relevant PRC governmental approvals, licenses, permits or procedures for our property development projects."

INTERNAL CONTROLS

In preparation for the Listing, we engaged an independent internal control advisor (the "Internal Control Advisor") to perform a review over the financial reporting in September 2019 (the "Internal Control Review"), covering areas of our business operations, such as entity level controls, revenue and receivables, procurement, treasury management, payroll, financial reporting, tax management and information technology. The scope of internal control review performed by the Internal Control Advisor was agreed among us, the Sole Sponsor, and the Internal Control Advisor.

As a result of the above-mentioned review of the Internal Control Advisor, the Internal control Advisor recommended improvements on certain areas of our internal control system, policies and procedures. Based on such results, we have implemented relevant remedial measures, some of which have been disclosed in "Risk Management" below.

The Internal Control Advisor also performed follow-up review in November 2019 with respect to the implementation status of the remedial measures taken by us (the "Follow-up Review") in addition to the follow-up review of enhanced internal control measures in relation to Pre-sale Incidents in May 2020. The Internal Control Advisor did not have any further recommendations pursuant to the Follow-up Review except for the establishment of the required terms and reference of the Board and its committee (including the appointment of the required Directors), which is expected to be completed by our Group before the Listing.

RISK MANAGEMENT

We believe that risk management 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 and competition from other property developers. See “Risk Factors” for a discussion of various risks and uncertainties we face.

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.

In order to meet these challenges, we have established the following structures and measures to manage our risks:

- Our management at the group level, led by Mr. Tang Guozhong, our executive Director and joint company secretary, Mr. Wang Xuting, our vice president and Mr. Liu Weiping, our financial controller and fund controller, is responsible for determining our business and investment plans, preparing our annual financial budgets and final reports and formulating proposals for profit distributions, and is in charge of the overall risk control of our Group.
- Our management team at our regional company level, which mainly includes management team members responsible for financial management and legal affairs at the respective regional company, is in charge of the daily business operations and risk monitoring of local projects, and is responsible for the supervision of different aspects of local operations on a daily basis as well as the supervision and approval of any material business decisions of respective project companies. We have formulated clear reporting lines between the management at our city company level and the Group level.
- For particular operational and market risks, control measures are adopted at operational level. For example, we control major construction risk by conducting due diligence procedures on our general construction contractors before their appointment while maintaining regular quality control supervision and supervise the construction status.
- Our capital management department and financial management department are primarily responsible for the management of our liquidity risks. The responsible personnel employ, among others, the following measures to manage the relevant risks: (i) maintaining systematic records of cash inflows and outflows at the Group level; (ii) preparing reports on a monthly basis which identify and address the potential issues and potential solutions in short-term cash flow, which are reviewed by the chief officers of the capital management department and financial management department who then make recommendations to our management team about available actions to take to address the issues; and (iii) reviewing financial results for compliance against certain targets to ensure maintenance of sufficient level of cash on hand for short- and long-term needs and report to our management team at the Group level if there is any significant change in our borrowing and investment activities.

Remedial Internal Control Measures

To prevent the future occurrence of non-compliance incidents, we have adopted the following remedial internal control measures. At the group level, our management team, led by Mr. Tang

Guozhong, our executive Director and joint company secretary, Mr. Wang Xuting, our vice president and Mr. Liu Weiping, our financial controller and fund controller, oversees our remedial internal control measures. At the regional level, management team members responsible for financial management and legal affairs of our regional companies oversee our remedial internal control measures.

Matter of non-compliance	Internal Control Measures
Failure to obtain or comply with construction work permit or planning approvals, construction planning permit and/or other related planning approvals and construction completion procedures	***Policies, procedures and follow-up mechanism:*** We have enhanced our policies and procedures relating to the project and construction management to clearly define the procedures as well as roles and responsibilities for obtaining and maintaining relevant permits and documents throughout the construction process. We have increased our communications with and/or supervision of the relevant construction work done by our construction contractors. We have established a follow-up and reporting mechanism to govern and monitor the progress of application of relevant permits and documents and timely identify any potential delay. ***Local regulatory requirements:*** We have designated personnel of each project company to regularly update any changes in the local regulatory requirements on permits and documents regarding project and construction management and report to the headquarters. ***Internal control:*** We have designated experienced staff to perform regular review of the design and implementation of the relevant internal guidelines and requirements.
Violation of the PRC Advertising Law	***Policies, procedures and follow-up mechanism:*** We have implemented guidelines on the handling and/or the publication of advertisements and marketing work involving our properties. The guidelines provide detailed procedures on internal review by various departments, including our legal personnel, and to help ensure that the proposed advertisements comply with the relevant PRC laws and regulations. ***Local regulatory requirements:*** Under our established guidelines, our sales and marketing management department provides draft advertisements and/or proposed sales campaign materials relating to pre-sales to our product development department, sales and marketing department and legal affairs department for review and approval so to ensure compliance with the relevant regulations and requirements. In addition, we

Matter of non-compliance	Internal Control Measures
	have designated personnel at each project company to regularly update any changes in local requirements on sales and marketing relating to pre-sales, and report such updates to our legal affairs department. ***Regular training:*** We have organized training of the personnel of relevant departments at project companies to strictly follow the guidelines. ***Internal control:*** We have designated experienced staff to perform regular review on the design and implementation of the relevant internal guidelines.

Our Directors' and the Sole Sponsor's Views

Based on (i) the facts and circumstances regarding our non-compliance incidents, (ii) the view of our PRC Legal Advisors, Jingtian & Gongcheng, in relation to the non-compliance incidents as disclosed above, (iii) the rectification actions taken by us as disclosed above, (iv) the fact that we have adopted all relevant recommendations made by our Internal Control Advisor in relation to the non-compliance incidents, and (v) the results of the Follow-up Review conducted by our Internal Control Advisor as disclosed above, and given that, since the implementation of the enhanced internal control measures, we have not received any further penalties and/or became aware of any such similar non-compliance incident up to the Latest Practicable Date, our Directors are of the view, and the Sole Sponsor concurs, the enhanced internal control measures adopted by our Group, if implemented continuously, are adequately and effectively designed to reasonably prevent such future non-compliance.

OVERVIEW

Immediately upon completion of the Capitalization Issue and the Global Offering, our ultimate Controlling Shareholder, Ms. Wong, will own approximately 58.34% of the enlarged issued share capital of our Company through companies held by her, namely, Good First BVI, Good First HK, Dynasty Cayman, Dynasty Cook and Fujia, without taking into account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme. Hence, each of Ms. Wong, Good First BVI, Good First HK, Dynasty Cayman, Dynasty Cook and Fujia will be a group of Controlling Shareholders under the Listing Rules.

Each of Good First BVI, Good First HK, Dynasty Cayman, Dynasty Cook and Fujia is an investment holding company. Ms. Wong is a founding member of Fuxin Group, which is principally engaged in investment in financial sector and research and development of high-tech products. The businesses of Fuxin Group are separate and distinct from our business and thus is not included as part of our Group. She has over 20 years of investment experience in finance and real estate and is currently serving as a director and controlling shareholder of Fuxin Group.

DELINEATION OF BUSINESS

Business of our Group

Our Group is principally engaged in the development of residential and commercial properties in selected economic regions and cities in the PRC.

Other businesses of our Controlling Shareholders

In addition to the interests in our Group, our ultimate Controlling Shareholder, Ms. Wong, through Fuxin Group and other companies owned and/or controlled by her, invests in a wide range of businesses, including, among others, financial sector, research and development of high-tech products, property management and architectural design services (the "**Excluded Businesses**"), which do not directly or indirectly compete with the business of our Group. The Excluded Businesses were not injected into our Group as they neither form part of our core business nor are in line with our strategy to solidify our market position in the property development industry in the PRC.

It has been our Group's strategy to focus on property development business. The Excluded Businesses held by Ms. Wong are separate and distinct from our business. In order to focus our resources on property development and to streamline our business, our ultimate Controlling Shareholder decided not to inject the Excluded Businesses into our Group. Our Directors are of the view that such businesses have not given and are unlikely to give rise to any direct or indirect competition with the business of our Group.

Apart from the Excluded Businesses, Ms. Wong is also interested in the following businesses which may overlap with our businesses to a certain extent, while we believe that such businesses do not compete or is unlikely to compete with our Group:

(a) Tianjin Tangmei Investment Co., Ltd. (天津唐美投資有限公司) ("**Tianjin Tangmei**")

Tianjin Tangmei is a project company established in the PRC and is indirectly owned as to approximately 66.67% by Fuxin Group, a company controlled by Ms. Wong and approximately 33.33% by an Independent Third Party. Tianjin Tangmei commenced the development of the property project "Tianjin Headquarters No. 1 (天津總部一號)" which consisted of office buildings in Tianjin in November 2010 and such project was completed in December 2013. As of June 30, 2020, the book value of the unsold properties was approximately RMB222.1 million (Note 1) with a total GFA of approximately 32,800 sq.m. (i.e. representing approximately 61.6% of the total GFA of this project). Since the completion of this project, Tianjin Tangmei has not engaged in any other property development projects in the PRC and it has no intention to engage in the development of other properties.

The revenue of Tianjin Tangmei for the three years ended December 31, 2017, 2018, 2019 and the six months ended June 30, 2020 was approximately RMB15.1 million, RMB83.7 million, RMB11.6 million and RMB2.0 million, respectively. For the year ended December 31, 2017, Tianjin Tangmei recorded a net loss of RMB9.5 million. For the years ended December 31, 2018 and 2019 and the six months ended June 30, 2020, Tianjin Tangmei recorded net profits RMB12.5 million, RMB2.8 million and RMB1.2 million, respectively. For the year ended December 31, 2017, Tianjin Tangmei recorded net liabilities of approximately RMB4.3 million. For the years ended December 31, 2018, 2019 and the six months ended June 30, 2020, Tianjin Tangmei recorded net assets of approximately RMB8.2 million, RMB11.0 million and RMB12.1 million, respectively.(Note 2)

Our Directors are of the view that the business carried out by Tianjin Tangmei can be distinguished from that of our Group for the following reasons:

- Tianjin Tangmei has not conducted property development since 2014. The only property project namely, "Tianjin Headquarters No. 1 (天津總部一號)" developed and held by it was completed in 2013. Save for such property project, Tianjin Tangmei has not engaged in any other property development projects, and has undertaken not to carry out any other property development business;
- our Group does not have any office buildings held for sale or investment in Tianjin, and has no current intention to conduct development of office buildings in Tianjin;
- as of the Latest Practicable Date, there was no overlap between the tenants of Tianjin Headquarters No. 1 and those of our Group's office buildings developed in Nanning and Xiaman; and
- the operations of Tianjin Tangmei is carried out by its own management and operation team, and Tianjin Tangmei has its own finance and accounting systems, both of which are independent from our Group.

Having taken into account the above factors, Tianjin Tangmei was not included in our Group with a view to streamlining our group structure.

The total revenue to be generated from the sales of the properties held by Tianjin Tangmei is expected to be approximately RMB60.7 million, RMB75.4 million and RMB80.2

Notes:

(1) The financial information was extracted from the unaudited management accounts of Tianjin Tangmei as of June 30, 2020 prepared in accordance with the PRC GAPP.

(2) The financial information of Tianjin Tangmei for the two years ended December 31, 2017 and 2018 was extracted from its audited accounts prepared by a local PRC auditor in accordance with the PRC GAPP, while the financial information for the year ended December 31, 2019 and the six months ended June 30, 2020 were extracted from the unaudited management accounts of Tianjin Tangmei as of December 31, 2019 and June 30, 2020 prepared in accordance with the PRC GAPP, respectively.

million in 2020, 2021 and 2022, respectively, representing less than 1.0% of our total revenue in 2019. Given the business nature and the insignificant size of Tianjin Tangmei, our Directors are of the view that the business of Tianjin Tangmei is unlikely to compete with our Group. Despite of the foregoing, we believe any potential competition between Tianjin Tangmei and our Group can be managed by (i) our sufficient corporate governance measures as disclosed in "—Corporate Governance Measures" below in this section and (ii) the exclusive agency agreement between Tianjin Xinghuashang and Tianjin Tangmei, the details of which are disclosed below.

Pursuant to an exclusive agency agreement entered into between Tianjin Tangmei and Tianjin Xinghuashang Property Co., Ltd. (天津星華商置業有限公司) ("**Tianjin Xinghuashang**"), our wholly-owned subsidiary, Tianjin Xinghuashang will provide agency service to Tianjin Tangmei. By virtue of the arrangements under the exclusive agency agreement, our Group will be solely responsible for the ongoing sales and rental of the properties held by Tianjin Tangmei, while Tianjin Tangmei will no longer be engaged in the sales or rental of the properties once the exclusive agency agreement becomes effective. Under the exclusive agency agreement, Tianjin Xinghuashang will receive a certain percentage of the total revenue from the sales and rental of the properties by way of a service fee. The total service fee to be received by our Group for the three years ending December 31, 2020, 2021 and 2022 is expected to be no more than RMB1.4 million, RMB1.7 million and RMB1.8 million, respectively. See "Connected Transactions" for more details.

In addition, Ms. Wong has undertaken to procure Tianjin Tangmei not to engage in the development of other property projects and therefore we expect that Tianjin Tangmei will not engage in other property development projects going forward. Accordingly, we believe that Tianjin Tangmei is unlikely to compete with our Group.

(b) Xiamen Fuxin

Xiamen Fuxin is a company established in the PRC and is controlled by Ms. Wong. Mr. Wu Di, our executive Director, serves as the chairman of the board of directors of Xiamen Fuxin. Xiamen Fuxin is principally engaged in the property development in the PRC. It commenced the development of residential and commercial properties in Xiamen in January 1994 and all of its property development projects have been completed and/or delivered in July 2010 (except for (i) the Land (as defined below) adjacent to Fuxin Mall (福信商城); and (ii) 31 car parking spaces and eight commercial units, as mentioned below).

Reasons for not including such businesses in our Group

(i) A parcel of land adjacent to Fuxin Mall

Due to the change in the previously approved GFA by the local government of a parcel of land which is adjacent to Fuxin Mall with a total site area of approximately 1,130 sq.m. (the "**Land**"), there was no construction in progress on the Land as of the Latest Practicable Date. It is unlikely that the construction planning permit for the Land could be obtained from the local government within a short period of time. On November 20, 2020, Xiamen Datang entered into an agreement with Good First Group, Xiamen Xindi (both being shareholders of Xiamen Fuxin) and Xiamen Fuxin, pursuant to which Xiamen Datang has been granted a first right of refusal to purchase the Land at fair value to the extent as permitted by applicable laws and regulations in the PRC once the construction planning permit of the Land is obtained by Xiamen Fuxin. As such, it is a temporary arrangement not to include the Land in our Group while the issuance of construction planning permit for the Land is pending. Given that we have been granted a right of first refusal to purchase the Land once the construction planning permit is granted and is ready for development, we believe that Xiamen Fuxin does not compete or is unlikely to compete with our Group.

(ii) 31 car parking spaces and eight commercial units

As of the Latest Practicable Date, 31 car parking spaces with a total GFA of approximately 1,123.4 sq.m. and eight commercial units (comprising three office units and five retail shops) with a total GFA of approximately 576.0 sq.m. held by Xiamen Fuxin remained unsold. The 31 car parking spaces and five retail shops are ancillary facilities attached to two residential projects developed by Xiamen Fuxin, and the three office units are individual premises in an office building. All the other units and car parking spaces in the two residential projects and the office building have been sold and delivered prior to the commencement of the Track Record Period. Xiamen Fuxin has undertaken to engage our Group to provide agency service to Xiamen Fuxin in the future, where our Group will be solely responsible for the sales of the remaining car parking spaces and commercial units, and will receive a certain percentage of the total revenue from the sales of the car parking spaces and commercial units by way of a service fee. Given the insignificance of the 31 car parking spaces and eight commercial units, our Directors are of the view that the unsold car parking spaces and commercial units would not create any material competition with our Group.

(c) Xiamen Xindi

Xiamen Xindi is a company established in the PRC and is owned as to 95.5% by Fuxin Group and 4.5% by Mr. Wu Di, our executive Director. Xiamen Xindi was engaged in the property development in the PRC. As of the Latest Practicable Date, all of its property developments projects had been completed and delivered in August 2005, except for a total of 15 car parking spaces remained unsold. Xiamen Xindi has undertaken to engage our Group to provide agency service to Xiamen Xindi in the future, where our Group will be solely responsible for the sales of the remaining car parking spaces, and will receive a certain percentage of the total revenue from the sales of the car parking spaces by way of a service fee. Given the insignificance of the 15 car parking spaces, our Directors are of the view that the unsold car parking spaces would not create any material competition with our Group.

As advised by our PRC Legal Advisors, based on the confirmation letters issued by competent government authorities, none of Tianjin Tangmei, Xiamen Fuxin or Xiamen Xindi had any material non-compliances during the Track Record Period.

To ensure that competition will not exist in the future, Ms. Wong, as a Controlling Shareholder, has entered into the Deed of Non-Competition in favor of our Company to the effect that she will not, and will procure each of 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, see "— Deed of Non-Competition" below for details.

Based on the aforementioned, the Directors are of the view that the level of competition between our Group and our Controlling Shareholders is immaterial. Save as disclosed above, as of the Latest Practicable Date, none of our Controlling Shareholders and their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

Other business of our Director

Mr. Wu Di, our executive Director, has interests in Xiamen Gefusite and Fuxin Group. The table below sets forth Mr. Wu's shareholding in and the business scope of each of Xiamen Gefusite and Fuxin Group:

Company name	Shareholding structure	Business scope
Xiamen Gefusite	Indirectly owned as to 82% by Mr. Wu	Xiamen Gefusite is engaged in the property development in Xiamen, Fujian Province. The property projects developed by Xiamen Gefusite have been completed and delivered (except for 588 ancillary car parking spaces and 10 commercial apartments with a total GFA of approximately 327 sq.m. remained unsold as of the Latest Practicable Date).
Fuxin Group	Directly owned as to 10% by Mr. Wu and 1.96% by a company controlled by Mr. Wu	Fuxin Group is an investment holding company in the PRC. See "— Delineation of Business — Other businesses of our Controlling Shareholders" above in this section for details.

Although there is overlap between the business of Xiamen Gefusite and our Group, having taking into account that (a) substantially all of the properties developed by Xiamen Gefusite have been completed and delivered; and (b) Mr. Wu has undertaken to procure Xiamen Gefusite not to engage in property development business in the future, our Directors are of the view that no material competition exists between Xiamen Gefusite and our Group.

Mr. Wu does not participate in Xiamen Gefusite's daily operations. See "— Independence from our Controlling Shareholders — Management Independence" below in this section for Mr. Wu's role in Fuxin Group. On the contrary, Mr. Wu primarily focuses on the business operations of our Group as our executive Director and is responsible for the overall strategic development and major business decisions making of our Group.

Mr. Wu Di, as our Director, has a fiduciary duty to act in the best interest of our Company. As one of the seven members of our Board, Mr. Wu is not able to exercise control over our Board and does not have veto power on any matter. To avoid potential conflict of interests, as required by the Articles, Mr. Wu, in his capacity as our Director, shall not vote on any resolution approving any contracts or arrangements or any other proposals in which he or any of his associates have material interests nor shall he be counted in the quorum present at the meeting. In addition, our Directors believe that we have formulated adequate corporate governance measures to monitor and manage any potential conflict of interests of our Directors. See "— Corporate Governance Measures" below in this section for details.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

We believe that we are capable of carrying on our business independently of our Controlling Shareholders and their respective close associates (other than our Group) after Listing for the following reasons:

Management Independence

Our Board comprises four executive Directors and three independent non-executive Directors. Only two of our executive Directors, namely Mr. Wu Di and Ms. Zhang Jianhua, are directors of Fuxin Group and certain of its subsidiaries. Mr. Wu is currently the chairman of the board of directors of Fuxin Group and is primarily responsible for its overall strategic planning. Mr. Wu has been responsible for the overall strategic development and major business decisions of our Group since January 2011 and is expected to devote a majority of his time in the day-to-day operation of our Group upon Listing. Ms. Zhang ceased to perform any executive role in Fuxin Group after October 2019 and she has been responsible for human resources management of our Group since January 2011. There is also no overlap of other senior management members between our Group and Fuxin Group.

Each of the Directors is aware of his/her fiduciary duties as a Director, which require, among other things, that he/she acts for the benefit and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and any of our Directors or their respective close associates, the interested Director(s) shall abstain from voting at the relevant board meetings of our Company in respect of such transactions and shall not be counted in the quorum. In addition, we have an independent senior management team to carry out the business operation of our Group independently from our Controlling Shareholders.

Based on the reasons above, our Directors are of the view that our Group is capable of managing our business independently from our Controlling Shareholders and their respective close associates following the completion of the Capitalization Issue and the Global Offering.

Operational Independence

We have full rights to make all decisions on, and to carry out, our own business operation independent from our Controlling Shareholders and their respective close associates and will continue to do so after Listing.

Licenses required for operation

We hold and enjoy the benefit of all relevant licenses and permits material to the operation of our business.

Access to customers

We conduct our own sales and marketing primarily through our own sales and marketing team. Our Group has a large and diversified base of customers that are unrelated to our Controlling Shareholders and/or their respective close associates.

Operational facilities

As of the Latest Practicable Date, all the properties and facilities necessary for our business operations were independent from our Controlling Shareholders and their respective close associates.

Employees

As of the Latest Practicable Date, all of our full-time employees were recruited independently and primarily through recruitment websites, on-campus recruitment programs, recruiting firms and referrals.

Connected transactions with our Controlling Shareholders

The section headed "Connected Transactions" in this Prospectus sets out the continuing connected transactions between our Group and our Controlling Shareholders or their associates which will continue after Listing. All such transactions are determined after arm's length negotiation and on normal commercial terms. We expect that we will be able to maintain the aggregate amounts of the continuing connected transaction with our Controlling Shareholders or their respective associates at a reasonable percentage with respect to our total revenues after Listing. Accordingly, such continuing connected transactions are not expected to affect our operational independence as a whole.

Financial Independence

All loans, advances and balances due to or from our Controlling Shareholders which were not arising out of the ordinary course of business will be fully settled or waived before Listing. All share pledges and guarantees provided by or to our Controlling Shareholders on the borrowings of our Group will also be fully released immediately before Listing.

In addition, we have our own internal control and accounting systems, accounting and finance department, independent treasury function for cash receipts and payment and independent access to third party financing. Accordingly, we believe we are able to maintain financial independence from our Controlling Shareholders and their respective close associates.

DEED OF NON-COMPETITION

Ms. Wong has undertaken to us in the Deed of Non-Competition that, she will not, and will procure her close associates (other than members of our Group) not to directly or indirectly be involved or engaged in any business (other than our business) that directly or indirectly competes, or may compete, with our business (the "**Restricted Business**"), or hold shares or interest in any companies or business that competes directly or indirectly with the business engaged by our Group from time to time except where Ms. Wong and her close associates hold less than 10% of the total issued share capital or registered capital of any company 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 control the composition of the board of directors of such companies at any time. The above restrictions do not apply to the business of Ms. Wong and her close associates that (a) had already been disclosed in this section; (b) is not the same, similar or in competition with the Restricted Business; or (c) was a Restricted Business but later no longer a Restricted Business.

Further, Ms. Wong has undertaken that if any new business investment/other business opportunity relating to the Restricted Business (the "**Competing Business Opportunity**") is identified by/made available to her or any of her close associates, she shall, and shall procure that her close associates shall, refer such Competing Business Opportunity to our Company on a timely basis and in the following manner:

- refer the Competing Business Opportunity to our Company by giving written notice (the "**Offer Notice**") to our Company of such Competing Business Opportunity within

30 Business Days of identifying the target company (if relevant), 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 who do not have an interest in the Competing Business Opportunity (the "**Independent Board**") comprising of our independent non-executive Directors 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 written notice referred above, inform Ms. Wong in writing on behalf of our Company its decision whether to pursue or decline the Competing Business Opportunity;
- Ms. Wong shall be entitled but not obliged to pursue such Competing Business Opportunity if she has received a notice from the Independent Board declining such Competing Business Opportunity or if the Independent Board failed to respond within such 30 Business Days' period mentioned above; and
- if there is any material change in the nature, terms or conditions of such Competing Business Opportunity pursued by Ms. Wong, she 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 (a) Ms. Wong and her close associates cease to hold, whether directly or indirectly, 30% or above of our Shares with voting rights or securities or other interests; or (b) our Shares cease to be listed on the Stock Exchange.

In addition, our Company has taken the following measures to safeguard good corporate governance practices in respect of the Deed of Non-Competition:

- our independent non-executive Directors shall review, at least on an annual basis, the compliance with the Deed of Non-Competition by Ms. Wong;
- Ms. Wong has undertaken to us that she will provide and procure her close associates to provide on best endeavor basis, all information necessary for the annual review by our independent non-executive Directors for the enforcement of the Deed of Non-Competition;
- we will disclose the decisions on matters reviewed by the independent non-executive Directors (including the reasons for not taking up the 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 to the public in compliance 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.

Our Directors are of the view that the Deed of Non-competition is effective and sufficient to ensure the continued delineation of the business of our Controlling Shareholders and our Group as it will be regularly reviewed by our independent non-executive Directors with sufficient experience in property development industry and corporate governance, and the public would also be able to monitor its compliance as it would be disclosed in the annual reports of our Company.

CORPORATE GOVERNANCE MEASURES

Ms. Wong and her respective close associates may not compete with us as provided in the Deed of Non-Competition. Ms. Wong has confirmed that she fully comprehends her obligations to act in our Shareholders' best interests as a whole. 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 of Association to comply with the Listing Rules. In particular, our Articles of Association provided 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 associates have a material interest nor shall such Director be counted in the quorum present at the meeting;

(b) a Director with material interests shall make full disclosure in respect of matters that may have conflict or potentially conflict with any of our interest and abstain from the board meetings on matters in which such Director or his/her associates have a material interest, unless the attendance or participation of such Director at such meeting of the Board is specifically requested by a majority of the independent non-executive Directors;

(c) an independent board will be responsible to decide, without the attendance by any Director with actual or potential interest, in the Competing Business Opportunity (unless their attendance is specifically requested) referred to us by Ms. Wong or any of her close associates under the Deed of Non-competition;

(d) we are committed that our Board should include a balanced composition of executive Directors, non-executive Director(s) and independent non-executive Directors. We have appointed 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, see "Directors and Senior Management — Board of Directors — Independent non-executive Directors";

(e) where needed, we will engage additional independent consultants to provide advice to our independent non-executive Directors;

(f) we have established internal control mechanisms to identify connected transactions, and will comply with Chapter 14A of the Listing Rules, including, where applicable, the reporting, announcement and independent shareholders' approval requirements;

(g) we have appointed Somerley 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;

(h) as required by the Listing Rules, our independent non-executive Directors shall review any connected transactions annually and confirm in our annual report that such transactions have been entered into in our ordinary and usual course of business, are either on normal commercial terms or on terms no less favorable to us than those available to or from independent third parties and on terms that are fair and reasonable and in the interests of our Shareholders as a whole; and

(i) on an annual basis, our independent non-executive Directors will review the non-compete undertakings provided by our Controlling Shareholders and their compliance with such undertakings.

OVERVIEW

Pursuant to Chapter 14A of the Listing Rules, our Directors, substantial shareholders and chief executive or those of our subsidiaries (other than the directors, substantial shareholders and chief executive of our insignificant subsidiaries), any person who was our Director or a director of our subsidiaries within 12 months preceding the Listing Date or any of their respective associates will become a connected person of our Company upon Listing. Accordingly, our transactions with such connected persons will constitute connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

Our Directors confirm that after Listing, the following transactions between our Group and the relevant connected persons will continue, which will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules.

(A) CONTINUING CONNECTED TRANSACTIONS WHICH ARE FULLY EXEMPTED FROM THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT AND INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENTS

1. Personal Guarantees provided by Mr. Wu

Mr. Wu Di, our executive Director, has provided personal guarantees in favor of our Group (the "**Personal Guarantees**") in respect of certain loans (the "**Loans**") with China Minsheng Bank (中國民生銀行) ("**Minsheng**"). Details of the Loans are set out below:

	Member of our Group (as borrower)	Lender	Annual interest rate	Maturity date	Outstanding principal balance as of June 30, 2020 *(RMB'000)*
1	Tianjin Haihui(1)	Minsheng	7.50%	March 1, 2022	680,000
2	Xiamen Dazu Property Development Co., Ltd. (廈門市大族房地產開發有限責任公司)(2)	Minsheng	8.503%	August 7, 2021	350,000
3	Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司)(3)	Minsheng	7.125%	April 23, 2022	416,250
4	Xiamen Jingding Sports Culture Development Co., Ltd. (廈門京鼎體育文化發展有限公司) ("**Xiamen Jingding**")(4)	Minsheng	7.20%	January 14, 2026	530,000
5	Tianjin Haihui(5)	Minsheng	6.50%	May 25, 2023	400,000
					2,376,250

Notes:

(1) The proceeds of the loan has been used to finance our property development project, Tangsheng Yayuan.
(2) The proceeds of the loan has been used to finance our property development project, Tong'an Shuiyunjian.
(3) The proceeds of the loan has been used to finance our property development project, Jiaomei Dynasty Royalty.
(4) The proceeds of the loan has been used to finance our operation of the commercial property, Xiamen Dynasty Center.
(5) The proceeds of the loan has been used to finance our property development project, Tangyun Yayuan.

Given that (i) Fuxin Group is a shareholder of Minsheng as of the Latest Practicable Date; (ii) Mr. Wu is a director of Minsheng as nominated by Fuxin Group; (iii) the internal requirement of Minsheng which requires the director nominated by its shareholder to provide personal guarantee if such shareholder or its related party obtained a facility from Minsheng, Mr. Wu is required to provide personal guarantees to facilities granted by Minsheng to a related party of Fuxin Group, i.e. our Group and it would be against the internal requirement of Minsheng for our Group to release the Personal

Guarantees under the Loans. Having regard to the following circumstances and measures taken by our Group, we consider that the continuation of the provision of the Personal Guarantees after Listing will not significantly impact our ability to operate independently from our Controlling Shareholders and/or Directors or their respective close associates for the following reasons:

(a) the Loans will be our only debt instruments with guarantees provided by our Director upon Listing. As of June 30, 2020, the outstanding balance of the Loans amounted to approximately RMB2.4 billion, representing approximately 29.0% of the total indebtedness of our Group;

(b) provision of Personal Guarantees by Mr. Wu is required by Minsheng only because Mr. Wu is a director of Minsheng nominated by a related party of the borrowers, not because Mr. Wu is our executive Director;

(c) there is no guarantee provided by our Controlling Shareholders or their respective close associates upon Listing. We are able to obtain financing from independent financial institutions without financial assistance from our Controlling Shareholders and/or Directors or their respective close associates. For instance, during the period from July 1, 2019 to June 30, 2020, we had obtained and drawn down loan facilities in an aggregate principal amount of approximately RMB3.2 billion without any security or guarantee from any of our Controlling Shareholders and/or Directors or their respective close associates from independent financial institutions; and

(d) not all of our borrowings are secured or guaranteed by our Controlling Shareholders and/or Directors or their respective close associates. As of the Latest Practicable Date, we had approximately RMB3.8 billion of unutilized loan facilities which are and will not be secured or guaranteed by our Controlling Shareholders and/or Directors or their respective close associates after Listing. Such unutilized loan facilities in the amount of approximately RMB0.8 billion include customary drawdown conditions such as (i) the completion of all statutory procedures of the government approval, filling and registration related to the loan facilities by our Company; (ii) the debt ratio does not exceed 75%; and (iii) the current ratio is not less than 100%. The remaining RMB3.0 billion of unutilized loan facilities are subject to the approval under the credit policy of the relevant banks.

Mr. Wu is our executive Director and thus a connected person of our Company for the purpose of the Listing Rules. Accordingly, the Personal Guarantees provided by Mr. Wu will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules after Listing.

Since the Group does not need to provide counter-guarantees nor pay any fees in favor of Mr. Wu in relation to all Personal Guarantees provided by Mr. Wu, our Directors are of the view that the Personal Guarantees are on normal commercial terms or better to our Group and the Personal Guarantees are not secured by assets of our Group, the Personal Guarantees will be exempted from the reporting, annual review, announcement and independent Shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

2. Property Agency Services

On November 20, 2020, Tianjin Xinghuashang Property Co., Ltd. (天津星華商置業有限公司) ("**Tianjin Xinghuashang**") entered into an exclusive agency agreement (the "**Agency Agreement**") with Tianjin Tangmei Investment Co., Ltd. (天津唐美投資有限公司) ("**Tianjin Tangmei**"), pursuant to which we were granted an exclusive right to provide ongoing sales and lease agency services for certain office buildings developed by Tianjin Tangmei (the "**Property Agency Services**"), for a term commencing from the Listing Date to December 31, 2022.

The service fees to be charged for the ongoing sales and lease agency services of the office buildings shall be determined after arm's length negotiation with reference to the revenue from the rental and the sales amount of the properties under the Agency Agreement. We generally charge approximately 10% and 2% of the revenue from the rental and the sales amount as our service fees respectively which were determined with reference to the service fees of similar services charged by other Independent Third Party Suppliers which are on normal commercial terms under prevailing market conditions.

As we will only start to provide the Property Agency Services to Tianjin Tangmei upon Listing, our Directors estimate that the maximum transaction amounts under the Agency Agreement for each of the years ending December 31, 2020, 2021 and 2022 will not exceed RMB1.4 million, RMB1.7 million and RMB1.8 million, respectively.

In arriving at the above annual caps, our Directors have considered (i) the total GFA of the properties rented during the Track Record Period; (ii) the historical sales amounts and rental received by Tianjin Tangmei during the Track Record Period; (iii) the unsold inventories of the office buildings developed by Tianjin, which could be sold in the next two years from year 2020; and (iv) the estimated selling price and rental of the properties under the Agency Agreement.

Tianjin Tangmei is owned as to approximately 66.67% by Fuxin Group, which in turn is owned as to approximately 51.03% by Ms. Wong, our Controlling Shareholder. As such, Tianjin Tangmei is a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transactions contemplated under the Agency Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the annual caps in relation to the Agency Agreement is expected to be less than 0.1% on an annual basis, such transactions will constitute continuing connected transactions for our Company that will be exempted from reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

3. Property lease with Fuxin Group

On November 20, 2020, Xiamen Jingding entered into a property lease framework agreement with Fuxin Group (for itself and on behalf of its subsidiaries) (the "**Fuxin Group Lease Framework Agreement**") for a term commencing from the Listing Date to December 31, 2022, pursuant to which we agreed to lease certain properties to Fuxin Group and its subsidiaries with a total GFA of approximately 4,548.27 sq.m. mainly for office use.

The rental to be paid under the Fuxin Group Lease Framework Agreement shall be determined on arm's length basis with reference to the transaction amounts during the Track Record Period and the prevailing market rent of similar property located in similar areas.

For each of the years ended December 31, 2017, 2018, 2019 and the six months ended June 30, 2020, the total rental fees amounted to approximately RMB4.2 million, RMB6.5 million, RMB6.9

million and RMB1.6 million, respectively. The reason for the decreased rental fees for the six months ended June 30, 2020 was primarily due to the decrease of total GFA of the leased properties under the lease arrangement with Fuxin Group.

Our Directors estimate that the maximum annual rental fees under the Fuxin Group Lease Framework Agreement for each of the years ending December 31, 2020, 2021 and 2022 will not exceed RMB3.6 million, RMB4.1 million and RMB4.1 million, respectively considering the existing lease agreements and GFA of the leased properties which is estimated to remain unchanged for the years ending December 31, 2020, 2021 and 2022.

Jones Lang LaSalle, an independent property valuer to our Group, has reviewed the terms of the Fuxin Group Lease Framework Agreement and confirmed such terms are on normal commercial terms under the prevailing market condition and the agreed monthly fees is fair and reasonable.

In arriving at the above annual caps, our Directors have considered (i) the total annual rental fees during the Track Record Period; and (ii) the current rental and total GFA of the leased properties.

Fuxin Group is owned as to approximately 51.03% by Ms. Wong, our Controlling Shareholder, and is therefore a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transactions contemplated under the Fuxin Group Lease Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the annual caps in relation to the Fuxin Group Lease Framework Agreement is expected to be less than 0.1% on an annual basis, such transactions will constitute continuing connected transactions for our Company that will be exempted from reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

4. Property lease with Shanghai Bomeng

On November 20, 2020, Xiamen Jingding entered into a property lease framework agreement with Shanghai Bomeng Sports Development Co., Ltd. (上海博盟體育發展有限公司) ("**Shanghai Bomeng**") (the "**Shanghai Bomeng Lease Framework Agreement**") for a term commencing from the Listing Date to December 31, 2022, pursuant to which we agreed to lease certain properties to Shanghai Bomeng with a total GFA of approximately 100 sq.m. mainly for office use.

The rental to be paid under the Shanghai Bomeng Lease Framework Agreement shall be determined on arm's length basis with reference to the prevailing market rent of similar property located in similar areas.

For each of the years ended December 31, 2017, 2018, 2019 and the six months ended June 30, 2020, the total rental fees amounted to nil, nil, nil and approximately RMB37,000, respectively.

Our Directors estimate that the maximum annual rental fees under the Shanghai Bomeng Lease Framework Agreement for each of the years ending December 31, 2020, 2021 and 2022 will not exceed RMB96,900, RMB108,000 and RMB108,000, respectively. The lower annual rental fees for the year ending December 31, 2020 is due to a rental deduction of RMB11,100 in total offered by Xiamen Jingding to Shanghai Bomeng from January to March 2020 as a result of the COVID-19 outbreak.

In arriving the above annual caps, our Directors have considered (i) the estimated rental of the leased properties in the next two years from year 2020; and (ii) the current rental and total GFA of the leased properties.

Shanghai Bomeng is owned as to 82% by Mr. Wu Di, our executive Director. As such, Shanghai Bomeng is a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transactions contemplated under the Shanghai Bomeng Lease Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the annual caps in relation to Shanghai Bomeng Lease Framework Agreement is expected to be less than 0.1% on an annual basis, such transactions will constitute continuing connected transactions of our Company that will be exempted from reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(B) CONTINUING CONNECTED TRANSACTIONS WHICH ARE SUBJECT TO THE REPORTING, ANNUAL REVIEW AND ANNOUNCEMENT REQUIREMENTS BUT EXEMPTED FROM THE INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENT

1. Architectural Design Services

On November 20, 2020, Xiamen Datang (for itself and on behalf of its subsidiaries) entered into an architectural design services framework agreement (the "**Design Services Framework Agreement**") with Xiamen Yingzao Design Co., Ltd. (廈門營造建築設計有限公司) ("**Xiamen Design**"), pursuant to which Xiamen Design agreed to provide architectural design services, including but not limited to concept design, construction documentation, and landscaping design (the "**Architectural Design Services**") to our Group for a term commencing from the Listing Date to December 31, 2022. Our Directors are of the view that Xiamen Design has adequate resources to fund its business operations and provide Architectural Design Services based on the cooperation history with Xiamen Design since 2013.

We will endeavor to seek quotations from at least three qualified independent architectural design service providers and will only engage Xiamen Design as the service provider if the price and quality of the Architectural Design Services are comparable to or more favorable to our Group than those offered by the independent service providers. The service fees to be charged for the Architectural Design Services shall be determined after arm's length negotiations with reference to the prevailing market price for similar services in the open market and the anticipated costs of Xiamen Design.

For each of the years ended December 31, 2017, 2018, 2019 and the six months ended June 30, 2020, the total service fees for the Architectural Design Services provided by Xiamen Design amounted to approximately RMB3.8 million, RMB6.1 million, RMB0.8 million and RMB2.5 million, respectively. The reasons for the increase of the service fees in 2018 was primarily due to (i) the increase in GFA developed by our Group which required Architectural Design Services and thus leading to the increase in the contracted amount; and (ii) the increase of services range provided by Xiamen Design. The service fees for the year ended December 31, 2019 decreased significantly as less GFA developed by our Group required Architectural Design Services and thus leading to the decrease in the contracted amount during such period.

Our Directors estimate that the maximum annual service fees in relation to the Architectural Design Services to be provided under the Design Services Framework Agreement for each of the years ending December 31, 2020, 2021 and 2022 will not exceed RMB4.8 million, RMB8.1 million and RMB10.3 million, respectively. Such estimation is based on:

(i) the number of current projects for which we have engaged Xiamen Design to provide the Architectural Design Services;

(ii) the historical transaction amounts for the Track Record Period in particular, the actual transaction amount for the six months ended June 30, 2020;

(iii) the total GFA of properties of our Group which required Architectural Design Services; and

(iv) the expected increase in number of projects and GFA of our properties which required Architectural Design Services after taking into account our business development plan for each of the years ending December 31, 2020, 2021 and 2022. According to our business development plan, we anticipate to complete eight, eight, and 10 projects for each of the three years ending December 31, 2020, 2021 and 2022.

The Design Services Framework Agreement is a framework agreement which provides the mechanism for the operation of the connected transactions between our Group and Xiamen Design. It is envisaged that from time to time and as required, individual service agreements may be required to be entered into between our Group and Xiamen Design. Each individual service agreement will set out the scope of services to be provided by Xiamen Design to our Group. The individual service agreements may only contain provisions which are in all material respects consistent with the binding principles, guidelines, terms and conditions set out in the Design Services Framework Agreement. As the individual service agreements are simply further elaborations on the services contemplated by the Design Services Framework Agreement, they do not constitute new categories of connected transactions as far as Listing Rules are concerned.

Xiamen Design is owned as to 70% by Xiamen Chengxin Design Consulting Co., Ltd. (廈門城信設計諮詢有限公司), a wholly-owned subsidiary of Xiamen Xindi, which is indirectly controlled by Ms. Wong, our Controlling Shareholder. As such, Xiamen Design is a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transactions contemplated under the Design Services Framework Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

As some of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the annual caps in relation to the Design Service Framework Agreement are expected to be more than 0.1% but less than 5% on an annual basis, such transactions will constitute continuing connected transactions of our Company that will be subject to the reporting, annual review and announcement requirements but will be exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

2. Property Management Services

On November 20, 2020, Xiamen Datang (for itself and on behalf of its subsidiaries) entered into a master property management services agreement (the "**Master Property Management Services Agreement**") with Xiamen Tangren Property Management Co., Ltd. (廈門唐人物業管理有限公司)

("**Tangren Property**") pursuant to which we agreed to engage Tangren Property and its subsidiaries ("**Tangren Group**") to provide property management and related services, including but not limited to (i) pre-delivery services and property management services for unsold properties owned by us; (ii) house inspection and cleaning services; and (iii) display units and on-site sales office management services (the "**Property Management Services**") for a term commencing from the Listing Date to December 31, 2022. Our Directors are of the view that Tangren Group has adequate resources to fund its business operations and provide Property Management Services based on the cooperation history with Tangren Group since 2010.

The service fees to be charged for the Property Management Services shall be determined with reference to a number of factors, including (i) the total GFA of the property development projects of which such Property Management Services is required; (ii) the anticipated operational costs (including labor costs, material costs and administrative costs); and (iii) 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.

For each of the years ended December 31, 2017, 2018, 2019 and the six months ended June 30, 2020, the total service fees amounted to approximately RMB16.7 million, RMB36.5 million, RMB40.5 million and RMB19.3 million, respectively. The reason for the increasing trend of the service fees for the three years ended December 31, 2019 was primarily due to the increase in the number of projects which required the Property Management Services from Tangren Group.

Our Directors estimate that the maximum annual service fees in relation to the Property Management Services to be provided under the Master Property Management Services Agreement for each of the years ending December 31, 2020, 2021 and 2022 will not exceed RMB66.4 million, RMB92.6 million and RMB121.0 million, respectively. Such estimation is based on:

(i) the number of current property projects for which we have engaged Tangren Group to provide the Property Management Services;

(ii) the historical transaction amounts for the Track Record Period;

(iii) the increase in GFA of new properties which will require pre-delivery services in 2020 as compared to 2019, which has been estimated based on the GFA of properties delivered by us and managed by Tangren Group as of June 30, 2020. In addition, we estimate that the GFA of new properties which will require such services will continue to increase for each of the years ending December 31, 2020, 2021 and 2022. According to our business development plan, we anticipate to complete eight, eight, and 10 projects for each of the three years ending December 31, 2020, 2021 and 2022; and

(iv) the increase of number of property projects to be pre-sold by us and the corresponding number of display units and sales office which we will engage Tangren Group for the provision of on-site management services for each of the years ending December 31, 2020, 2021 and 2022. We plan to operate a total of 23, 30 and 37 sales offices for such projects developed or to be developed for the three years ending December 31, 2022, respectively. For each of the sales offices, we normally built up two to three display units.

The Master Property Management Services Agreement is a framework agreement which provides the mechanism for the operation of the connected transaction between our Group and Tangren Group. It is envisaged that from time to time and as required, individual service agreements may be required to be entered into between our Group and Tangren Group. Each individual service agreement will set out the scope of Property Management Services to be provided by Tangren Group to our Company, the fees for the services to be paid by our Company and any detailed specifications which may be relevant to those engagements. The individual service agreements may only contain provisions which are in all material respects consistent with the binding principles, guidelines, terms and conditions set out in the Master Property Management Services Agreement.

Tangren Property is directly owned as to 75% by Xiamen Xindi and 25% by Xiamen Fuxin. Xiamen Xindi is owned as to 95.5% by Fuxin Group, which is in turn owned as to 51.03% by Ms. Wong. Xiamen Fuxin is owned as to 51.26% by Xiamen Xindi, and 48.74% by Good First Group, which is in turn owned as to 90% by Ms. Wong. Accordingly, Tangren Property is indirectly owned as to approximately 53.76% by Ms. Wong, and thus indirectly controlled by Ms. Wong, our Controlling Shareholder. As such, Tangren Property is a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transactions under the Master Property Management Services Agreement will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules upon Listing.

As each of the applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the annual caps in relation to the Master Property Management Services Agreement is expected to be more than 0.1% but less than 5% on an annual basis, such transactions will constitute continuing connected transactions for our Company that will be subject to the reporting, annual review and announcement requirements but will be exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

(C) APPLICATION FOR WAIVER

The transactions described in "— (B) Continuing Connected Transactions Which are Subject to the Reporting, Annual Review and Announcement Requirements But Exempted from the Independent Shareholders' Approval Requirement" constitute our continuing connected transactions under the Listing Rules, which are subject to the reporting, annual review and announcement requirements but exempted from the independent Shareholders' requirement of the Listing Rules.

In respect of these continuing connected transactions, pursuant to Rule 14A.105 of the Listing Rules, we have applied for, and the Stock Exchange has granted, waivers exempting us from strict compliance with the applicable requirements under Chapter 14A of the Listing Rules.

(D) DIRECTORS' VIEW

Our Directors, including the independent non-executive Directors, consider that all the continuing connected transactions described in "— (B) Continuing Connected Transactions Which Are Subject to the Reporting, Annual Review and Announcement Requirements But Exempted 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, and in accordance with the respective terms; and (iii) the respective terms and the proposed annual caps for the continuing connected transactions are fair and reasonable and in the interest of our Company and our Shareholders as a whole.

Our Directors, including the independent non-executive Directors, are also of the view that the annual caps of the continuing transactions described in "— (B) Continuing Connected Transactions

Which are Subject to the Reporting, Annual Review and Announcement Requirements But Exempted from the Independent Shareholders' Approval Requirement" are fair and reasonable and are in the interests of our Company and our Shareholders as a whole.

(E) SPONSOR'S VIEW

The Sole Sponsor is of the view that all the continuing connected transactions described in "— (B) Continuing Connected Transactions Which are Subject to the Reporting, Annual Review and Announcement Requirements But Exempted from the Independent Shareholders' Approval Requirement" have been and will be entered into (i) in the ordinary and usual course of our business; (ii) on normal commercial terms or better, and in accordance with their respective terms; and (iii) the respective terms and the proposed annual caps for the continuing connected transactions are fair and reasonable, and in the interest of our Company and our Shareholders as a whole.

BOARD OF DIRECTORS

Our Board currently consists of seven Directors, comprising four executive Directors and three independent non-executive Directors. The powers and duties of our Board including convening general meetings and reporting our Board's work at our Shareholders' meetings, determining our business and investment plans, preparing our annual financial budgets and final reports, formulating proposals for profit distributions and exercising other powers, functions and duties as conferred by the Articles. We have entered into service agreements with each of our executive Directors. We have also entered into letters of appointments with each of our independent non-executive Directors.

The table below shows certain information in respect of members of our Board and senior management of our Company:

Members of our Board

Name	Age	Existing position	Date of joining our Group	Date of appointment as Director	Roles and responsibilities
Mr. Wu Di (吳迪)	55	Executive Director, chairman of our Board	January 22, 2011	December 14, 2018	Responsible for the overall strategic development and major business decisions of our Group
Mr. Hao Shengchun (郝勝春)	46	Executive Director and president	January 22, 2011	November 11, 2019	Responsible for assisting in the overall strategic development, operational planning and daily operation of our Group
Mr. Tang Guozhong (唐國鐘)	45	Executive Director and joint company secretary	January 22, 2011	November 11, 2019	Responsible for securities management, risk management and public relations management of our Group
Ms. Zhang Jianhua (張建華)	67	Executive Director	January 22, 2011	November 11, 2019	Responsible for human resources management of our Group
Mr. Qu Wenzhou (屈文洲)	48	Independent non-executive Director	November 20, 2020	November 20, 2020	Responsible for providing independent advice on the operations and management of our Group
Ms. Xin Zhu (辛珠)	51	Independent non-executive Director	November 20, 2020	November 20, 2020	Responsible for providing independent advice on the operations and management of our Group
Mr. Tam Chi Choi (譚志才)	56	Independent non-executive Director	November 20, 2020	November 20, 2020	Responsible for providing independent advice on the operations and management of our Group

Members of our senior management

Name	Age	Existing Position	Date of joining our Group	Date of appointment as senior management	Roles and responsibilities
Mr. Lin Ruiyan (林瑞焰)	49	Vice president	January 22, 2011	January 22, 2011	Responsible for investment management and financial management of our Group
Mr. Wang Xuting (王緒亭)	56	Vice president	January 22, 2011	January 22, 2011	Responsible for administrative management, legal management and operation of our commercial operation companies
Mr. Zhang Huojin (張火金)	48	Vice president	January 22, 2011	January 12, 2019	Responsible for operation of our subsidiaries in Tianjin
Mr. Ng Yan (吳欣)	52	Assistant to the Chairman of our Board	January 22, 2011	January 22, 2011	Responsible for assisting in investment and financing management of our Group
Ms. Mi Yuanyuan (米園園)	45	Assistant to the president	January 22, 2011	January 18, 2016	Responsible for contract cost management of our Group, operation and assisting in product development management of our Group
Mr. Liu Weiping (劉偉平)	40	Financial controller and fund controller	July 16, 2011	July 10, 2017	Responsible for funds management and assisting in financial management of our Group

Executive Directors

Mr. Wu Di (吳迪), aged 55, was appointed as our Director on December 14, 2018 and was appointed as the chairman of our Board and redesignated as our executive Director on November 11, 2019. Mr. Wu joined our Group in January 2011 as the president of Xiamen Datang and has since then been responsible for the overall strategic development and major business decisions of our Group. Mr. Wu currently holds directorships in various subsidiaries of our Group, including Xiamen Datang, Zhangzhou Datang and Zhangzhou Xindi.

Mr. Wu has over 20 years of experience in real estate industry. Mr. Wu joined Fuxin Group as a president in January 2003, and since January 2016, has been the chairman of the board of directors of Fuxin Group and he is primarily responsible for overall strategic planning. Since October 1993, Mr. Wu has been working at Xiamen Fuxin, a company primarily engaged in property development in the PRC with all of its property development projects completed and/or delivered in July 2010 (except for Fuxin Mall, 31 car parking spaces and eight commercial units, see "Relationship with Controlling Shareholders" for details). Since June 2012, he has been a non-executive director of China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司), the A shares and H shares of which are listed on the Shanghai Stock Exchange (stock code: 600016) and the Main Board of the Stock Exchange (stock code: 01988), respectively. Since January 2011, he has been a director of Hangzhou United Rural Commercial Bank Co., Ltd (杭州聯合農村商業銀行股份有限公司).

Mr. Wu is a council member of Jimei University (集美大學) in the PRC. He is currently a representative of the thirteenth session of the Fujian Provincial People's Congress (福建省第十三屆人民代表大會), and has been a member of the Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議) of Xiamen since 2007. Mr. Wu was appointed as the honorary chairman of the second Non-state-owned Enterprise Chamber of Commerce in Fujian (福建省民營企業商會) in December 2017, the vice chairman of Fujian Province Association of Industry and Commerce (福建省工商聯) in August 2017 and a standing chairman of China International Chamber of Commerce for the Private Sector (中國民營經濟國際合作商會) in May 2012.

Mr. Wu obtained a bachelor's degree in fishery machinery from the Xiamen Institute of Aquatic Products (廈門水產學院) (now known as Fisheries College of Jimei University (集美大學水產學院)) in the PRC in July 1986, and completed an advanced course in global economics from Xiamen University (廈門大學) in the PRC in May 1998. He obtained a doctorate's degree in economics from Renmin University of China (中國人民大學) in the PRC in January 2014 and has been serving as a guest professor of Renmin University of China since then. Mr. Wu obtained a senior economist certificate from Fujian Provincial Personnel Department (福建省人事廳) in December 2005.

Mr. Wu received multiple awards in recognition of his outstanding achievements. Mr. Wu obtained an outstanding contribution award of Fujian Merchants Construction of Haixi area (閩商建設海西突出貢獻獎) by Fujian Provincial People's Government in June 2013. He obtained an outstanding contribution award of non-public economic individual donation and public welfare (非公有制經濟人士捐贈公益事業) in Fujian Province by Fujian Provincial People's Government in June 2013.

Mr. Wu was a general manager of Xiamen Fuxin New Material Industrial Co., Ltd. (廈門福信新型建材實業有限公司) whose business license was revoked on February 17, 2010, as no annual inspection was carried out as required under the PRC laws. He confirmed that, as of the Latest Practicable Date, no claims had been made against him and he was not aware of any threatened or potential claims made against him and there are no outstanding claims and/or liabilities as a result of the deregistration of the above company.

Mr. Hao Shengchun (郝勝春), aged 46, was appointed as our executive Director on November 11, 2019 and is responsible for assisting in the overall strategic development, operational planning and daily operation of our Group. Mr. Hao joined our Group in January 2011 as an assistant to the president of Xiamen Datang, and was promoted to vice president and executive vice president in January 2013 and July 2014, respectively. Mr. Hao was appointed as the president of our Group in January 2015.

Mr. Hao has over 20 years of experience in real estate industry. From March 2003 to January 2011, Mr. Hao worked at Xiamen Xindi, where he last served as a vice president and was primarily responsible for the cost management, engineering technology and marketing operations. From August 2000 to March 2003, Mr. Hao worked at South Asia Real Estate Holding Co., Ltd. (南益地產集團有限公司), a property developer, as a civil engineer where he was primarily responsible for the on-site management of its property development projects. From July 1996 to August 2000, Mr. Hao worked at the China Construction Fifth Engineering Bureau the Second Construction and Installation (Hunan) Co., Ltd. (中建五局第二建築安裝(湖南)公司), where he last served as deputy project manager and was primarily responsible for its project management, cost management and on-site construction management.

Mr. Hao obtained a diploma in industrial and civil construction from Yueyang University (岳陽大學) (now known as Hunan University of Technology (湖南理工大學)) in the PRC in July 1996. Mr. Hao obtained a bachelor's degree in construction engineering from Central South University (中南大學) in the PRC in December 2002. Mr. Hao became a certified construction cost engineer in January 2003, and a certified Class 1 constructor (一級建造師) in February 2008. Mr. Hao also obtained qualification as a construction economist by the Personnel Department (人事部) of the PRC in December 2002.

Mr. Tang Guozhong (唐國鐘), aged 45, was appointed as our executive Director on November 11, 2019, and is primarily responsible for securities management, risk management and public relations management of our Group. Mr. Tang joined our Group in January 2011, served as a vice president of Xiamen Datang.

Mr. Tang has over 20 years of experience in the real estate industry. From July 1999 to December 2000, Mr. Tang served as a deputy manager of the finance department of Xiamen Fuxin, and was responsible for its financial management. From January 2001 to January 2011, Mr. Tang worked at Fuxin Group, where he last served as a financial controller and was primarily responsible for its financial management.

Since December 2016, Mr. Tang has been a vice president of the general chamber of commerce of Xiamen Association of Industry and Commerce (廈門市工商聯(總商會)) and a vice president of Xiamen Chamber of Commerce in Shanghai (上海市廈門商會). Mr. Tang was a standing committee member of Xiamen Foreign Investment Enterprise Association (廈門市外商投資企業協會) from June 2013 to May 2019, and has been a vice president of the association since June 2019.

Mr. Tang obtained a bachelor's degree in auditing in July 1996, a master's degree in accounting in July 1999 and a doctorate's degree in accounting in July 2005, all from Xiamen University (廈門大學) in the PRC. Mr. Tang became a member of the Chinese Institute of Certified Public Accountant in December 1998 and a registered tax advisor in the PRC in June 2001. He also obtained a senior accountant certificate from Fujian Provincial Personnel Department (福建省人事廳) in May 2005.

Mr. Tang was a director of Henan Fuxin Decoration Engineering Co., Ltd. (河南福信裝飾工程有限公司) whose business license was revoked on December 31, 2005, as no annual inspection was carried out as required under the PRC laws. He confirmed that, as of the Latest Practicable Date, no claims have been made against him and he was not aware of any threatened or potential claims made against him and there are no outstanding claims and/or liabilities as a result of the deregistration of the above company.

Ms. Zhang Jianhua (張建華), aged 67, was appointed as our executive Director on November 11, 2019 and is responsible for human resources management of our Group. Ms. Zhang joined our Group in January 2011, served as a vice president of Xiamen Datang and she became a director of Xiamen Datang in January 2016.

Ms. Zhang has over 25 years of experience in real estate industry. Ms. Zhang served as a vice president of Fuxin Group from May 1995 to October 2019 and was primarily responsible for its human resources management. From December 1993 to January 2011, Ms. Zhang served as a deputy general manager and director of Xiamen Fuxin.

From December 2007 to November 2016, Ms. Zhang served as a vice president of Chamber of Commerce of Siming District, Xiamen (廈門市思明區商會), and has been an honorary president since November 2016. Ms. Zhang has been a council member of the Alumni Association of Jimei University (集美大學) in the PRC since July 2007.

Ms. Zhang obtained a diploma for special training program for government and party cadres (黨政幹部專修科) from the Open University of Fujian (福建省廣播電視大學) in the PRC in July 1986. Ms. Zhang obtained a senior economist certificate from Fujian Provincial Personnel Department (福建省人事廳) in December 2005.

Independent non-executive Directors

Mr. Qu Wenzhou (屈文洲), aged 48, was appointed as our independent non-executive Director on November 20, 2020 and is responsible for providing independent advice on the operations and management of our Group. Mr. Qu is currently the dean of the Jinyuan Institute for Financial Studies (金圓研究院), professor of the School of Management, and the head of Business Administration Education Center of Xiamen University (廈門大學) in the PRC.

Mr. Qu started to work at Xiamen University in the PRC as an associate professor in 2005 and became a professor in 2007.

Mr. Qu is currently serving or had served as an independent non-executive director or independent director during the three years immediately proceeding the date of this Prospectus in the following listed companies:

Period of services	Name of company	Principal business	Place of listing and stock code	Position(s)
Since August 2019 . . .	Fuyao Glass Industry Group Co., Ltd. (福耀玻璃工業集團股份有限公司)	Manufacturing float glass, automobile glass and construction glass	Stock Exchange (stock code: 3606)	Independent non-executive director
Since September 2018	China Merchants Shekou Industrial Zone Holdings Co., Ltd. (招商局蛇口工業區控股股份有限公司)	Development and operation of industrial parks, communities and cruise business	Shenzhen Stock Exchange (stock code: 001979)	Independent director
Since March 2015 . . .	Guangdong Baolihua New Energy Stock Co., Ltd. (廣東寶麗華新能源股份有限公司)	New energy power generation	Shenzhen Stock Exchange (stock code: 000690)	Independent director
Since January 2016 . .	Ronshine China Holdings Limited (融信中國控股有限公司)	Property development	Stock Exchange (stock code: 3301)	Independent non-executive director
From December 2013 to July 2019	Geo-Jade Petroleum Corporation (洲際油氣股份有限公司)	Exploration and development of oil and gas	Shanghai Stock Exchange (stock code: 600759)	Independent director

Period of services	Name of company	Principal business	Place of listing and stock code	Position(s)
From July 2016 to July 2019	Fujian Septwolves Industry Co., Ltd (福建七匹狼實業股份有限公司)	Fashion design and manufacturing	Shenzhen Stock Exchange (stock code: 002029)	Independent director
From September 2011 to December 2017	Fujian Cosunter Pharmaceutical Co., Ltd. (福建廣生堂藥業股份有限公司)	Manufacturing of crude drug	Shenzhen Stock Exchange (stock code: 300436)	Independent director
From August 2010 to September 2018 . . .	Mingfa Group (International) Company Limited (明發集團(國際)有限公司)	Property development	Stock Exchange (stock code: 846)	Independent non-executive director

Mr. Qu has been a member of the Chinese Institute of Certified Public Accountants since November 2003 and a chartered financial analyst authorized by the Chartered Financial Analyst Institute since November 2004.

Mr. Qu obtained a bachelor's degree in applied mathematics, a master's degree in finance, a master's degree in business administration and a doctorate's degree in finance, all from Xiamen University (廈門大學) in the PRC in July 1995, July 1999, July 2001 and July 2003, respectively.

Ms. Xin Zhu (辛珠), aged 51, was appointed as our independent non-executive Director on November 20, 2020. Ms. Xin is primarily responsible for providing independent advice on the operations and management of our Group.

Ms. Xin has over 15 years of experience in the accounting industry as well as executive management in public companies. From February 2001 to February 2006, Ms. Xin worked at Guangdong Holdings Limited (廣東粵海控股集團有限公司), a company engaged in infrastructure development, manufacturing and real estate, where she last served as a deputy general manager of finance department of the group and financial controller of its subsidiary, Shenzhen Kingway Brewery Holdings Limited (深圳金威啤酒集團有限公司), where she was responsible for the financial management of the group and ERP Informationization Construction. From February 2006 to June 2008, she worked in Hopson Development Holdings Limited (合生創展集團有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 754), a property developer, where she last served as a vice president, and was primarily responsible for financial management, financing and fund management. From July 2008 to June 2014, she worked in China Aoyuan Group Limited (中國奧園集團股份有限公司) (previously known as China Aoyuan Property Group Limited (中國奧園地產集團股份有限公司)), a company listed on the Main Board of the Stock Exchange, stock code: 3883), a property developer, with her last concurrent positions held as an executive director and executive vice president, and was primarily responsible for financial management, fund management and internal auditing. She was also involved in review, discussion and decisions making of land acquisition when she worked at China Aoyuan Group Limited. From July 2014 to March 2015, she served as the chief financial officer of Logan Property Holdings Company Limited (龍光地產控股有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 3380) where she was primarily responsible for financing.

Since June 2018, Ms. Xin has been an independent non-executive director of CanSino Biologics Inc. (康希諾生物股份公司) (a company listed on the Main Board of the Stock Exchange, stock code: 6185), a company engaging in the development, manufacturing and sales of vaccines. Since April 2020, she has been an independent non-executive director of Central China New Life Limited (建業新生活有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 9983), a property management service provider.

Ms. Xin obtained a bachelor's degree in accounting from Renmin University of China (中國人民大學) in the PRC in July 1990 and a master's degree in business administration from Auckland Institute of Studies in New Zealand in December 1999. Ms. Xin became a member of the Chinese Institute of Certified Public Accountant of the PRC in February 1996 and a member of the CPA Australia in January 2010.

Mr. Tam Chi Choi (譚志才), aged 56, was appointed as our independent non-executive Director on November 20, 2020 and is responsible for providing independent advice on the operations and management of our Group.

Mr. Tam has around 32 years of accounting and finance experience. He began his career at KPMG Peat Marwick from August 1987 to April 1991 and his last position was audit supervisor. He worked as an accounting manager of Kosonic Industries Company Limited from May 1991 to July 1992 and as a deputy accounting manager of Applied Electronics (OEM) Limited from December 1992 to July 1994. From August 1994 to November 2015, he worked at the listing division of the Stock Exchange and his last position was vice president of the IPO transactions, listing and regulatory affairs division. From November 2015 to October 2017, he served as a director of the quality and risk control division of CCB International Capital Limited. He was the responsible officer of Proton Capital Limited from February 2018 to September 2018. He has served as a corporate finance director of Eric Chow & Co. in association with Commerce and Finance Law Offices since September 2018. Since August 2019, Mr. Tam has been an independent non-executive director of Sinic Holdings (Group) Company Limited (新力控股(集團)有限公司) (a company listed on the Main Board of the Stock Exchange, stock code: 2103), a property developer.

Mr. Tam obtained an honors diploma in accounting from Hong Kong Baptist College in July 1987 and a master's degree in business administration from the University of Canberra in Australia in December 2002. He became a fellow of the Chartered Association of Certified Accountants and the Hong Kong Institute of Certified Public Accountants in October 1995 and October 2000, respectively. Mr. Tam was a committee member of the ACCA Hong Kong Committee from 2003 to 2008.

Save as disclosed above, none of our Directors have held any other directorships in listed companies during the three years immediately preceding the date of this Prospectus.

Save as disclosed above, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no information relating to our Directors that is required to be disclosed pursuant to paragraphs (b) to (v) or Rule 13.51(2) of the Listing Rules or any other matters concerning any Director that needs to be brought to the attention of our Shareholders as of the Latest Practicable Date.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day operations and management of our business.

Mr. Lin Ruiyan (林瑞焰), aged 49, was appointed as our vice president in January 2015 and is primarily responsible for investment management and financial management of our Group.

Mr. Lin has more than 15 years of experience in real estate industry. Mr. Lin joined our Group in January 2011 as a financial controller and was later promoted as a vice president in January 2015. Prior to joining our Group, from June 2008 to January 2011, Mr. Lin worked at Xiamen Xindi where he successively served as a deputy financial manager, a financial controller and assistant to president of Xiamen Xindi, where he was primarily responsible for its financial management. From November 2002 to June 2008, Mr. Lin worked at Fuxin Group where he last served as an accounting department manager and was primarily responsible for its accounting management.

Mr. Lin obtained a diploma in accounting from Jimei Financial College (集美財政專科學校) in the PRC in July 1992. He obtained a graduation certificate in accounting from Fuzhou University (福州大學) in the PRC in December 2007. Mr. Lin received a qualification as a certified public accountant in the PRC in December 1999 and became a registered tax advisor in the PRC in June 2004. Mr. Lin also obtained a senior accountant certificate from Fujian Provincial Personnel Department (福建省人事廳) in May 2009.

Mr. Wang Xuting (王緒亭), aged 56, joined our Group in January 2011 as a vice president and has been responsible for the administrative management, legal management and operation of our commercial operation companies.

From May 1994 to July 1998, Mr. Wang worked at Xiamen Fuxin as an office manager and was primarily responsible for its internal management and public relations. From August 1998 to January 2011, Mr. Wang worked at Xiamen Xindi where he last served as a vice president and was primarily responsible for its operational management, public relations, product development and marketing.

Mr. Wang obtained a bachelor's degree in fishery machinery from the Xiamen Institute of Aquatic Products (廈門水產學院) (now known as Fisheries College of Jimei University (集美大學水產學院)) in the PRC in July 1986. Mr. Wang obtained a senior engineer certificate from Fujian Provincial Personnel Department (福建省人事廳) in June 2006.

Mr. Zhang Huojin (張火金), aged 48, was appointed as our vice president in January 2019 and is responsible for operation of our subsidiaries in Tianjin.

Mr. Zhang joined our Group in January 2011 as an assistant to general manager of our Fujian regional companies, and was later promoted as deputy general manager of our Xiamen regional companies in July 2014, and standing deputy general manager of our Xiamen regional companies in July 2017. Mr. Zhang was appointed as the general manager of our Zhangzhou regional companies in January 2018 and promoted as the vice president of our Group in January 2019. Prior to joining our Group, from August 2008 to August 2011, Mr. Zhang served as an assistant to president and general officer of Xiamen Huatianlong Group (廈門華天隆集團), a company principally engaged in property development, where he was responsible for its project design, engineering and cost control. From July 2005 to January 2008, Mr. Zhang worked at Xiamen Xindi as a technical department deputy manager, where he was primarily responsible for its design management. From June 1994 to June 2000, Mr. Zhang worked as a structural designer at Yunxiao County Construction Bureau Design Institute (雲霄縣建設局設計院), where he was responsible for its structural design and management.

Mr. Zhang obtained a bachelor's degree in construction engineering from Fuzhou University (福州大學) in the PRC in July 1994. Mr. Zhang obtained a senior engineering certificate from Xiamen Municipal Personnel Department in April 2008. Mr. Zhang became a Class 2 registered architect (二級註冊建築師) and a Class 1 registered structural engineer (一級註冊結構工程師) in the PRC in September 2000 and September 2004, respectively.

Mr. Ng Yan (吳欣), aged 52, was appointed as the assistant to the Chairman of our Board of our Group in January 2020 and is responsible for assisting in investment and financing management of our Group.

Mr. Ng joined our Group in January 2011 as an assistant to president and was primarily responsible for investment management and commercial properties management. Mr. Ng was a vice president of our Group from January 2015 to January 2020 and was responsible for investment management of our Group. Prior to joining our Group, from December 2001 to January 2011, Mr. Ng worked at Xiamen Xindi where he last served as an assistant to the chairman of the board of directors of Xiamen Xindi and was responsible for its investment management.

Mr. Ng obtained a bachelor's degree in finance from Xiamen University (廈門大學) in the PRC in July 1989. Mr. Ng obtained an economist certificate from Xiamen Civil Service Bureau in January 2014.

Ms. Mi Yuanyuan (米園園), aged 45, was appointed as assistant to president in January 2016. She is responsible for contract cost management of our Group, operation and assisting in product development management of our Group.

Ms. Mi joined our Group as the general manager of contract cost department of our Group in January 2011. She became the cost director and general manager of contract cost department of our Group in July 2014, and has been serving as an assistant to president since January 2016. Prior to joining our Group, from July 2002 to January 2011, Ms. Mi worked at Xiamen Xindi, where she last served as a deputy president of cost and the general manager of contract cost department and was responsible for its contract cost control and sourcing management. From August 1996 to June 2002, Ms. Mi successively worked at branches of China Construction Bank Corporation (中國建設銀行股份有限公司) in Bengbu and Anqing city, Anhui Province.

Ms. Mi obtained a bachelor's degree in construction engineering from Anhui Institute of Architecture and Industry (安徽建築工業學院) (now known as Anhui Jianzhu University (安徽建築大學)) in the PRC in July 1996. She also obtained a senior engineering certificate from Fujian Provincial Personnel Department (福建省人事廳) in August 2007, and a registered cost engineer from Anhui Provincial Personnel Department (安徽省人事廳) in October 2000.

Mr. Liu Weiping (劉偉平), aged 40, was appointed as our financial controller and fund controller since July 2017 and is responsible for funds management and assisting in financial management of our Group.

Mr. Liu joined our Group in July 2011 as an assistant to general manager of Southwestern China region, and was successively promoted as the vice general manager of Nanning city company in January 2015, as a fund controller of our Group in August 2016, and as our financial controller and fund controller in July 2017. Prior to joining our Group, from April 2005 to April 2008, Mr. Liu served as assistant to general manager of fund department in Fuxin Group, where he was primarily responsible for its financing management. From April 2008 to July 2011, Mr. Liu served as an assistant to the office of board of directors of Fuxin Group.

Mr. Liu obtained a bachelor's degree in economics from Liaoning University of Petroleum and Chemical Technology (遼寧石油化工大學) in the PRC in July 2002, and a master's degree in economics from Xiamen University (廈門大學) in the PRC in June 2005. Mr. Liu obtained an economist certificate from Xiamen Civil Service Bureau in February 2009.

JOINT COMPANY SECRETARIES

Mr. Tang Guozhong (唐國鐘), aged 45, was appointed as one of our joint company secretaries on November 11, 2019. See "— Board of Directors" above for more details.

Ms. Ng Wing Shan (吳詠珊), aged 43, was appointed as one of our joint company secretaries on November 11, 2019. Ms. Ng is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited and is responsible for assisting listed companies in company secretarial work. She has over 10 years of professional experience in the company secretarial field and is a fellow member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom.

BOARD COMMITTEES

Our Board has established the audit committee, the remuneration committee and the nomination committee and delegated various responsibilities to these committees, which assist our Board in discharging its duties and overseeing particular aspects of our Group's activities.

Audit Committee

Our Group has established an audit committee on November 20, 2020 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the Corporate Governance Code ("**CG Code**") as set out in Appendix 14 to the Listing Rules. The audit committee consists of three members, namely, Mr. Qu Wenzhou, Ms. Xin Zhu and Mr. Tam Chi Choi, all of whom are our independent non-executive Directors. Mr. Qu Wenzhou is the chairperson of the audit committee and is our independent non-executive Director with the appropriate professional qualifications.

The primary duties of the audit committee are to (i) review and supervise our financial reporting process and internal control system of our Group, risk management and internal audit; (ii) provide advice and comments to our Board; and (iii) perform other duties and responsibilities as may be assigned by the Board.

Remuneration Committee

Our Group has established a remuneration committee on November 20, 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. The remuneration committee consists of three members, namely, Ms. Xin Zhu, Mr. Qu Wenzhou and Ms. Zhang Jianhua. Ms. Xin Zhu is the chairperson of the remuneration committee.

The primary duties of the remuneration committee include, but not limited to (i) establishing, reviewing and providing advices to our Board on our policy and structure concerning remuneration of our Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration; (ii) determining the terms of the specific remuneration package of each Director and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Directors from time to time.

Nomination Committee

Our Group has also established a nomination committee on November 20, 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. The nomination committee consists of three members, namely Mr. Wu Di, Mr. Tam Chi Choi and Ms. Xin Zhu. Mr. Wu Di is the chairperson of the nomination committee.

The primary duties of the nomination committee are to (i) review the structure, size and composition of our Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of our Board; (ii) identify, select or make recommendations to our Board on the selection of individuals nominated for directorship, and ensure the diversity of our Board members; (iii) assess the independence of our independent non-executive Directors; and (iv) make recommendations to our Board on relevant matters relating to the appointment, re-appointment and removal of our Directors and succession planning for our Directors.

CORPORATE GOVERNANCE

Our Company recognizes the importance of incorporating elements of good corporate governance in the management structures and internal control 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 the 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.

BOARD DIVERSITY

Our Company recognizes the benefits of having a diversified Board. Our Company has adopted a board diversity policy with the aim of achieving an appropriate level of diversity among Board members according to the circumstances of our Group from time to time. In summary, our board diversity policy sets out that when considering the nomination and appointment of a Director, with the assistance of our nomination committee, our Board would consider a range of diversity of perspectives, including but not limited to the skills, knowledge, professional experience and qualifications, cultural and educational background, age, gender and the potential contributions that the candidate is expected to bring to our Board, in order to better serve the needs and development of our Company. All Board appointments will be based on merits and candidates will be considered against objective criteria, having due regard to the benefits of diversity to our Board.

After Listing, our nomination committee will review the board diversity policy from time to time to ensure its continued effectiveness and we will disclose the policy or a summary thereof in our corporate governance report on an annual basis.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and members of our senior management receive compensation from our Group in the form of fees, salary and benefit, housing allowance and contribution to a retirement benefit scheme and share-based compensation. The aggregate remuneration (including fees, salary and benefit, housing allowance and contribution to retirement benefit scheme and share-based compensation) paid to our Directors for each of the three years ended December 31, 2019 and the six months ended June 30, 2020 was approximately RMB3.6 million, RMB37.2 million, RMB26.5 million and RMB16.1 million respectively. Save as disclosed above, no other amounts have been paid or are payable by any member of our Group to our Directors for each of the three years ended December 31, 2019.

The aggregate amount of basic salaries, housing allowance, other allowance and benefit in kind and share-based compensation to our five highest paid individuals in respect of each of the three years ended December 31, 2019 and the six months ended June 30, 2020 was approximately RMB4.3 million, RMB38.0 million, RMB27.5 million and RMB16.6 million, respectively.

No remuneration was paid by us 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 three years ended December 31, 2019 and the six months ended June 30, 2020. 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, salary and benefit, housing allowance and contribution to retirement benefit scheme and share-based compensation) of our Directors for the year ending December 31, 2020 is estimated to be no more than approximately RMB33.2 million.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will, following the Listing, 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.

COMPLIANCE ADVISOR

In compliance with Rule 3A.19 of the Listing Rules, we have appointed Somerley 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 in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a 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 deviate 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.

So far as our Directors are aware, the following persons will, immediately prior to and following the completion of the Capitalization Issue and the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and 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 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 hereof and immediately prior to the completion of the Capitalization Issue and the Global Offering(1)		Shares held immediately following the completion of the Capitalization Issue and the Global Offering(1)(5)	
		Number	Approximate Percentage	Number	Approximate Percentage
Dynasty Cook	Beneficial owner	727,273 Shares (L)	72.73%	727,273,000 Shares (L)	54.54%
Dynasty Cayman(2)	Interest in controlled corporation	727,273 Shares (L)	72.73%	727,273,000 Shares (L)	54.54%
Good First HK(2)	Interest in controlled corporation	727,273 Shares (L)	72.73%	727,273,000 Shares (L)	54.54%
Good First BVI(2)(3)	Interest in controlled corporation	777,879 Shares (L)	77.79%	777,879,000 Shares (L)	58.34%
Ms. Wong(2)(3)	Interest in controlled corporation	777,879 Shares (L)	77.79%	777,879,000 Shares (L)	58.34%
MeiDi(4)	Beneficial owner	212,121 Shares (L)	21.21%	212,121,000 Shares (L)	15.91%
Mr. Wu Di(4)	Interest in controlled corporation	212,121 Shares (L)	21.21%	212,121,000 Shares (L)	15.91%

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) Dynasty Cook is owned (i) as to 41.67% by Dynasty Cayman, which is in turn owned as to 70% by Good First HK and 30% by Good First BVI; and (ii) 58.33% by Good First HK. Good First HK is wholly owned by Good First BVI, a company wholly-owned by Ms. Wong. By virtue of the SFO, each of Dynasty Cook, Dynasty Cayman, Good First HK, Good First BVI and Ms. Wong is deemed to be interested in the same number of Shares in which Dynasty Cook is interested in.

(3) Fujia is wholly-owned by Good First BVI, which is in turn wholly owned by Ms. Wong. By virtue of the SFO, each of Good First BVI and Ms. Wong is deemed to be interested in the same number of Shares in which Fujia is interested in.

(4) MeiDi is wholly-owned by Mr. Wu Di. By virtue of the SFO, Mr. Wu Di is deemed to be interested in the Shares MeiDi is interested in.

(5) If the Over-allotment Option is fully exercised, the beneficial interest of each of Dynasty Cook, Dynasty Cayman, Good First HK, Good First BVI, Ms. Wong, MeiDi and Mr. Wu Di will be approximately 52.57%, 52.57%, 52.57%, 56.23%, 56.23%, 15.33% and 15.33%, respectively.

Except as disclosed in this Prospectus, our Directors are not aware of any person who will, immediately following the completion of the Capitalization Issue and the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme), have beneficial 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 our Company. 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 Capitalization Issue and the Global Offering (without taking into account the exercise of the Over-allotment Option or Shares which may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme):

		Nominal value (US$)
Authorized share capital:		
5,000,000,000	Shares of US$0.01 each	50,000,000
Issued and to be issued, fully paid or credited as fully paid:		
1,000,000	Shares in issue as of the date of this Prospectus	10,000
999,000,000	Shares to be issued pursuant to the Capitalization Issue	9,990,000
333,400,000	Shares to be issued under the Global Offering	3,334,000
1,333,400,000	**Total**	13,334,000

ASSUMPTIONS

The above table assumes that the Global Offering becomes unconditional and the issue of Shares pursuant to the Capitalization Issue and the Global Offering are made. It takes no account of any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or pursuant to the exercise of the 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 ISSUE AND ALLOT 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 Capitalization Issue and the Global Offering (excluding Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme); and

(2) the total number of Shares bought back by our Company (if any) pursuant to the general mandate to buy back 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 arrangement, or on the exercise of any option which may be granted under the Share Option Scheme.

This general mandate will remain in effect until the earliest of:

(i) the conclusion of the next annual general meeting of our Company; or

(ii) 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

(iii) when varied or revoked by an ordinary resolution of the Shareholders in general meeting.

See "Statutory and General Information — A. Further Information about Our Company — 3. Written resolutions of our Shareholders passed on November 20, 2020" in Appendix V to this Prospectus for further information on this general mandate.

GENERAL MANDATE TO BUYBACK 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 buy back 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 Capitalization Issue and the Global Offering (excluding Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme).

This mandate only relates to buybacks 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. See "Statutory and General Information — A. Further Information about Our Company — 6. Buyback by our Company of its own securities" in Appendix V to this Prospectus for more details on a summary of the relevant Listing Rules.

This general mandate will remain in effect until the earliest of:

(i) the conclusion of the next annual general meeting of our Company; or

(ii) the expiration of the period within which the next annual general meeting of our Company is required by Articles or any applicable laws to be held; or

(iii) when varied or revoked by an ordinary resolution of the Shareholders in general meeting.

See "Statutory and General Information — A. Further Information about Our Company — 3. Written resolutions of our Shareholders passed on November 20, 2020" in Appendix V to this Prospectus for more details on this general mandate.

SHARE OPTION SCHEME

Pursuant to the written resolutions of the Shareholders dated November 20, 2020, we conditionally adopted the Share Option Scheme. See "Statutory and General Information — D. Other Information — 1. Share Option Scheme" in Appendix V to this Prospectus for more details on a summary of the principal terms of the Share Option Scheme.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Our Company has only one class of shares, namely ordinary shares, each of which carries the same rights as the other shares.

As a matter of the 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 the section headed "Summary of the Constitution of our Company and Cayman Islands Companies Law" in Appendix IV to this Prospectus.

THE CORNERSTONE PLACING

We have entered into a cornerstone investment agreement ("**Cornerstone Investment Agreement**") with Xiamen ITG Holding Group Co., Ltd.* (廈門國貿控股集團有限公司) (the "**Cornerstone Investor**") as cornerstone investor, pursuant to which the Cornerstone Investor has agreed to subscribe such number of Offer Shares (rounded down to the nearest whole board lot of 1,000 Shares) which may be purchased for an aggregate investment amount of HK$380 million (including brokerage, SFC transaction levy and Stock Exchange trading fee) at the Offer Price, through the investment in an entrusted offshore wealth management trust product issued by Chongqing International Trust Co., Ltd.* (重慶國際信託股份有限公司) ("**Chongqing Trust**"), an asset manager that is a qualified domestic institutional investor as approved by the relevant PRC authority (the "**Cornerstone Placing**"). Chongqing Trust will subscribe for and hold the Offer Shares on behalf of the Cornerstone Investor.

Assuming an Offer Price of HK$3.24 per Offer Share, being the low-end of the indicative Offer Price range after a Downward Offer Price Adjustment of 10% set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investor would be 116,113,000 Offer Shares, representing approximately (i) 34.8% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) 30.3% of the Offer Shares (assuming the Over-allotment Option is fully exercised); (iii) 8.7% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iv) 8.4% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$3.60 per Offer Share, being the low-end of the indicative Offer Price range set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investor would be 104,502,000 Offer Shares, representing approximately (i) 31.3% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) 27.3% of the Offer Shares (assuming the Over-allotment Option is fully exercised); (iii) 7.8% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iv) 7.6% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$4.10 per Offer Share, being the mid-point of the indicative Offer Price range set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investor would be 91,758,000 Offer Shares, representing approximately (i) 27.5% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) 23.9% of the Offer Shares (assuming the Over-allotment Option is fully exercised); (iii) 6.9% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iv) 6.6% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$4.60 per Offer Share, being the high-end of the indicative Offer Price range set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investor would be 81,784,000 Offer Shares, representing approximately (i) 24.5% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) 21.3% of the Offer Shares (assuming the Over-allotment Option is fully exercised); (iii) 6.1% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iv) 5.9% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

The Cornerstone Placing will form part of the International Offering, and the Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than and pursuant to the Cornerstone Investment Agreement). The Offer Shares to be acquired by the Cornerstone Investor will rank *pari passu* in all respects with the fully paid Shares in issue and will be counted towards the public float of our Company under Rule 8.24 of the Listing Rules. Immediately following completion of the Global Offering, the Cornerstone Investor will not become a substantial shareholder of the Company (as defined under the Listing Rules).

To the best knowledge of our Company (i) the Cornerstone Investor will not have any board representation in the Company, and is independent of the Company, its connected persons and their respective associates; (ii) the Cornerstone Investor is not accustomed to take instructions from the Company, the Directors, chief executive of the Company, Controlling Shareholders, substantial Shareholders or existing Shareholders or any of its subsidiaries or their respective close associates; (iii) the subscription of the Offer Shares by the Cornerstone Investor is not financed by the Company, the Directors, chief executive, Controlling Shareholders, substantial Shareholders, or existing Shareholders or any of its subsidiaries or their respective close associates; (iv) the subscription under the Cornerstone Placing would be using the internal funds of the Cornerstone Investor; and (v) there are no side agreements or arrangements made between the Group and the Cornerstone Investor.

The investment amount for the Offer Shares to be subscribed for by Cornerstone Investor under the Cornerstone Placing will be paid by 8:00 a.m. (Hong Kong time) on the Listing Date. Delivery of the Offer Shares subscribed for by the Cornerstone Investors will take place on the Listing Date subject to due payment being made. There will be no delayed delivery or deferred settlement of Offer Shares to be subscribed by the Cornerstone Investor pursuant to the Cornerstone Investment Agreement.

The Offer Shares to be subscribed for by the Cornerstone Investor will not be affected by any reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering; and (ii) any exercise of the Over-allotment Option.

CORNERSTONE INVESTOR

We set out below a brief description of the Cornerstone Investor, which has been provided by the Cornerstone Investor:

The Cornerstone Investor is a state-owned limited liability company established in 1995 which is wholly-owned by State-owned Assets Supervision and Administration Commission of Xiamen Government (厦門市人民政府國有資產監督管理委員會). It is a Fortune Global 500 company in 2020 and its business principally covers supply chain, real estate, finance, manufacturing and emerging industries. The Cornerstone Investor and its shareholder are not listed on any stock exchange.

The Cornerstone Investor has agreed to subscribe for the Offer Shares through the investment in an entrusted offshore wealth management trust product issued by Chongqing Trust. Chongqing Trust will subscribe for and hold the Offer Shares on behalf of the Cornerstone Investor. The Offer Shares in the Cornerstone Placing will be placed to the Cornerstone Investor by Guodu Securities (Hong Kong) Limited (“**Guodu HK**”), one of the Joint Bookrunners, Joint Lead Managers and Underwriters. Guodu HK is indirectly owned as to 5.28% by Chongqing Trust as of the Latest Practicable Date.

Our Company is of the view that, leveraging on the Cornerstone Investor’s investment experience, the Cornerstone Placing will help raise the profile of our Company and signify that the

Cornerstone Investor has confidence in our business and prospect. Our Company became acquainted with the Cornerstone Investor through business contact and networking in Xiamen.

CONDITIONS PRECEDENT

The subscription by the Cornerstone Investor is subject to, among others, the following conditions precedent:

(i) the Underwriting Agreements being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in these underwriting agreements, and neither of the Underwriting Agreements having been terminated;

(ii) the Offer Price having been agreed upon between the Company and ICBC International Capital (for itself and on behalf of the Underwriters);

(iii) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Shares (including the Shares to be subscribed by the Cornerstone Investor) as well as other applicable waivers and approvals and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the Cornerstone Investment Agreement and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(v) the representations, warranties, undertakings and confirmations of the Cornerstone Investor under the Cornerstone Investment Agreement are accurate and true in all respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the Cornerstone Investor.

RESTRICTIONS ON DISPOSALS BY THE CORNERSTONE INVESTOR

The Cornerstone Investor has agreed, covenanted with and undertaken to the Company, ICBC International Capital and the Sole Sponsor that, among other things, without the prior written consent of each of the Company, ICBC International Capital and the Sole Sponsor, the Cornerstone Investor will not at any time during the period of six months from the Listing Date (the "**Lock-up Period**"), directly or indirectly, (a) dispose of, in any way, any Shares to be subscribed by the Cornerstone Investor pursuant to the Cornerstone Investment Agreement (the "**Relevant Shares**") or any interest in any company or entity holding any Relevant Shares; or (b) allow itself to undergo a change of control (as defined in The Codes on Takeovers and Mergers and Share Buy-backs promulgated by the SFC) at the level of its ultimate beneficial owner; or (c) enter into any transactions directly or indirectly with the same economic effect as any aforesaid transaction.

You should read the following discussion and analysis of our consolidated financial information together with the accompanying notes, set forth in the Accountant's Report included as Appendix I to this Prospectus. Our consolidated financial information is prepared in accordance with HKFRS, which may differ in certain material aspects from generally accepted accounting principles in other jurisdictions, including the United States. You should read the whole of the Accountant's Report included as Appendix I to this Prospectus and not rely merely on the information contained in this section.

The following discussion contains certain forward-looking statements that involve risk and uncertainties. Our actual results reported in future periods could differ materially from those discussed in such forward-looking statements. Factors that could cause or contribute to such differences include those discussed in the sections entitled "Risk Factors" and "Business" and elsewhere in this Prospectus.

Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

We are a property developer in China focusing on the development of residential and commercial properties in selected economic regions. We have expanded our business into mainly six economic regions in China, including the Western Taiwan Strait Economic Region, Beibu Gulf Region and Neighboring Cities, Beijing-Tianjin-Hebei Region, Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region. We hold leading market positions in certain local property markets. In 2020, we were ranked 88th among the Top 500 Real Estate Property Developers in China in terms of comprehensive strength(1) by China Real Estate Association and China Real Estate Appraisal Center(2). In 2018 and 2019, we were ranked first and third, respectively, among property developers in urban areas of Zhangzhou in terms of contracted sales amount(3) by the CRIC. In 2018 and 2019, we were one of the top three property developers in Nanning in terms of contracted sales amount(3) by the CRIC.

We are primarily engaged in the development of residential properties that target customers with a demand for their first homes or first or second home upgrades. We also develop commercial properties, including office buildings, hotels, shopping centers and others, which we believe will help diversify our source of income. We hold a portion of our commercial properties for long-term investment.

Notes:

(1) Comprehensive strength is assessed by China Real Estate Association and China Real Estate Appraisal Center using seven main factors, including operational scale, profitability, risk management, growth potential, operational performance, ability to innovate and social responsibility. Each of the main seven factors is evaluated from a number of aspects or based on a number of metrics, such as total assets and total GFA sold.

(2) China Real Estate Appraisal Center is jointly set up by China Real Estate and Housing Research Association, China Enterprises Evaluation Association, the Real Estate Research and Appraisal Center of Peking University, Shanghai E-House Real Estate Research Institute and Sina Technology China Co., Ltd.

(3) The contracted sales amount used by the CRIC's ranking assessment for Nanning was calculated on a pro rata basis of our share of equity in the projects that we participate in, while the contracted sales amount for Zhangzhou was calculated on the basis that we held the entire equity interest in all of the property projects we operate, irrespective of whether we owned the entire property interest in whole or a portion through joint ventures or associates.

As of August 31, 2020, we had 105 property development projects developed by our subsidiaries, joint ventures and associates at various stages of development.

- As of August 31, 2020, we had 68 property development projects developed through our subsidiaries at various stages of development with an estimated total GFA of approximately 7.8 million sq.m., including (i) completed properties available for sale or lease with an aggregate GFA of approximately 1.0 million sq.m., (ii) properties under development with an aggregate GFA of approximately 4.9 million sq.m. and (iii) properties held for future development with an aggregate estimated GFA of approximately 1.9 million sq.m.; and
- As of August 31, 2020, the property projects developed by our joint ventures and associates had an estimated total GFA attributable to us of approximately 3.4 million sq.m., including (i) completed properties available for sale or lease with an aggregate GFA attributable to us of approximately 29,258 sq.m., (ii) properties under development with an aggregate GFA attributable to us of approximately 2.3 million sq.m. and (iii) properties held for future development with an aggregate estimated GFA attributable to us of approximately 1.1 million sq.m.

We mainly attribute our success to our distinctive property designs, standardized property development process, flexible land acquisition methods and prudent financial policies, all of which enable us to replicate our success as we expand in the PRC market and increase our brand value. Our three residential property series, namely, the Youth Series (大唐果系), Royalty Series (世家系) and Impression Series (印象系), are targeted at the first-time home buyers, the first-time home upgraders and the second-time home upgraders, respectively. Each series has its own positioning and can be tailored for local customers based on specific needs. Depending on the customer preference and architectural history of the local market, we also select and infuse different Chinese design elements into the design of our properties. We have received numerous awards and recognitions for our property designs. Our Dynasty Zhenguan (大唐臻觀) received the recognition of “Best Condo Interior Design” from Property Guru in 2018. In 2017, our Tong’an Shuiyunjian (同安·水雲間) in Xiamen received the “Oscar Comfortable Living Award for Residential Properties in Xiamen” from Xiamen Press Media Group, Xiamen Cultural and Broadcast Media Group and Xiamen Evening News.

Our revenue grew at a CAGR of approximately 42.0% from RMB4,019.3 million for 2017 to RMB8,108.0 million for 2019. Our revenue amounted to RMB2,526.1 million for the first half of 2019 and RMB1,785.4 million for the first half of 2020. Our net profit grew at a CAGR of 23.2% from approximately from RMB413.2 million for 2017 to RMB627.4 million for 2019. Our net profit amounted to RMB369.4 million for the first half of 2019 and RMB90.0 million for the first half of 2020.

BASIS OF PRESENTATION

Our Company was incorporated in the Cayman Islands on December 14, 2018 as an exempted company with limited liability. Pursuant to the Reorganization 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, with no change in management and the ultimate owners of Xiamen Datang. Our Company has not been involved in any other business prior to the Reorganization. Accordingly, our Group resulting from the Reorganization is regarded as a continuation of Xiamen Datang and its subsidiaries, with the assets and liabilities of our Group recognized and measured at the carrying amounts under the financial statements of Xiamen Datang and its subsidiaries for all periods presented.

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" for more details. Some of the key factors include, without limitation, the following:

Economic Growth and the State of Real Estate Market in the PRC

Economic growth, urbanization and rising disposable income in China have been the key drivers behind increasing market demand for residential and commercial properties. Currently, the real estate industry is significantly dependent on overall economic growth. In particular, the cities and regions where we operate and intend to operate are especially important to our sales and profitability. As such, this factor will continue to have a significant impact on our business and results of operations. In addition, our results of operations are primarily subject to the performance of the PRC's real estate market, in particular, the supply and demand for residential and commercial properties and pricing trends of mid to high-end residential properties in the cities and regions where we operate. Any general national or regional economic downturn or downturn in the real estate market, particular in the cities and regions where we operate, could adversely affect our business, results of operations and financial position. See "Risk Factors — Risks Relating to the PRC — We are vulnerable to adverse changes in economic, political and social conditions and government policies in China" and "Risk Factors — Risks Relating to the PRC — 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 and epidemics."

Regulatory Environment and Measures Affecting the Real Estate Industry in China

Our business has been, and will continue to be, affected by the regulatory environment in China, including, specifically, policies and measures adopted by the PRC government on the property development and related industries. In recent years, the PRC government has implemented a series of measures to contain the pace of economic growth, particularly the perceived over-heating in the real estate market. From time to time, the PRC government adjusts or introduces macroeconomic policies to encourage or restrict development in the property sector through regulating, among others, land grants, pre-sales of properties, bank financing, mortgage and taxation. Measures taken by the PRC government to control money supply, credit availability and fixed assets also have a direct impact on our business. The PRC government may introduce initiatives, which may affect our access to capital and the means through which we finance our property developments. PRC regulatory measures in the real estate industry will continue to affect our business. See "Risk Factors — Risks Relating to the Real Estate Industry" and "Regulatory Overview" for more details on the relevant PRC laws and regulations.

Revenue and Product Mix

We derive our revenue principally from the sale of properties that we developed. We also provide construction services, and retain a small portion of our properties as investment properties to generate rental income. In addition, we generate a limited portion of our revenue from hotel operations and other services, which include the provision of management services, operation of a sports stadium and others. As a result, our results of operations, including particularly our gross margins, and the sources and amount of cash from operations, have varied and may continue to vary significantly from period to period depending on the mix of our revenues from sale of properties, construction services, rental income, hotel services and others.

With respect to the revenue we generated from sale of properties, as we recognize revenue from the sale of properties at the point in time when the control of property is transferred to the customer, our revenue primarily depends on the volume of properties we sell, the average selling prices and the timing of delivery of sold properties to purchasers. The volume of properties we sell and the timing of delivery of sold properties depend on the progress on the construction of our properties and the market response we obtain when we launch our property sales. Revenue from sales of properties fluctuate based on the delivery of our properties and therefore may vary significantly from period to period. With respect to revenue from the provision of construction services, we recognize revenue over time by reference to completion of the specific construct service contract assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Our revenue may fluctuate because of the mix of our projects, the timing of completion of our projects and the timing of recognition of revenue from pre-sales of units in our development properties. While we generally are involved in a number of projects at any given time and those projects may be at varying stages of completion, some of our projects are large and thus necessarily require substantial time to complete. Accordingly, even assuming a constant level of market demand for our properties or our services, the number of properties that we have available for sale or the number of service contracts can vary significantly from period to period.

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 to even years before the commencement of pre-sale, depending on the size and difficulty of the project, and no revenue with respect to such project is recognized until the property is delivered to the customers. Therefore, our ability to recognize revenue may fluctuate due to factors such as the schedule of our property development, the market demand for our properties and the timing of our property sales. Consequently, our cash flows and results of operations for any given period only reflect decisions made by our customers some time ago and may not be entirely indicative of our actual operating results during such period. In addition, cyclical property market of the PRC affects the optimal timing for the acquisition of land, the planning of development and the sales of properties. Such cyclicality, together with the time required and statutory time limits for completion of projects and sales of properties, may cause our results of operations susceptible to significant fluctuations from period to period. Also see “Risk Factors — Risks Relating to Our Business — The timing of our property sales and progress of our property development projects may cause our results of operations to fluctuate from period to period, making it difficult to predict our future financial performance.” In addition, delays in construction, regulatory approval and other processes may also adversely affect the timetable of our projects. Timing of pre-sale is subject to not only our internal schedules but also relevant PRC laws and regulations. The relevant pre-sale 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.

Construction Costs

One of the key components of our cost of sales is construction costs. Construction costs are affected by the price of certain key construction materials, such as steel and cement. Certain construction materials are procured by our contractors. We typically designate the brands and quality requirements of these construction materials in our construction contracts. In most of our construction contracts, the contract price will be adjusted if the market price of such materials fluctuates beyond a certain threshold, and we, as a result, will bear the risks or enjoy the benefits associated with such price increases or decreases outside this range. We can pass the increases in construction material costs to our customers only to the extent that we are able to increase the prices of our properties and therefore bear the risk of price fluctuations in construction materials to the extent that we are unable to increase our prices to fully cover any increases in costs.

Ability to Acquire Suitable Land at Reasonable Cost

Land acquisition costs, which consist of land premium, are one of the major components of our cost of sales for property development. Our continuing growth and profitability depend, to a large extent, on our ability to acquire suitable land at reasonable cost that can yield favorable returns which, in turn, depending on various factors, including the methods of land acquisition, the location and timing of the land parcel, as well as the competition we may face in a specific region or city. During the Track Record Period, we acquired land for our property projects through the listing-for-sale process organized by the relevant government authorities, auctions and public tenders, by cooperating with third-party business partners through joint ventures and 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 commodity properties remains relatively strong, we expect competition among property developers 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 the public tender, auction and listing-for-sale processes, we are required to pay a deposit upfront, 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 in accordance with relevant regulation, which have accelerated the timing of our payment for land acquisition costs and have 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. Nevertheless, we may from time to time acquire land parcels by cooperating with third-party business partners, or acquire land parcels by acquiring equity interests in companies that possess land use rights. Such land acquisition methods may enable us to leverage the competitiveness of our business partners and reduce the initial capital injection.

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-sale of our properties, as well as external financings, such as borrowings from banks and trust financing. 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.

We may from time to time in the future obtain further funding by accessing both the international and domestic capital markets to diversify our financing sources, secure sufficient working capital and to support our business expansion. An increase in our finance costs will negatively affect our profitability and results of operations and the availability 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 sale 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 cost associated with the property development and certain other deductibles. See "Regulatory Overview — Taxes — Land Appreciation Tax." During the Track Record Period, we assessed the difference between the amount we prepaid and our estimated LAT liability. In 2017, 2018 and 2019 and the first half of 2020, we recorded LAT expenses in the amount of RMB199.3 million, RMB258.9 million, RMB550.3 million and RMB41.9 million, respectively. 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 relevant 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

Property values are affected by, among others, rental income, supply of and demand for comparable properties, the rate of economic growth, interest rates, inflation, political and economic developments, construction costs and the timing of development of properties. We state our investment properties at fair value on our consolidated statements of financial position as non-current assets as of each financial statements date based on the valuations prepared by Jones Lang LaSalle and record changes in fair value of investment properties in our consolidated statements of comprehensive income. 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.

We recorded the value of investment properties of RMB1,463.6 million, RMB1,413.0 million, RMB1,550.5 million and RMB1,626.3 million, respectively, as of December 31, 2017, 2018 and 2019 and June 30, 2020. We recorded fair value gains on our investment properties of RMB99.9 million, RMB101.3 million, RMB42.2 million and RMB31.8 million in 2017, 2018 and 2019 and the first half of 2020, respectively. The fair value of our investment properties fluctuated during the Track Record Period, and may continue to fluctuate in the future 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 to us until such investment properties are disposed of at considerations similar to the valuations. We may therefore experience higher profitability through increases in the fair value of investment properties without a corresponding improvement to our liquidity position, and vice versa. We cannot assure you that levels of the fair value of investment properties similar to those recognized during the Track Record Period can be sustained in the future.

The following table demonstrates the sensitivity of the fair value of completed investment properties during the Track Record Period to hypothetical changes in rental and capitalization rate, respectively:

	Changes in fair value of completed investment properties									
	Year ended December 31,						Six months ended June 30,			
Hypothetical changes in the input	2017		2018		2019		2019		2020	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)
Rental										
5%	59,070	4.7	36,230	4.4	59,720	4.3	36,070	4.4	61,830	4.2
0%	—	0.0	—	0.0	—	0.0	—	—	—	—
-5%	(60,250)	(4.8)	(36,290)	(4.4)	(59,820)	(4.3)	(36,020)	(4.4)	(62,180)	(4.2)
Capitalization rate										
5%	(40,720)	(3.2)	(23,070)	(2.8)	(43,120)	(3.1)	(23,090)	(2.8)	(43,430)	(2.9)
0%	—	0	—	0.0	—	0.0	—	—	—	—
-5%	41,900	3.3	24,150	3.0	43,520	3.1	24,330	2.9	44,980	3.1

The following table demonstrates the sensitivity of the fair value of investment properties under construction during the Track Record Period to hypothetical changes in estimated construction cost:

	Changes in fair value of investment properties under construction									
	Year ended December 31,						Six months ended June 30,			
Hypothetical changes in the input	2017		2018		2019		2019		2020	
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	%	(RMB'000)	%
Estimated construction cost										
5%	(11,100)	(5.4)	(25,890)	(4.3)	(6,570)	(4.5)	(26,450)	(4.1)	(6,620)	(4.4)
0%	—	0.0	—	0.0	—	0.0	—	—	—	—
-5%	11,550	5.7	27,000	4.5	6,630	4.5	27,550	4.3	6,680	4.4

CERTAIN SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES AND JUDGMENTS

Significant accounting policies

We have identified certain accounting policies that are significant to the preparation of our financial statements. Our significant accounting policies, which are important for an understanding of our financial condition and results of operations, are set forth in details in Note 3 of the Accountant's Report included in Appendix I of this Prospectus. Our significant accounting policies include, among others:

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of our activities. Revenue is shown net of discounts and after eliminating sales within our group companies.

Sales of properties

Revenues are recognized when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time. Control of the asset is transferred over time if our performance does not create an asset with an alternative use to us and we have an enforceable right to payment for performance completed to date. If control of the asset is transferred over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the asset.

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, revenue is recognized 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.

Construction services

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

Hotel services

Revenues from provision of hotel services are recognized in the accounting period in which the related services are rendered.

Completed properties held for sale

Completed properties remaining unsold at the end of the reporting period are stated 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.

Properties under development

Properties under development are stated at the lower of cost and net realizable value. Net realizable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle. The normal operating cycle is usually around three years.

Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for rental yields or for capital appreciation or both, and that are not occupied by us. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss.

If an item of completed properties held for sale or properties under development becomes an investment property because its use has changed, any resulting difference between the carrying amount and the fair value of the item at the date of transfer will be recognized in profit or loss.

Trade and other receivables

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

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment.

Trade and other payables

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

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

Borrowings

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

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, canceled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Current and deferred income tax

Current income tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where our subsidiaries and associates operate and generate taxable income. We periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

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

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where we are able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Adoption of HKFRS 9, HKFRS 15 and HKFRS 16

HKFRS 9 *Financial instruments*, HKFRS 15 *Revenue from contracts with customers* and HKFRS 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. Accordingly, we have applied HKFRS 9, HKFRS 15 and HKFRS 16 consistently throughout the Track Record Period.

Impact on Our Financial Position and Performance

HKFRS 9 "Financial instruments" replaces the provisions of HKAS 39 "Financial instruments: Recognition and Measurement" that relates to the recognition, classification and measurement of financial assets and financial liabilities, de-recognition of financial instruments, impairment of financial assets and hedge accounting.

HKFRS 9 requires the recognition of impairment provision of financial assets measured at amortized cost should be based on expected credit losses, while it was based on as incurred model under HKAS 39. If HKAS 39 had been applied throughout the Track Record Period, our net profit would have been increased/(decreased) by RMB7.2 million, RMB(12.1 million), RMB2.1 million and RMB3.9 million for the years ended December 31, 2017, 2018 and 2019 and for the first half of 2020, respectively, resulted from the decrease/increase in impairment provision of financial assets measured at amortized cost.

The adoption of HKFRS 9 also affected the classification of financial assets at fair value through profit or loss in our consolidated balance sheets. We invested in an unlisted PRC property development company, Zhangzhou Dacheng Real Estate Development Co., Ltd. (漳州大成房地產開發有限公司), and its subsidiary, with variable returns linked to the financial performance of these two companies. See "— Description of Certain Consolidated Balance Sheet Items — Financial Assets at FVTPL" for more details. If HKAS 39 had been applied throughout the Track Record Period, financial assets at fair value through profit or loss of RMB153.2 million, RMB176.6 million, RMB200.8 million and RMB207.9 million as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively, would have been presented as available-for-sale financial assets.

HKFRS 15 replaces the previous revenue standards HKAS 18 "Revenue" and HKAS 11 "Construction Contracts" and the related interpretations.

Under HKFRS 15, incremental costs incurred to obtain a contract are eligible to be capitalized and recognized within contract costs and subsequently amortized when the related revenue is recognized. However, they would not have been qualified for recognition as an asset and should have been expensed off as incurred if HKAS 18 was applied throughout the Track Record Period. As of December 31, 2017, 2018 and 2019 and June 30, 2020, contract costs related to pre-sale commissions of approximately RMB134.5 million, RMB202.1 million, RMB223.7 million and RMB232.2 million, respectively, were recognized under HKFRS 15.

The adoption of HKFRS 15 also requires separate presentation of contract assets and contract liabilities in the consolidated balance sheets. If HKAS 11 had been applied throughout the Track Record Period, contract assets in relation to our unbilled amounts resulting from rendering of construction services (when revenue recognized over time exceeds the amounts billed to the customers) of approximately RMB128.1 million, RMB179.9 million, RMB57.2 million and RMB126.2 million as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively, would have been recognized as contract working-in-progress. In addition, contract liabilities of RMB7,908.0 million, RMB11,478.4 million, RMB13,273.4 million and 15,425.1 million resulted from advances from customers during rendering of construction services and pre-sales of properties as of December 31, 2017, 2018 and 2019, and June 30, 2020 respectively, would have been presented as deposits received from customers in advance if HKAS 18 had been applied throughout the Track Record Period.

The impact from adoption of HKFRS 16 on our Group's consolidated balance sheets as of December 31, 2017, 2018 and 2019 and the first half of 2020 is immaterial.

We had adopted HKFRS 9, HKFRS 15 and HKFRS 16 on a consistent basis throughout the Track Record Period. If we had not applied HKFRS 9 and HKFRS 15 for the year ended December 31, 2017 and had not applied HKFRS 16 for the years ended December 31, 2017, 2018 and 2019 and the first half of 2020, the estimated impact on our financial statements for the years ended December 31, 2017, 2018 and 2019 and the first half of 2020 is as follows:

Net profit/(losses) for the year	Amounts without the adoption of HKFRS 9, 15 or 16	Effects of the adoption of HKFRS 9	Effects of the adoption of HKFRS 15	Effects of the adoption of HKFRS 16	Amounts as reported
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
Year ended December 31, 2017	360,428	7,178	45,725	(170)	413,161
Year ended December 31, 2018	549,681	(12,097)	50,720	(141)	588,163
Year ended December 31, 2019	636,336	2,144	(10,935)	(132)	627,413
Six months ended June 30, 2020	58,420	3,929	27,463	159	89,971

Total equity	Amounts without the adoption of HKFRS 9, 15 or 16	Effects of the adoption of HKFRS 9	Effects of the adoption of HKFRS 15	Effects of the adoption of HKFRS 16	Amounts as reported
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
As of December 31, 2017	575,443	8,864	63,524	(516)	647,315
As of December 31, 2018	1,295,137	(3,233)	114,244	(657)	1,405,491
As of December 31, 2019	2,982,862	(1,089)	103,309	(789)	3,084,293
As of June 30, 2020	3,729,077	2,840	130,772	(630)	3,862,059

DESCRIPTION OF CERTAIN CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME ITEMS

The following table sets forth a summary of our consolidated statement of comprehensive income for the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,			For the six months ended June 30,	
	2017	2018	2019	2019	2020
			(RMB' 000)	*(unaudited)*	
Revenue	4,019,267	5,495,610	8,108,026	2,526,095	1,785,418
Cost of sales	(3,052,884)	(3,970,317)	(5,922,653)	(1,580,002)	(1,368,970)
Gross profit	966,383	1,525,293	2,185,373	946,093	416,448
Selling and marketing expenses	(170,051)	(263,814)	(444,185)	(93,200)	(80,827)
Administrative expenses	(212,247)	(354,099)	(454,868)	(140,286)	(179,225)
Fair value gains on investment properties	99,894	101,272	42,205	27,808	31,780
Net impairment (losses)/reversals on financial and contract assets	9,571	(16,129)	2,858	(311)	5,239
Other income	27,865	33,276	39,152	12,490	24,102
Other expenses	(6,151)	(28,313)	(35,575)	(22,339)	(2,341)
Other gains—net	16,212	122,715	86,971	15,744	4,769
Operating profit	731,476	1,120,201	1,421,931	745,999	219,945
Finance income	12,788	19,504	25,539	10,684	15,116
Finance expenses	(35,667)	(38,811)	(48,466)	(16,879)	(21,808)
Finance expenses—net	(22,879)	(19,307)	(22,927)	(6,195)	(6,692)
Share of results of associates and joint ventures	45,137	(17,292)	8,860	(17,773)	(31,834)
Profit before income tax	753,734	1,083,602	1,407,864	722,031	181,419
Income tax expenses	(340,573)	(495,439)	(780,451)	(352,623)	(91,448)
Profit for the year/period	**413,161**	**588,163**	**627,413**	**369,408**	**89,971**
Profit attributable to:					
Owners of the Company	424,056	683,632	710,256	399,068	72,987
Non-controlling interests	(10,895)	(95,469)	(82,843)	(29,660)	16,984
	413,161	**588,163**	**627,413**	**369,408**	**89,971**

Revenue

Our revenue during the Track Record Period consists of revenue derived primarily from sales of properties and, to a less extent, from other businesses, which mainly includes (i) the provision of construction services, (ii) rental income, (iii) the provision of hotel services and (iv) others. The following table sets forth the components of our revenue by business line for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	(RMB' 000)	(%)	(RMB' 000)	(%)	(RMB' 000)	(%)	(RMB' 000) *(unaudited)*	(%)	(RMB' 000)	(%)
Sales of properties	3,403,180	84.7	5,230,625	95.2	7,772,380	95.9	2,424,910	96.0	1,583,861	88.7
Provision of construction services	534,765	13.3	204,008	3.7	218,621	2.7	64,812	2.6	127,500	7.1
Rental income	42,036	1.0	35,277	0.6	40,622	0.5	9,013	0.4	21,764	1.2
Provision of hotel services	19,205	0.5	—	—	34,782	0.4	6,430	0.3	11,636	0.7
Others(1)	20,081	0.5	25,700	0.5	41,621	0.5	20,930	0.8	40,657	2.3
Total	**4,019,267**	**100.0**	**5,495,610**	**100.0**	**8,108,026**	**100.0**	**2,526,095**	**100.0**	**1,785,418**	**100.0**

Note:

(1) Others mainly consist of the provision of management services to our joint ventures, associates and/or third-party property developer, operation of a sports stadium and other services, which mainly include payment of utility fees paid in advance by us to utility providers on behalf of our tenants and general contractors.

Revenue from sale of properties

Revenue from sales of properties has constituted, and is expected to continue to constitute, a majority of our total revenue. Consistent with industry practice, we commence the pre-sale of property units in a project or those in a phase of a project prior to the completion of that project or phase in accordance with the laws and regulations governing pre-sale in the PRC. We generally enter into pre-sale agreements with our customers in the development stage of our properties. Revenue from sale of our properties is recognized when the customer obtain the physical possession or the legal title of the completed property upon satisfaction of the requirement for delivery as stipulated in the sales or pre-sales agreements. Proceeds from customers of pre-sold properties are recorded as contract liabilities in our consolidated financial statements.

Our operating results for any given period are dependent upon the GFA and the ASP of the properties we delivered during such period and the market demand for those properties. Conditions in the property markets in which we operate change from period to period and are affected significantly by general economic, political and regulatory developments in the PRC as well as in the regions and/or cities in which we operate. During the Track Record Period, our GFA delivered fluctuated from period to period depending on the size of the projects and the stage of their development. The ASP of properties sold also fluctuated from period to period depending on the selling prices for properties of different types as well as in regions and cities where we developed and sold property projects. For further details of the effect these factors may have on our results of operations, see "— Key Factors Affecting our Results of Operations" above.

Our revenue from sales of properties generally increase from 2017 to 2019, primarily attributable to the general increases in both the total GFA delivered and the ASP per sq.m. achieved during the relevant periods. Our total GFA delivered increased from 495,336 sq.m. in 2017 to 761,363 sq.m. in 2019. Such increase were primarily attributable to (i) an increase in the total GFA delivered in Tianjin, located in the Beijing-Tianjin-Hebei Region, from approximately 69,221 sq.m. in 2017 to approximately 253,144 sq.m. in 2019, and (ii) an increase in the total GFA delivered in Zhangzhou, located in the Western Taiwan Strait Economic Region, from approximately 177,091 sq.m. in 2017 to approximately 226,193 sq.m. in 2019, and, to a lesser extent an increase in Changsha, located in the Midstream Parts of the Yangtze River Region, in which we entered into since 2018.

The general increases in the ASP per sq.m. from RMB6,870 in 2017 to RMB10,209 in 2019 were primarily driven by the general increases in the ASP per sq.m. of the residential properties delivered from RMB6,416 in 2017 to RMB10,781 in 2019. The increase in the ASP per sq.m. of the residential properties delivered in 2018 as compared to those in 2017 was primarily attributable to the delivery of (i) Panda Villa (熊貓墅) in Zhangzhou, which was targeted at high-end customers and had ASP of RMB 13,490 per sq.m., and (ii) Tang Yayuan (唐雅苑) in Tianjin, which enjoyed a prime location near the city center and had an ASP of RMB 11,060 per sq.m., in 2018. The aggregated revenue generated from Panda Villa (熊貓墅) and Tang Yayuan (唐雅苑) contributed approximately 53.3% to the total revenue from the sales of properties in 2018. The increase in the ASP per sq.m. of the residential properties delivered in 2019 as compared to those in 2018 was primarily attributable to the delivery of (i) Zhangzhou Dynasty Impression (漳州大唐印象) in Zhangzhou, which had an ASP of RMB14,550 per sq.m., (ii) Mingmen Impression (名門印象) in Zhangzhou, which had an ASP of RMB15,948 per sq.m., and (iii) Bisong Garden (比松花園) in Tianjin, which had an ASP of RMB12,333 per sq.m., in 2019, generally as a result of the favorable prevailing market conditions and the prime locations of the aforementioned properties. The aggregated revenue generated from Zhangzhou Dynasty Impression (漳州大唐印象), Mingmen Impression (名門印象) and Bisong Garden (比松花園) contributed approximately 54.8% to the total revenue from the sales of properties in 2019. Our revenue from sales of properties decreased from the first half of 2019 to the first half of 2020, primarily due to the decreases in both delivered GFA and ASP per sq.m. The delivered GFA decreased from 217,729 sq.m. for the first half of 2019 to 148,469 sq.m. for the first half of 2020, primarily because certain relatively large-scale property projects, such as Zhangzhou Dynasty Impression (漳州大唐印象), were delivered in the first half of 2019, as compared to the same period of 2020. The recognized ASP per sq.m. of residential properties decreased from RMB11,632 in the first half of 2019 to RMB10,925 in the first half of 2020, primarily because a majority of the property projects delivered in the first half of 2019 were located in Zhangzhou, such as Zhangzhou Dynasty Impression (漳州大唐印象), where the ASP per sq.m. was relatively higher than that in the first half of 2020, a majority of which were located in Quanzhou.

We have been able to achieve rapid growth from 2019 to 2020, which was primarily attributable to the following factors:

- *Our strategic expansion and market positioning*. We have been deeply rooted in Zhangzhou and Nanning since 2011 and 2013, respectively. The early entries in the two cities have enabled us to get more familiar with the local market conditions and relevant policies, build stronger customer and/or supplier relationship, and more importantly, have provided us competitive advantages to identify and secure sizeable land bank in Zhangzhou and Nanning at a relatively favorable price. Our success in Zhangzhou and Nanning has also laid a solid foundation for us to further strengthen our market position in these two cities, while at the same time, continue to expand to other cities and economic regions considered of good development conditions and with high economic return potentials through acquisitions of project companies. Following our expansion strategies, we expanded our market coverage to the Beijing-Tianjin-Hebei Region and the Midstream Parts of the Yangtze River Region by entering into Tianjin in late 2015 and Changsha in 2018, respectively. For details, please refer to "Business — Our Business Strengths — A Property Developer with a Strong Presence in Selected Regions in China."

- *Our abilities to identify suitable land parcels at favorable prices.* During the Track Record Period, we exploited diversified land acquisition channels, including land tenders, acquisition of project companies which possess land parcels and establishment of joint ventures with other property developers, depending on the prevailing market conditions. We assessed the local market condition and take into consideration of expansion strategies to adjust our land acquisition strategies and methods. Accordingly, we were able to acquire suitable land parcels in prime location and at favorable prices, which partly resulted in the relatively high ASP per sq.m. for our residential properties during the Track Record Period. For examples, Zhangzhou Dynasty Impression (漳州大唐印象) in Zhangzhou, Bisong Garden (比松花園) and Tang Yayuan (唐雅苑) in Tianjin, and Nanning Headquarters No.1 (南寧總部一號) in Nanning, all have prime locations within a popular commercial or residential area in their respective cities. For details, see "Business — Our Business Strengths — Quality Land Bank and Diversified Land Acquisition Methods."
- *Our extensive industrial experience, standardized property development process and proven ability to offer distinctive designs.* Our capabilities to deliver quality products catering to customers' varied needs and preferences have enable us to enhance our brand recognition and have differentiated us from other property developers in the PRC and helped us to achieve favorable selling prices. For example, we have successfully developed our Panda Villa (熊貓墅) in Zhangzhou and achieved relatively high ASP per sq.m. for the property project in 2018. For details, please refer to "Business – Our Business Strengths – Offering Customer-oriented Products with Distinctive Designs that Enhance the Value of Residential Properties under our "Datang" Brand.

Our market positioning, expansion strategies, in-depth understanding of the market and customers' need and strong development capabilities for property projects have not only contributed to our business growth, but also, laid a solid foundation for our continuous growth in the future. The decrease in revenue in the first half of 2020 as compared to that in the first half of 2019 was primarily due to the different delivery schedules and locations of the property projects during the relevant period. See "— Key Factors Affecting Our Results of Operations — Timing of Property Development, Pre-sale and Delivery." As of June 30, 2020, we had properties held for future development through our subsidiaries with an aggregate estimated GFA of approximately 2.5 million sq.m., primarily located in the Western Taiwan Strait Economic Region and the Beibu Gulf Region and Neighboring Cities. We plan to, as we have done so during the Track Record Period, pace our property development and commence the constructions of relevant property projects by managing our overall development schedule of all property projects. We consider that our business expansion strategies involving the six selected economic regions, namely, the Western Taiwan Strait Economic Region, the Beibu Gulf Region and Neighboring Cities, the Beijing-Tianjin-Hebei Region, the Midstream Parts of the Yangtze River Region, Yangtze River Delta Region and Chengdu-Chongqing Region, extensive property development experiences and proven track record, combined with our established brand in the cities or areas in which we operate, will continue to help us to successfully commence construction and sales and deliver the properties as planned.

Revenue by geographic region

The following table sets forth our revenue generated from each region and GFA delivered in each region for the periods indicated:

	For the year ended December 31,												For the six months ended June 30,							
	2017				2018				2019				2019				2020			
	Revenue		GFA delivered	ASP	Revenue		GFA delivered	ASP	Revenue		GFA delivered	ASP	Revenue		GFA delivered	ASP	Revenue		GFA delivered	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) (unaudited)	(%)	(sq.m.)	(RMB per sq.m.)	(RMB'000)	(%)	(sq.m.)	(RMB per sq.m.)
Western Taiwan Strait Economic Region																				
Xiamen[(1)]	9,669	0.3	2,300	4,203	2,886	0.1	661	4,365	10,370	0.1	3,053	3,396	6,069.00	0.3	1,468	4,133	82,547	5.2	5,441	15,172
Zhangzhou	1,183,911	34.8	177,091	6,685	930,991	17.8	80,132	11,618	3,253,638	41.9	226,193	14,384	1,741,456	71.8	130,611	13,333	384,821	24.3	24,110	15,961
Quanzhou	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	571,305	36.1	76,215	7,496
Sub-total	1,193,580	35.1	179,391	6,654	933,878	17.9	80,793	11,559	3,264,008	42.0	229,246	14,238	1,747,524	72.1	132,080	13,231	1,038,674	65.6	105,767	9,820
Beibu Gulf Region and Neighboring Cities																				
Nanning	1,657,850	48.7	243,856	6,798	2,204,497	42.1	310,700	7,095	1,648,754	21.2	267,830	6,156	574,415	23.7	79,109	7,261	395,735	25.0	32,471	12,187
Sub-total	1,657,850	48.7	243,856	6,798	2,204,497	42.1	310,700	7,095	1,648,754	21.2	267,830	6,156	574,415	23.7	79,109	7,261	395,735	25.0	32,471	12,187
Beijing-Tianjin-Hebei Region																				
Tianjin	524,579	15.4	69,221	7,578	2,033,174	38.9	196,032	10,372	2,676,097	34.4	253,144	10,571	102,114	4.2	6,432	15,876	149,452	9.4	10,232	14,606
Sub-total	524,579	15.4	69,221	7,578	2,033,174	38.9	196,032	10,372	2,676,097	34.4	253,144	10,571	102,114	4.2	6,432	15,876	149,452	9.4	10,232	14,606
Midstream Parts of the Yangtze River Region																				
Changsha	—	—	—	—	59,076	1.1	7,654	7,718	180,256	2.3	10,841	16,627	—	—	—	—	—	—	—	—
Sub-total	—	—	—	—	59,076	1.1	7,654	7,718	180,256	2.3	10,841	16,627	—	—	—	—	—	—	—	—
Others[(2)]																				
Sub-total	27,172	0.8	2,868	9,474	—	—	—	—	3,266	0.0	302	10,831	857	0.04	108	7,944	—	—	—	—
Total	**3,403,180**	**100.0**	**495,336**	**6,870**	**5,230,625**	**100.0**	**595,179**	**8,788**	**7,772,380**	**100.0**	**761,363**	**10,209**	**2,424,910**	**100.0**	**217,729**	**11,137**	**1,583,861**	**100.0**	**148,469**	**10,668**

Notes:

(1) The ASP per sq.m. for the properties in Xiamen was relatively lower from 2017 onwards as compared to that of other periods for Xiamen, mainly because the GFA delivered in Xiamen since 2017 were mainly car parks.

(2) Others include Guiyang, Nanchang, Xi'an and Chongqing.

Revenue by type of properties

The table below sets forth our revenue from our sales of properties by type of properties during the Track Record Period:

	For the year ended December 31,												For the six months ended June 30,							
	2017				2018				2019				2019				2020			
	Recognized Revenue from Sales of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sales of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sales of Properties	Aggregate GFA Delivered	Recognized ASP	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized Asp	Gross Profit Margin	Recognized Revenue from Sale of Properties	Aggregate GFA Delivered	Recognized Asp	Gross Profit Margin
	(RMB'000)	(in sq.m.)	(RMB per sq.m.)	(%)	(RMB'000)	(in sq.m.)	(RMB per sq.m.)	(%)	(RMB'000)	(in sq.m.)	(RMB per sq.m.)	(%)	(RMB'000) *(unaudited)*	(in sq.m.)	(RMB per sq.m.)	(%)	(RMB'000)	(in sq.m.)	(RMB per sq.m.)	(%)
Residential Properties	2,750,239	428,631	6,416	21.3	4,206,749	468,871	8,972	25.5	6,889,870	639,095	10,781	27.1	1,992,514	171,291	11,632	36.6	1,380,520	126,368	10,925	20.0
Commercial Properties	592,340	47,977	12,346	50.4	893,063	85,586	10,435	43.4	592,771	50,922	11,641	39.3	292,653	24,039	12,174	49.1	178,780	15,512	11,525	39.2
Car Parks	60,601	18,728	3,236	18.6	130,813	40,722	3,212	12.5	289,739	71,347	4,061	11.8	139,743	22,399	6,239	30.4	24,561	6,589	3,727	25.6
Total / Overall	**3,403,180**	**495,336**	**6,870**	**26.3**	**5,230,625**	**595,179**	**8,788**	**28.3**	**7,772,380**	**761,363**	**10,209**	**27.4**	**2,424,910**	**217,729**	**11,137**	**37.8**	**1,583,861**	**148,469**	**10,668**	**22.3**

Our revenue from sales of properties generally increased from 2017 to 2019, primarily attributable to the general increases in both the total GFA delivered and the ASP per sq.m. during those periods, as described above. Our revenue from sales of properties decreased from the first half of 2019 to the first half of 2020, primarily because the general decreases in both the total GFA delivered and the ASP per sq.m. during the first half of 2020, as described above.

The ASP per sq.m. of commercial properties in 2017 was higher than the same period in 2018, primarily attributable to the delivery of certain retail space in Nanning Headquarters No. 1 (南寧總部一號), which had a relatively high ASP per sq.m. due to its prime location within a popular commercial area in Nanning. The increase in ASP per sq.m. of commercial properties from 2018 to 2019 was primarily due to the delivery of commercial properties of our Zhangzhou Dynasty Impression (漳州大唐印象) in Zhangzhou and Bisong Garden (比松花園) in Tianjin, primarily because of their respective prime locations in Zhangzhou and Tianjin. The slight decrease in ASP per sq.m. of commercial properties in the first half of 2020 as compared to the first half of 2019 was primarily attributable to the delivery of the commercial properties of Zhangzhou Dynasty Impression (漳州大唐印象) in the first half of 2019, the ASP per sq.m. of which was relatively high as a result of favorable prevailing market condition.

The ASP per sq.m. of car parks remained relatively stable from 2017 to 2018. The ASP per sq.m. of car parks increased from 2018 to 2019 mainly attributable to the delivery of car parks of Zhangzhou Dynasty Impression (漳州大唐印象), which were pre-sold at a higher ASP per sq.m. as compared to the car parks of other residential properties. The ASP per sq.m. of car parks decreased slightly in the first half of 2020 as compared to the first half of 2019, which was primarily attributable to the delivery of the car parks of Zhangzhou Dynasty Impression (漳州大唐印象) in the first half of 2019, the ASP per sq.m. of which was relatively high as a result of favorable prevailing market condition.

Revenue from provision of construction services

Revenue from provision of construction services mainly represents our revenue from construction of resettlement housing for various local governments. We recognize contract revenue based on our construction progress pursuant to the relevant contracts. Revenue from provision of construction services generally decreased from 2017 to 2019, which was primarily attributable to the substantial completion of several resettlement housing projects. In 2017, we completed Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期) and Longgang Dynasty Youth (龍崗大唐果) in Nanning to which we provided construction services. In 2018 and 2019, we completed a portion of certain resettlement housing projects, namely, Wuxiang Dynasty Youth (五象大唐果), Nanning Dynasty Tianyue (南寧大唐天悦) and Dynasty Shuxiang Yazhu (大唐•書香雅築) in Fuzhou, respectively, which were of a smaller scale than the above-mentioned properties for which our services were substantially provided in 2017. Revenue from provision of construction services increased significantly from the first half of 2019 to the first half of 2020, primarily due to the fact that we completed a portion of the construction Dynasty Shuxiang Yazhu (大唐•書香雅築) based on the construction progress during the first half of 2020. See "Business — Construction of Resettlement Housing."

Revenue from rental income

Revenue from rental income represents income from the leasing of some properties owned by us. Our revenue from rental income decreased from 2017 to 2018, primarily due to the termination of the lease for our Vision Commercial Square (左岸商業廣場) in late 2018, in connection with the fact that other parts of the property project was undergoing construction. Our rental income increased from 2018 to 2019, primarily attributable to the leases of certain commercial spaces at our Nanning Dynasty Tiancheng Phases I and II (南寧大唐天城一期和二期) in 2019. Revenue from rental income increased for the first half of 2019 to the first half of 2020, primarily attributable to an increase in rental income from commercial spaces at our Nanning Dynasty Tiancheng Phases I and II (南寧大唐天城一期和二期), which commenced business operations in September 2019.

Revenue from hotel services

In 2017, we operated a hotel in Chongqing. As we decided to develop and operate our own hotels, we ceased operating the hotel in Chongqing in 2017. In May and April 2019, our Xiamen Dynasty Jinglan Jia Hotel (廈門大唐景瀾酒店) and Nanning Congyue Hotel (南寧叢悦酒店) commenced operations, respectively. During 2019, we recorded revenue from Xiamen Dynasty Jinglan Jia Hotel and Nanning Congyue Hotel of RMB27.3 million and RMB7.5 million, respectively. During the first half of 2020, we recorded revenue from Xiamen Dynasty Jinglan Jia Hotel and Nanning Congyue Hotel of RMB7.7 million and RMB3.9 million, respectively.

Revenue from others

We also derive a small portion of revenue from provision of management services to our joint ventures, associates and a third-party property developer, revenue from operating a sports stadium in Xiamen and utility fees from our tenants which we paid in advance to utility providers. We charge management fees to our joint ventures, associates and/or third-party property developer for management services that we provide on their respective property development projects according to the relevant agreements between the parties. Revenue from others generally increased from 2017 to 2019, which was primarily due to the increased revenue from our sports stadium operation and increased utility fees that were advanced by us on behalf of tenants and general contractors as a result of expanded business scale. Revenue from others increased from the first half of 2019 to the first half of 2020, primarily attributable to an increase in the number of property development projects developed by our joint ventures and associates in the first half of 2020, to which we had provided management services such as sales and construction management, in accordance with the relevant agreements with such parties.

Cost of sales

Our cost of sales consist of cost of sale for (i) sale of properties, (ii) provision of construction services, (iii) rental income, (iv) hotel services and (v) others. During the Track Record Period, our cost of sales continued to increase in absolute amount, primarily due to the increase in the number of our residential property projects completed and delivered. The following table sets forth the components of our cost of sales for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (unaudited)	%	RMB'000	%
Cost of sales of properties	2,507,951	82.2	3,752,486	94.5	5,641,213	95.2	1,508,920	95.5	1,231,328	90.0
Cost of provision of construction services	508,027	16.6	193,808	4.9	207,690	3.5	61,571	3.9	121,125	8.8
Cost of rental income	319	0.0	349	0.0	362	0.0	80	0.0	194	0.0
Cost of hotel services	19,346	0.6	—	—	34,989	0.6	6,394	0.4	12,014	0.9
Cost of others	17,241	0.6	23,674	0.6	38,399	0.7	3,037	0.2	4,309	0.3
Total	**3,052,884**	**100.0**	**3,970,317**	**100.0**	**5,922,653**	**100.0**	**1,580,002**	**100.0**	**1,368,970**	**100.0**

Cost of sale of properties

The following tables set forth a breakdown of our cost of sale of properties and certain other data in relation to our cost of sale of properties for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (unaudited)	%	RMB'000	%
Cost of sale of properties										
Cost of land use rights	1,198,607	47.8	1,922,124	51.2	3,032,568	53.8	812,257	53.8	632,082	51.3
Construction costs	1,007,941	40.2	1,555,767	41.5	2,203,588	39.1	574,872	38.1	521,830	42.4
Capitalized interest	161,393	6.4	203,657	5.4	340,987	6.0	98,357	6.5	57,392	4.7
Tax and other levies	140,010	5.6	70,938	1.9	64,070	1.1	23,434	1.6	20,024	1.6
Total	**2,507,951**	**100.0**	**3,752,486**	**100.0**	**5,641,213**	**100.0**	**1,508,920**	**100.0**	**1,231,328**	**100.0**

	For the year ended December 31,			For the six months ended June 30,	
	2017	2018	2019	2019	2020
ASP (RMB)	6,870.4	8,788.3	10,208.5	11,137.3	10,667.9
Average cost per sq.m sold (RMB)(1)	5,063.1	6,304.8	7,409.4	6,930.3	8,293.5
Average cost as % of ASP	73.7%	71.7%	72.6%	62.2%	77.7%
Average land acquisition cost per sq.m. sold (RMB)(2)	2,420	3,229	3,983	3,731	4,257
Average land acquisition cost as % of ASP	35.2%	36.7%	39.0%	33.5%	39.9%

Notes:

(1) Refers to the average cost of our property sales and is derived by dividing the sum of cost of sale of properties for a year by the total GFA delivered in that year.

(2) Refers to the average land acquisition cost of our property sales and is derived by dividing the land use rights costs for a year by the total GFA delivered in that year.

Costs of land use rights

Costs of land use rights include costs relating to acquisition of the rights to occupy, use and develop land and primarily land premium incurred in connection with a land grant from the government, and payments made in connection with equity interest or land parcel acquisitions. These costs for a project are affected by a number of factors, such as the location of the underlying property, resettlement process, regional property market condition, the timing of the land acquisition, the project's plot ratios, the method of acquisition and changes in PRC regulations.

The table below sets forth a sensitivity analysis relating to our costs of land use rights, illustrating, for the periods indicated, what the impact on our profit before income tax would have been if our costs of land use rights had been 5% higher or lower.

	Year ended December 31,			For the six months ended June 30,
	2017	2018	2019	2020
	(RMB'000, except for percentages)			
Increase/(decrease) in profit before taxation				
If costs of land use rights per sq.m. had been 5% lower	59,930	96,106	151,628	31,604
As a percentage of profit before taxation	8.0%	8.9%	10.8%	17.4%
If costs of land use rights per sq.m. had been 5% higher	(59,930)	(96,106)	(151,628)	(31,604)
As a percentage of profit before taxation	(8.0)%	(8.9)%	(10.8)%	(17.4)%

Construction Costs

Construction costs relate to costs for the design and construction of a project, including costs of construction materials and labor costs. Our construction costs are affected by a number of factors, including the type and geographic conditions of the properties being constructed or the type and amount of construction material costs and labor costs.

The table below sets forth a sensitivity analysis relating to our construction costs, illustrating, for the periods indicated, what the impact on our profit before income tax would have been if our construction costs had been 5% higher or lower.

	Year ended December 31,			For the six months ended June 30,
	2017	2018	2019	2020
	(RMB'000, except for percentages)			
Increase/(decrease) in profit before taxation				
If construction costs per sq.m. had been 5% lower	50,397	77,788	110,179	26,091
As a percentage of profit before taxation	6.7%	7.2%	7.8%	14.4%
If construction costs per sq.m. had been 5% higher	(50,397)	(77,788)	(110,179)	(26,091)
As a percentage of profit before taxation	(6.7)%	(7.2)%	(7.8)%	(14.4)%

Capitalized Interest

Capitalized interest relate to a portion of our finance costs that is directly attributable to the construction of a particular projects. 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 in which they are incurred.

Tax and other levies

Tax and other levies mainly include business tax and surcharges. The decrease in taxes and other levies after 2017 was mainly due to changes in PRC government's tax regulations.

Gross profit and gross profit margin

The following table sets forth our gross profit and gross profit margin by business line for the periods indicated:

	For the year ended December 31,						For the six months ended June 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)			
Sales of properties	895,229	26.3	1,478,139	28.3	2,131,167	27.4	915,990	37.8	352,533	22.3
Provision of construction services	26,738	5.0	10,200	5.0	10,931	5.0	3,241	5.0	6,375	5.0
Rental income	41,717	99.2	34,928	99.0	40,260	99.1	8,933	99.1	21,570	99.1
Provision of hotel services	(141)	(0.7)	—	—	(207)	(0.6)	36	0.6	(378)	(3.2)
Others	2,840	14.1	2,026	7.9	3,222	7.7	17,893	85.5	36,348	89.4
Total	**966,383**	**24.0**	**1,525,293**	**27.8**	**2,185,373**	**27.0**	**946,093**	**37.5**	**416,448**	**23.3**

Gross Profit and gross profit margin for sale of properties

The following table sets forth our gross profit and gross profit margin by property type:

	For the year ended December 31,						For the six months ended June 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)			
Residential properties	585,703	21.3	1,071,433	25.5	1,863,974	27.1	729,830	36.6	276,212	20.0
Commercial properties	298,249	50.4	390,373	43.4	233,095	39.3	143,695	49.1	70,024	39.2
Car parks	11,277	18.6	16,333	12.5	34,098	11.8	42,465	30.4	6,297	25.6
Total	**895,229**	**26.3**	**1,478,139**	**28.3**	**2,131,167**	**27.4**	**915,990**	**37.8**	**352,533**	**22.3**

From 2017 to 2018, we experienced an increase in our gross profit margin, which was primarily due to: (i) the decrease in revenue contributed from our construction services from 13.3% for 2017 to 3.7% for 2018, which generally generated consistent low profit margin of 5.0%. The decrease in the revenue contribution from construction services was mainly due to a decrease in the GFA of resettlement housing to which we provided construction services; and (ii) an increase in the gross profit margin for sales of properties from 26.3% for 2017 to 28.3% for 2018, which was mainly attributable to the delivery of certain residential properties with relatively high gross profit margin in 2018, such as Panda Villa (熊貓墅) in Zhangzhou, which generated a gross profit margin of approximately 48.3% as it targeted at high-end customers, and contributed approximately 16.2% of the total revenue from sales of properties for the same year.

Our gross profit margin decreased slightly from 27.8% for 2018 to 27.0% for 2019, primarily due to the decrease in the gross profit margin for sales of properties, which decreased from 28.3% for 2018 to 27.4% for 2019, primarily as a result of a decrease in gross profit margin of the sales of commercial properties delivered in 2019 as compared to that of 2018, primarily attributable to the delivery of certain high profit margin commercial properties in 2018, such as Longgang Dynasty Youth (龍崗大唐果) and Longgang Dynasty Royalty (龍崗大唐世家), which generated a gross profit margin of approximately 64.6% and 70.5%, respectively, as a result of relatively low land acquisition costs for the these two property projects, and contributed an aggregate of approximately 6.8% of the total revenue from the sales of properties for the same year; partially offset by an increase in the gross profit margin of the sales of residential properties from 2018 to 2019, primarily due to the relatively high gross profit margin of certain residential properties delivered in 2019, such as Zhangzhou Dynasty Impression (漳州大唐印象) due to its prime location in Zhangzhou and the favorable prevailing market conditions in Zhangzhou when this property project was pre-sold.

Our gross profit margin decreased from 37.5% for the first half of 2019 to 23.3% for the first half of 2020, primarily due to a decrease in the gross profit margin for sales of properties, which was because (i) we delivered certain properties such as Zhangzhou Dynasty Impression (漳州大唐印象) in the first half of 2019, a large-scale project with relatively high profit margin, and (ii) the fact that certain properties with larger GFA delivered in the first half of 2020 (x) had relatively lower ASP per sq.m. as compared to the ASP per sq.m. in the first half of 2019, primarily due to the less prime locations of such properties, such as Luojiang Dynasty Royalty (洛江大唐世家), or (y) had relatively higher land acquisition cost associated with those properties, such as Mingmen Impression (名門印象) and Dynasty Zhenguan (大唐臻觀).

Selling and marketing expenses

Our selling and marketing expenses mainly consist of (i) marketing and advertising costs, (ii) employee benefit expenses, (iii) sales commissions, (iv) property management expenses relating to the management of sales offices and/or display rooms used in our pre-sale activities, (v) depreciation and amortization, (vi) entertainment expenses and (vii) other expenses. The following table sets forth the components of our selling and marketing expenses for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 *(unaudited)*	%	RMB'000	%
Marketing and advertising costs	65,988	38.8	93,602	35.5	164,033	36.9	21,456	23.0	16,838	20.8
Sales commissions	26,294	15.5	56,444	21.4	102,014	23.0	13,282	14.3	11,031	13.6
Employee benefit expenses	31,573	18.6	49,248	18.7	90,756	20.4	24,518	26.3	24,704	30.6
Property management expenses	15,985	9.4	26,662	10.1	42,602	9.6	12,047	12.9	10,129	12.5
Depreciation and amortization	28,317	16.6	34,656	13.1	38,342	8.7	20,549	22.0	17,581	21.8
Entertainment expenses	665	0.4	1,550	0.6	2,255	0.5	733	0.8	368	0.5
Others	1,229	0.7	1,652	0.6	4,183	0.9	615	0.7	174	0.2
Total	**170,051**	**100.0**	**263,814**	**100.0**	**444,185**	**100.0**	**93,200**	**100.0**	**80,827**	**100.0**

Administrative expenses

Our administrative expenses mainly consists of (i) employee benefit expenses, (ii) property management, office and traveling expenses, (iii) depreciation and amortization, (iv) professional services, (v) entertainment expenses, (vi) maintenance costs, (vii) listing expenses, (viii) short-term lease payments, and (ix) others. The following table sets forth the components of our administrative expenses for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 *(unaudited)*	%	RMB'000	%
Employee benefit expenses	80,477	37.9	172,841	48.8	232,593	51.1	53,527	38.2	98,379	54.9
Professional services[(1)]	30,588	14.4	50,091	14.1	59,532	13.1	25,410	18.1	9,515	5.3
Property management, office and traveling expenses	36,799	17.3	38,642	10.9	56,020	12.3	23,569	16.8	18,790	10.5
Depreciation and amortization	29,853	14.1	31,287	8.8	43,762	9.6	15,479	11.0	24,090	13.4
Entertainment expenses	21,716	10.2	26,507	7.5	30,951	6.8	11,100	7.9	12,093	6.7
Listing expenses	956	0.5	11,472	3.2	16,232	3.6	5,736	4.1	8,888	5.0
Maintenance costs	8,707	4.1	9,433	2.7	9,339	2.1	2,135	1.5	3,665	2.0
Short-term lease payments	1,089	0.5	4,453	1.3	1,695	0.4	1,600	1.1	1,936	1.1
Others	2,062	1.0	9,373	2.7	4,744	1.0	1,730	1.3	1,870	1.0
Total	**212,247**	**100.0**	**354,099**	**100.0**	**454,868**	**100.0**	**140,286**	**100.0**	**179,225**	**100.0**

Note:

(1) Refers to expenses for (i) auditing, taxation and property valuation services, (ii) consulting services for operational management, (iii) consulting services for marketing, (iv) IT consulting services to better optimize our operational systems and (v) legal services.

Fair value gain on investment properties

We develop and hold certain commercial areas in our properties on a long-term basis for rental, operating income or capital appreciation. Our investment properties are recorded as non-current assets in our consolidated balance sheets at fair value as of each balance sheet date as determined by independent valuations. Fair value gain on investment properties represents the changes in the fair value of our investment properties which are accounted for as gains or losses under our consolidated statements of profit and loss. The valuation or property 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 a different set of bases or assumption is used. In addition, upward revaluation adjustments reflect unrealized capital gains on our investment properties as of the relevant balance sheet dates and do not generate any cash inflow for our operations. The amounts of fair value adjustments have been, and may continue to change based on property market conditions in China. Our investment properties are appraised annually by our independent property valuer. We recorded value of investment properties of RMB1,463.6 million, RMB1,413.0 million, RMB1,550.5 million and RMB1,626.3 million, respectively, as of December 31, 2017, 2018 and 2019 and June 30, 2020. We recorded fair value gains on our investment properties of RMB99.9 million, RMB101.3 million, RMB42.2 million and RMB31.8 million, respectively, in 2017, 2018 and 2019 and for the first half of 2020.

Other income

Our other income mainly consists of (i) commission income from sales of construction materials, (ii) government grants, and (iii) others, which primarily included penalty charges on our customers for their incompliance with relevant terms under the sales contracts with us.

Commission income from sales of construction materials mainly represents the income derived from sales of construction materials to Independent Third Parties and our joint ventures and associates. The construction materials were procured through our centralized procurement system. The commission income from sales of construction materials in 2018 and 2019 was greater than that of 2017 due to the increased volume of such sales in 2018 and 2019. Government grants primarily include a government grant of RMB10.0 million in relation to the provision of our Xiamen Dynasty Center (廈門大唐中心) as an event site for the BRICS Summit in Xiamen in 2017, and a government grant of RMB10.2 million for our environmental-protection efforts in the property construction work for our projects in Nanning. The following table sets forth the components of our other income for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 *(unaudited)*	%	RMB'000	%
Commission income from sales of construction materials	12,229	43.9	17,079	51.3	27,444	70.1	7,318	58.6	15,793	65.5
Government grants	10,437	37.4	10,293	30.9	767	2.0	111	0.9	590	2.4
Others	5,199	18.7	5,904	17.8	10,941	27.9	5,061	40.5	7,719	32.0
Total	**27,865**	**100.0**	**33,276**	**100.0**	**39,152**	**100.0**	**12,490**	**100.0**	**24,102**	**100.0**

Other expenses

Our other expenses mainly consists of (i) donations, which primarily include donations to a number of elementary schools, (ii) administrative penalties incurred during the Track Record Period and (iii) others, which primarily include compensation payments made to purchasers of our properties in relation to their disputes with us. The following table sets forth the components of our other expenses for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 *(unaudited)*	%	RMB'000	%
Donations	662	10.8	22,395	79.1	26,665	75.0	15,117	67.7	778	23.2
Penalties	1,900	30.9	2,128	7.5	3,444	9.7	3,343	15.0	613	26.2
Others	3,589	58.3	3,790	13.4	5,466	15.3	3,879	17.4	950	40.6
Total	**6,151**	**100.0**	**28,313**	**100.0**	**35,575**	**100.0**	**22,339**	**100.0**	**2,341**	**100.0**

Other net gains

Our other net gains represent the net amount of (i) gains on disposal of our equity interests in our subsidiaries during the Track Record Period; (ii) gains on bargain purchase of our subsidiaries, such as Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司) in 2018; (iii) net gains or losses of disposal of property, plant and equipment; (iv) gains on disposal of investment properties, (v) fair value gains of financial assets at FVTPL and (vi) others. The following table sets forth the components of our other gains for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,			
	2017	2018	2019	2019		2020	
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	%	RMB'000	%
Gains on disposals of subsidiaries	1,759	99,077	59,286	19	0.1	—	—
Gains on bargain purchase	—	169	—	—	—	—	—
Net gains or losses of disposals of property, plant and equipment	(129)	66	2,642	21	—	(226)	(4.7)
Losses on de-registration of an associate	—	—	—	—	—	(2,099)	(44.0)
Fair value gains of financial assets at fair value through profit or loss	14,582	23,380	24,217	15,665	99.5	7,141	149.7
Others	—	23	826	39	0.3	(47)	(1.0)
Total	**16,212**	**122,715**	**86,971**	**15,744**	**100.0**	**4,769**	**100.0**

We recorded gains on disposals of subsidiaries and gains on bargain purchase in the aggregate amount of RMB1.8 million, RMB99.2 million, RMB59.3 million and nil in 2017, 2018 and 2019 and the first half of 2020, respectively. These mainly included Nanning Rongju Trade Co., Ltd. (南寧融聚貿易有限公司) in 2017, Nanchang Tangmen Real Estate Co., Ltd. (南昌唐門房地產有限公司), Nanchang Datang Real Estate Co., Ltd. (南昌大唐房地產有限公司), Yingtan Datang Real Estate Co., Ltd. (鷹潭大唐房地產有限公司) Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司) in 2018, and Xiamen Tangshao Trade Co., Ltd. (廈門市唐劭貿易有限公司) and Shaanxi Datang Real Estate Co., Ltd. (陝西大唐房地產有限公司) in 2019. For details on the disposal and acquisitions, see "History, Reorganization and Corporate Structure — Material Acquisitions Before and During the Track Record Period" in this prospectus. We recorded net gains from financial assets at FVTPL in an amount of RMB14.6 million, RMB23.4 million, RMB24.2 million and RMB7.1 million, respectively, in 2017, 2018 and 2019 and the first half of 2020, in connection with the fluctuation of the fair value of our investments in a property development project. For details, see "— Description of Certain Consolidated Balance Sheet Items — Financial Assets at FVTPL" below.

Net impairment losses (reversal) on financial and contract assets

Our net impairment losses on financial and contract assets in 2018 was approximately RMB16.1 million, which were primarily prudent provisions arising from potential bad debts in respect of our receivables. Our net impairment reversal on financial and contract assets in 2017 and 2019 were approximately RMB9.6 million and RMB2.9 million, respectively, which was primarily due to the collection of other receivables. We recorded net impairment losses on financial and contract assets of RMB0.3 million for the first half of 2019 and net impairment reversal on financial and contract assets of RMB5.2 million for the first half of 2020, primarily due to a decrease in the balance of our other receivables for which we made provisions for bad debt.

Finance income and costs

Our finance income mainly consists of interest income from bank deposits and interest income from loans to an associate. Our finance costs mainly consists of interest expense on leasing liabilities, interest expenses of bank and other borrowings and others. Our finance costs generally increased during the Track Record Period, which was primarily due to our growing financial needs arising from our business expansion. The following table sets forth the components of our finance income and expenses for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2017	2018	2019	2019	2020
			(RMB' 000)	(unaudited)	
Finance costs:					
Interest expenses on lease liabilities	503	439	622	143	236
Interest expenses of bank and other borrowings	831,445	866,950	737,414	350,013	367,557
Others	—	—	1,545	772	—
Less: interests capitalized	(796,281)	(828,578)	(691,115)	(334,049)	(345,985)
	35,667	38,811	48,466	16,879	21,808
Finance income:					
Interest income from bank deposits	(12,788)	(12,105)	(25,539)	(10,684)	(15,116)
Interest income from amount due from an associate	—	(7,399)	—	—	—
	(12,788)	(19,504)	(25,539)	(10,684)	(15,116)
Net finance costs	**22,879**	**19,307**	**22,927**	**6,195**	**6,692**

In 2018, we had amount due from one of our associates with an annual interest rate of 12.0% to support its property development. As of December 31, 2018, the amounts due from such associate amounted to approximately RMB182.1 million. See Note 43(a) to the Accountant's Report included in Appendix I to this Prospectus. This amount had been fully repaid as of December 31, 2019.

The amount due from our associate involved the lending of money which may not be in compliance with the General Lending Provisions (《貸款通則》), a regulation promulgated by the PBOC in 1996. According to the General Lending Provisions, only financial institutions may legally engage in the business of extending loans, and loans as between companies that are not financial institutions are prohibited. The PBOC may impose penalties on the lender that is not a financial institution in the amount equivalent to one to five times of the income generated (being interests charged) from the 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》) (the "Provisions") promulgated on August 6, 2015 and effective on September 1, 2015, borrowing agreements are valid if extended for the purposes of business operations. PRC courts will also support a company's claim for interest in respect of such a loan as long as the annual interest rate does not exceed 24%. Pursuant to the Notice of the Supreme People's Court on Continued Study, and Implementation and Application of 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>的通知》) published on August 25, 2015 (the "Notice"), the Provisions shall apply to loans entered into prior to the implementation of the Provisions that are invalid under the former judicial interpretations but valid under the Provisions. As confirmed by our Directors, as of the Latest Practicable Date, based on the fact that the above-mentioned amount due from the associate is not for the purposes of business operations and the interests received is equal to the interests we paid to the bank from which we borrowed the loan money, we had not received any benefit in relation to the above-mentioned amount due from the associate, and we had not received any notice of claim or penalty relating to such advances. Based on the above, we are advised by our PRC Legal Advisors, Jingtian & Gongcheng, that under normal circumstances, the possibility that the PBOC would impose a fine amounting to one to five times of the interest income in respect of the abovementioned amount due from the associate pursuant to the General Lending Provisions is low.

Share of results of associates and joint ventures

Our share of results of associates and joint ventures represent our share of profit and loss in our joint ventures and associates, most of which were set up with our business partners for joint land acquisition and collaborative property development. Our share of profits of associates and joint ventures in 2017 was RMB45.1 million, which was primarily due to the profits from our joint venture, Guangxi Beihai Datang Xingqi Real Estate Co., Ltd. (廣西北海大唐星啟房地產有限公司). Our share of losses of associates and joint ventures in 2018 was RMB17.3 million, which were primarily due to losses from certain of our associates and joint ventures in which we had non-controlling interests. Our share of profits from our associates and joint ventures in 2019 was RMB8.9 million. We experienced an increase in share of profits from our associates and joint ventures from 2018 to 2019 primarily due to the profits from our joint venture, Beihai Zhirui Asset Management Co., Ltd. (北海智瑞資產管理有限公司). Our share of losses from our associates and joint ventures in the first half of 2020 was RMB31.8 million, as we established certain joint ventures and associates in the first half of 2020, which incurred losses as they commenced business operation in the first half of 2020.

Income tax expenses

Our income tax expense mainly comprises EIT and LAT expenses made by our PRC subsidiaries, net of deferred tax. No provision for the Cayman Islands taxation and Hong Kong taxation has been made as the majority of our income neither arises in, nor is derived from those jurisdictions. The provision for EIT for our PRC subsidiaries during the Track Record Period was mainly based on the prevailing rate of 25%. For 2017, 2018 and 2019 and the first half of 2020, our effective corporate income tax rate(1) was 27.7%, 28.1%, 27.1% and 28.9%, respectively. The following table sets forth the components of our income tax expenses for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
			(RMB' 000)	(unaudited)	
Current income tax:					
EIT	204,389	293,642	320,465	189,307	16,112
LAT	199,303	258,880	550,314	215,370	41,910
Deferred income tax:					
EIT	(63,119)	(57,083)	(90,328)	(52,054)	33,426
Total income tax expenses for the year/period	**340,573**	**495,439**	**780,451**	**352,623**	**91,448**

Note:

(1) Our effective income tax rate is calculated as:

$$\text{Effective income tax rate} = \frac{\text{Total income tax} - \text{LAT}}{\text{Profit before income tax} - \text{LAT} - \text{share of results of joint ventures and associates}} \times 100\%$$

During the Track Record Period and up to the Latest Practicable Date, we had paid all relevant taxes when due and there are no material matters in dispute or unresolved with the relevant tax authorities.

RESULTS OF OPERATIONS

Six Months Ended June 30, 2020 Compared to Six Months Ended June 30, 2019

Revenue

Our revenue decreased by 29.3% from RMB2,526.1 million for the six months ended June 30, 2019 to RMB1,785.4 million for six months ended June 30, 2020, primarily due to a decrease in revenue derived from for sales of properties, and partially offset by the increases in revenue of our other business lines.

The table below sets forth a breakdown of our revenue derived from each of our business lines:

	For the six months ended June 30,							
	2019				2020			
	Revenue		GFA delivered	ASP	Revenue		GFA delivered	ASP
	(RMB'000) *(unaudited)*	(%)	(sq.m.)	(RMB per sq.m.)	(RMB'000)	(%)	(sq.m.)	(RMB per sq.m.)
Sales of properties								
Residential properties	1,992,514	78.9	171,291	11,632	1,380,520	77.3	126,368	10,925
Commercial properties	292,653	11.6	24,039	12,174	178,780	10.0	15,512	11,525
Car parks	139,743	5.5	22,399	6,239	24,561	1.4	6,589	3,727
Subtotal	2,424,910	96.0	217,729	11,137	1,583,861	88.7	148,469	10,668
Provision of construction services	64,812	2.6	—	—	127,500	7.1	—	—
Rental income	9,013	0.4	—	—	21,764	1.2	—	—
Provision of hotel services	6,430	0.3	—	—	11,636	0.7	—	—
Others(1)	20,930	0.8	—	—	40,657	2.3	—	—
Total	**2,526,095**	**100.0**			**1,785,418**	**100.0**		

Note:

(1) Others mainly consist of the provision of project management services to our joint ventures, associates and/or third-party property developer, operation of a sports stadium and other services, which mainly include payment of utility fees paid in advance by us to utility providers on behalf of our tenants.

- *Revenue from sales of properties*. Revenue from sales of properties decreased by 34.7% to RMB1,583.9 million for the first half of 2020 from RMB2,424.9 million for the first half of 2019, primarily due to the decreases in both the total GFA delivered and ASP per sq.m. The total GFA of properties delivered decreased by 31.8% from approximately 217,729 sq.m. for the first half of 2019 to approximately 148,469 sq.m. for the first half of 2020. In the first half of 2020, we primarily delivered Luojiang Dynasty Royalty (洛江大唐世家), the total GFA delivered of which was relatively small. The total ASP per sq.m. of properties delivered decreased by 4.2% to RMB10,668 per sq.m. for the first half of 2020 from approximately RMB11,137 per sq.m. for the first half of 2019, primarily because a majority of the properties delivered in the first half of 2019 were located in Zhangzhou, such as Zhangzhou Dynasty Impression (漳州大唐印象), where the ASP per sq.m. was relatively higher than that in the first half of 2020, a majority of which were located in Quanzhou.

- *Revenue from the provision of construction service*. Revenue from the provision of construction service increased by 96.7% to RMB127.5 million for the first half of 2020 from RMB64.8 million for the first half of 2019, primarily due to the fact that we completed a portion of a resettlement housing project, namely, Dynasty Shuxiang Yazhu

(大唐 • 書香雅築) based on the construction progress in the first half of 2020 as compared against the first half of 2019, as we recognize revenue from the provision of construction service based on our construction progress pursuant to the relevant contracts.

- *Revenue from rental income*. Revenue from rental income increased significantly to RMB21.8 million for the first half of 2020 from RMB9.0 million in for the first half of 2019, primarily due to an increase in rental income from leased commercial spaces at our Nanning Dynasty Tiancheng Phases I and II (南寧大唐天城一期和二期), which commenced business operations in September 2019.

- *Revenue from hotel services*. Revenue from hotel services increased by 81.2% to RMB11.6 million for the first half of 2020 from RMB6.4 million for the first half of 2019, primarily due to an increase in revenue from Xiamen Dynasty Jinglan Jia Hotel (大唐景瀾酒店) and Nanning Conyue Hotel (南寧叢悦酒店), both of which commenced operations in the first half of 2019 and the business grew relatively steadily in the first half of 2020.

- *Revenue from others*. Revenue from others increased by 94.7% to RMB40.7 million for the first half of 2020 from RMB20.9 million for the first half of 2019, primarily attributable to the increase in the number of property development projects developed by our joint ventures and associates in the first half of 2020, to which we had provided management services in accordance with the relevant agreements with such parties.

Cost of sales

Our cost of sales decreased by 13.4% to RMB1,369.0 million for the first half of 2020 from RMB1,580.0 million for the first half of 2019, primarily due to the decrease in our cost of sales of properties. Our cost of sales of properties decreased by 18.4% to RMB1,231.3 million for the first half of 2020 from RMB1,508.9 million for the first half of 2019. The decrease in cost of sales of properties was primarily due to a decrease in our total GFA delivered, which was partially offset by an increase in average land acquisition cost.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit decreased by 56.0% to RMB416.4 million for the first half of 2020 from RMB946.1 million for the first half of 2019. Our gross profit margin decreased from 37.5% for the first half of 2019 to 23.3% for the first half of 2020, primarily due to the decrease in the gross profit margin for sales of properties, which decreased from 37.8% for the first half of 2019 to 22.3% for the first half of 2020, primarily because (i) we delivered Zhangzhou Dynasty Impression (漳州大唐印象) in the first half of 2019, a large-scale project with relatively high profit margin attributable to its prime location in Zhangzhou and the favorable prevailing market conditions in Zhangzhou when this property project was pre-sold, and (ii) the fact that certain properties with larger GFA delivered in the first half of 2020 (x) had relatively lower ASP per sq.m. as compared to the ASP per sq.m. in the first half of 2019, primarily due to the less prime locations of such properties, such as Luojiang Dynasty Royalty (洛江大唐世家), or (y) had relatively high land acquisition cost associated with those properties, such as Mingmen Impression (名門印象) and Dynasty Zhenguan (大唐臻觀).

Selling and marketing expenses

Our selling and marketing expenses decreased by 13.3% to RMB80.8 million for the first half of 2020 from RMB93.2 million for the first half of 2019, primarily due to a decrease in our sales activities as a result of the temporary closure of certain local sales offices in relation to the COVID-19 outbreak during the first half of 2020. See "Summary — Recent Development and No Material Adverse Change — The COVID-19 Outbreak" for more details.

Administrative expenses

Our administrative expenses increased by 27.8% to RMB179.2 million for the first half of 2020 from RMB140.3 million for the first half of 2019, primarily due to an increase in employee benefit expenses as we had established new project companies and opened new offices in the first half of 2020 and hired additional administrative staff as a result of the continuous business expansion.

Fair value gains on investment properties

Our fair value gains on investment properties increased by 14.3% to RMB31.8 million for the first half of 2020 from RMB27.8 million for the first half of 2019, primarily because Mingmen Impression (名門印象) was added to our investment property portfolio in the first half of 2020 and we recorded fair value gain at its initial recognition.

Net impairment reversal/losses on financial and contract assets

We recorded net impairment losses on financial and contract assets of RMB0.3 million for the first half of 2020 and net impairment reversal on financial and contract assets of RMB5.2 million for the first half of 2019, primarily due to a decrease in the balance of our other receivables for which we made provisions for bad debt. See "Description of Certain Consolidated Balance Sheet Items — Other Receivables and Prepayments" for more details.

Other expenses

Our other expenses decreased by 89.5% to RMB2.3 million for the first half of 2020 from RMB22.3 million for the first half of 2019, primarily due to a decrease in donations in the first half of 2020 as compared to that of the first half of 2019.

Other net gains

Our other net gains decreased by 69.7% to RMB4.8 million for the first half of 2020 from RMB15.7 million for the first half of 2019, primarily due to a decrease in the fair value gains of financial assets at FVTPL attributable to our investment in Zhangzhou Project Company in connection with Bihu Impression (碧湖印象) in the first half of 2020 as compared against the first half of 2019. See "— Description of Certain Consolidated Balance Sheet Items — Financial Assets at FVTPL."

Other income

Our other income increased by 93.0% to RMB24.1 million for the first half of 2020 from RMB12.5 million for the first half of 2019, primarily due to commission income from trading of construction materials, including an increase in the volume of construction materials sales in the first half of 2020 as compared to the first half of 2019.

Finance income

Our finance income increased by 41.5% to RMB15.1 million for the first half of 2020 from RMB10.7 million for the first half of 2019, primarily attributable to an increase in interests from our bank deposits in the first half of 2020.

Finance costs

Our finance costs increased by 29.2% to RMB21.8 million for the first half of 2020 from RMB16.9 million for the first half of 2019, primarily due to an increase in bank service charges and related expenses as a result of our increased bank and other borrowings in the first half of 2020 as compared to that of the first half of 2019.

Share of results of associates and joint ventures

Our share of losses of associates and joint ventures was RMB31.8 million for the first half of 2020, and our share of losses of associates and joint ventures was RMB17.8 million for the first half of 2019, primarily because we established certain joint ventures and associates in the first half of 2020, which incurred losses as they commenced business operation in this period.

Profit before income tax

As a result of the foregoing, our profit before income tax decreased by 74.9% to RMB181.4 million for the first half of 2020 from RMB722.0 million for the first half of 2019.

Income tax expenses

Our income tax expenses decreased by 74.1% to RMB91.4 million for the first half of 2020 from RMB352.6 million for the first half of 2019, primarily due to the decrease in profit before income tax for the first half of 2020.

Profit for the period

As a result of the foregoing, our profit for the period decreased by 75.6% to RMB90.0 million for the first half of 2020 from RMB369.4 million for the first half of 2019.

Profit/Loss attributable to non-controlling interests

We recorded loss attributable to non-controlling interests of RMB29.7 million for the first half of 2019 and recorded profit attributable to non-controlling interests of RMB17.0 million for the first half of 2020, primarily due to the increase in profits attributable to non-controlling interests from our subsidiary, Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司), whose property project, Luojiang Dynasty Royalty (洛江大唐世家), was delivered in the first half of 2020.

Year Ended December 31, 2019 Compared to the Year Ended December 31, 2018

Revenue

Our revenue increased by 47.5% to RMB8,108.2 million for the year ended December 31, 2019 from RMB5,495.6 million in the same period in 2018, primarily attributable to an increase in revenue derived from for sales of properties, and, to a lesser extent, increases our other business lines.

The table below sets forth a breakdown of our revenue derived from each of our business lines:

	For the year ended December 31,							
	2018				2019			
	Revenue		GFA delivered	ASP	Revenue		GFA delivered	ASP
	(RMB'000)	(%)	(sq.m.)	(RMB per sq.m.)	(RMB'000)	(%)	(sq.m.)	(RMB per sq.m.)
Sales of properties								
Residential properties	4,206,749	76.5	468,871	8,972	6,889,870	85.0	639,095	10,781
Commercial properties	893,063	16.3	85,586	10,435	592,771	7.3	50,922	11,641
Car parks	130,813	2.4	40,722	3,212	289,739	3.6	71,347	4,061
Subtotal	5,230,625	95.2	595,179	8,788	7,772,380	95.9	761,363	10,209
Provision of construction services	204,008	3.7			218,621	2.7		
Rental income	35,277	0.6			40,622	0.5		
Provision of hotel services	—	—			34,782	0.4		
Others(1)	25,700	0.5			41,621	0.5		
Total	**5,495,610**	**100.0**			**8,108,026**	**100.0**		

Note:

(1) Others mainly consist of the provision of management services to our joint ventures, associates and/or third-party property developer, operation of a sports stadium and other services, which mainly include payment of utility fees paid in advance by us to utility providers on behalf of our tenants and our general contractors.

- *Revenue from sales of properties*. Revenue from sales of properties increased by 48.6% to RMB7,772.4 million in 2019 from RMB5,230.6 million in 2018, primarily due to the increases in both the total GFA delivered and ASP per sq.m. The total GFA of properties delivered increased by 27.9% from approximately 595,179 sq.m. in 2018 to approximately 761,363 sq.m. in 2019, primarily as a result of the delivery of Zhangzhou Dynasty Impression (漳州大唐印象) and Mingmen Impression (名門印象) in Zhangzhou and Bisong Garden (比松花園) in Tianjin in 2019, primarily due to the favorable prevailing market conditions and prime location for these properties in Zhangzhou and Tianjin, respectively. The total ASP per sq.m. of properties delivered increased by 16.2% to RMB10,209 per sq.m. in 2019 from approximately RMB8,788 per sq.m. in 2018, primarily attributable to the delivery of the residential properties in Zhangzhou and Tianjin discussed above.

- *Revenue from the provision of construction service*. Revenue from the provision of construction service increased by 7.2% to RMB218.6 million in 2019 from RMB204.0 million in 2018, primarily due to an increase in the total GFA completed for a portion of a resettlement housing project, namely, Dynasty Shuxiang Yazhu (大唐•書香雅築), as we recognize revenue from the provision of construction service based on our construction progress pursuant to the relevant contracts.

- *Revenue from rental income*. Revenue from rental income increased by 15.2% to RMB40.6 million in 2019 from RMB35.3 million in 2018, primarily due to the increase from leased commercial spaces at our Nanning Dynasty Tiancheng Phases I and II (南寧大唐天城一期和二期) in 2019.

- *Revenue from hotel services*. Revenue from hotel services increased to RMB34.8 million in 2019 from nil in 2018, primarily due to the commencement of operations of our Xiamen Dynasty Jinglan Jia Hotel (大唐景瀾酒店) and Nanning Conyue Hotel (南寧叢悅酒店) in 2019.

- *Revenue from others*. Revenue from others increased by 61.9% to RMB41.6 million in 2019 from RMB25.7 million in 2018, primarily due to the increase of increased utility fees that were advanced by us on behalf of tenants and general contractors as a result of expanded business scale.

Cost of sales

Our cost of sales increased by 49.2% to RMB5,922.7 million in 2019 from RMB3,970.3 million in 2018, primarily due to the increase in our cost of sales of properties. Our cost of sales of properties increased by 50.3% to RMB5,641.2 million in 2019 from RMB3,752.5 million in 2018, which was a result of the increase in our total GFA delivered and an increase in average land acquisition cost.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 43.3% to RMB2,185.4 million in 2019 from RMB1,525.3 million in 2018. Our gross profit margin decreased slightly from 27.8% for 2018 to 27.0% for 2019, primarily due to the decrease in the gross profit margin for sales of properties, which decreased slightly from 28.3% for 2018 to 27.4% for 2019, primarily due to a decrease in gross profit margin for commercial properties delivered in 2019 as compared to that of 2018, primarily attributable to the delivery of certain high profit margin commercial properties in 2018, such as Longgang Dynasty Youth (龍崗大唐果) and Longgang Dynasty Royalty (龍崗大唐世家), which had relatively low land acquisition costs, partially offset by an increase in the gross profit margin of the sales of residential properties from 2018 to 2019, primarily due to the relatively high gross profit margin of certain residential properties delivered in 2019, such as Zhangzhou Dynasty Impression (漳州大唐印象) due to its prime location in Zhangzhou and the favorable prevailing market conditions in Zhangzhou when this property project was pre-sold.

Selling and marketing expenses

Our selling and marketing expenses increased by 68.4% to RMB444.2 million in 2019 from RMB263.8 million in 2018, primarily due to an increase in our employee benefit expenses mainly due to (i) increased number of employees, which was in line with our business expansion, (ii) an increase in sales commission rates for external real estate agents, as a result of our increased efforts to promote sales of properties; and (iii) an increase in advertising expenses, which was in line with our increased promotional activities in 2019.

Administrative expenses

Our administrative expenses increased by 28.5% to RMB454.9 million in 2019 from RMB354.1 million in 2018, primarily due to an increase in employee benefit expenses and property management, office and traveling expenses, which was due to the fact that we had established new project companies and opened new offices in 2019 and hired additional administrative staff as a result of our continuous business expansion.

Fair value gains on investment properties

Our fair value gains on investment properties decreased by 58.3% to RMB42.2 million in 2019 from RMB101.3 million in 2018, primarily as a result of (i) the reduction of investment properties due to the disposal of Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司) in the second half of 2018, (ii) more capital expenditure incurred on the investment properties that were under development in 2018 and (iii) more investment properties being added to our portfolio in 2018 than that in 2019.

Net impairment reversal/losses on financial and contract assets

We recorded net impairment losses on financial and contract assets of RMB16.1 million for 2018 and net impairment reversal on financial and contract assets of RMB2.9 million for 2019, primarily due to a decrease in the balance of our contract assets. See "Description of Certain Consolidated Balance Sheet Items — Contract Assets and Contract Costs" for more details.

Other expenses

Our other expenses increased by 25.6% to RMB35.6 million in 2019 from RMB28.3 million in 2018, primarily due to increase in donations made in 2019.

Other net gains

Our other net gains decreased by 29.1% to RMB87.0 million in 2019 from RMB122.7 million in 2018, primarily due to the gains on disposals of equity interests in our subsidiaries and associates in 2018, including Nanchang Tangmen Real Estate Co., Ltd. (南昌唐門房地產有限公司) and Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司).

Other income

Our other income increased by 17.7% to RMB39.2 million in 2019 from RMB33.3 million in 2018, primarily due to (i) commission income from trading of construction materials due to a larger volume of construction materials sales in 2019 and (ii) an increase in the amount of penalties paid by our customers who defaulted on their pre-sales contracts.

Finance income

Our finance income increased by 30.9% to RMB25.5 million in 2019 from RMB19.5 million in 2018, primarily due to the increase in interest income derived from bank deposits as a result of our increased bank deposits.

Finance costs

Our finance costs increased by 24.9% to RMB48.5 million in 2019 from RMB38.8 million in 2018, primarily due to an increase in bank service charges and related expenses as a result of our increased bank and other borrowings in 2019.

Share of results of associates and joint ventures

Our share of losses of associates and joint ventures was RMB17.3 million in 2018 and our share of profits of associates and joint ventures was RMB8.9 million in 2019, primarily due to the profit from our joint venture, Beihai Zhirui Asset Management Co., Ltd (北海智瑞資產管理有限公司), in 2019.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by 29.9% to RMB1,407.9 million in 2019 from RMB1,083.6 million in 2018.

Income tax expenses

Our income tax expenses increased by 57.5% to RMB780.5 million in 2019 from RMB495.4 million in 2018, primarily due to the increase in taxable income and an increase in LAT as a result of the increase in revenue derived from the sales of properties in 2019.

Profit for the year

As a result of the foregoing, our profit for the year increased by 6.7% to RMB627.4 million in 2019 from RMB588.2 million in 2018.

Loss attributable to non-controlling interests

Our losses attributable to non-controlling interests decreased by 13.2% to RMB82.8 million in 2019 from RMB95.5 million in 2018, primarily due to the decrease of losses attributable to non-controlling interests from certain of our subsidiaries in 2019, such as Zhangzhou Tangxing Real Estate Co., Ltd. (漳州唐興房地產有限公司) and Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司) whose property projects incurred less costs as they approached completion.

Year ended December 31, 2018 compared to year ended December 31, 2017

Revenue

Our revenue increased by 36.7% to RMB5,495.6 million in 2018 from RMB4,019.3 million in 2017, primarily driven by the increase in the revenue from sales of properties, partially offset by the decrease in the revenue from provision of construction services.

The table below sets forth a breakdown of our revenue derived from each of our business lines:

	For the year ended December 31,							
	2017				2018			
	Revenue		GFA delivered	ASP	Revenue		GFA delivered	ASP
	(RMB'000)	(%)	(sq.m.)	(RMB per sq.m.)	(RMB'000)	(%)	(sq.m.)	(RMB per sq.m.)
Sales of properties								
Residential properties	2,750,239	68.5	428,631	6,416	4,206,749	76.5	468,871	8,972
Commercial properties	592,340	14.7	47,977	12,346	893,063	16.3	85,586	10,435
Car parks	60,601	1.5	18,728	3,236	130,813	2.4	40,722	3,212
Subtotal	3,403,180	84.7	495,336	6,870	5,230,625	95.2	595,179	8,788
Provision of construction services	534,765	13.3	—	—	204,008	3.7	—	—
Rental income	42,036	1.0	—	—	35,277	0.6	—	—
Provision of hotel services	19,205	0.5	—	—	—	—	—	—
Others[1]	20,081	0.5	—	—	25,700	0.5	—	—
Total	**4,019,267**	**100.0**			**5,495,610**	**100.0**		

Note:

(1) Others mainly consist of the provision of management services to our joint ventures, associates and/or third-party property developer, operation of a sports stadium and other services, which mainly include payment of utility fees paid in advance by us to utility providers on behalf of our tenants.

- *Revenue from sales of properties*. Revenue from sales of properties increased by 53.7% to RMB5,230.6 million in 2018 from RMB3,403.2 million in 2017, primarily due to the increase in the total GFA delivered. The total GFA of properties delivered increased by 20.2% to 595,179 sq.m. in 2018 from 495,336 sq.m. in 2017, which was primarily attributable to the increase in the total GFA of residential and commercial properties delivered, mainly attributable to the delivery of Tang Yayuan (唐雅苑) and Longgang Dynasty Royalty (龍崗大唐世家). The total ASP per sq.m. of properties delivered increased by 27.9% to RMB8,788 per sq.m. in 2018 from RMB6,870 per sq.m. in 2017. This increase was primarily attributable to the delivery of certain properties with relatively high ASP per sq.m. in 2018, such as Tang Yayuan (唐雅苑), Panda Villa (熊貓墅) and Longgang Dynasty Royalty (龍崗大唐世家).

- *Revenue from the provision of construction service*. Revenue from the provision of construction service decreased by 61.9% to RMB204.0 million in 2018 from RMB534.8 million in 2017, primarily due to the decrease in the GFA of resettlement housing to which we provided construction services.

- *Revenue from rental income*. Revenue from rental income decreased by 16.2% to RMB35.3 million in 2018 from RMB42.0 million in 2017, primarily due to the termination of the lease for our Vision Commercial Square (左岸商業廣場) in late 2018.

- *Revenue from hotel services*. Revenue from hotel services decreased to nil in 2018 from RMB19.2 million in 2017, primarily due to the cessation of the operation of our hotel in Chongqing in 2017.

- *Revenue from others*. Revenue from others increased by 28.0% to RMB25.7 million in 2018 from RMB20.1 million in 2017, primarily due to the increase of revenue from the operation of our sports stadium.

Cost of sales

Our cost of sales increased by 30.1% to RMB3,970.3 million in 2018 from RMB3,052.9 million in 2017, primarily because of the increase in our cost of sales of properties. Our cost of sales of properties increased by 49.6%, to RMB3,752.5 million for 2018 from RMB2,508.0 million in 2017, primarily due to the increase in costs of land use rights and construction costs as a result of the increase in properties delivered in 2018.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 57.8% to RMB1,525.3 million in 2018 from RMB966.4 million in 2017. Our gross profit margin increased to 27.8% in 2018 from 24.0% in 2017, primarily due to the delivery of certain residential properties with relatively high gross profit margin in 2018, such as Panda Villa (熊貓墅) in Zhangzhou due to the fact that its properties were villas targeted at high-end customers.

Selling and marketing expenses

Our selling and marketing expenses increased by 55.1% to RMB263.8 million in 2018 from RMB170.1 million in 2017, primarily due to (i) the increase of marketing and advertising costs, which was in line with our increased delivered properties, and (ii) the increase of sales commissions to external real estate agents, both of which were in line with our continued business expansion.

Administrative expenses

Our administrative expenses increased by 66.8% to RMB354.0 million in 2018 from RMB212.2 million in 2017, primarily due to the increases in (i) employee benefit expenses attributable to the increased number of our employees, and (ii) professional services fees as a result of increases in expenses relating to mainly (a) services to develop and upgrade our internal software systems used for accounting and budgeting as part of our efforts to, among others, streamline our budgeting process and improve financial control at different levels of our Group, and (b) services as we engaged IT consulting professionals and purchased software to better optimize the management of our information systems between the Group and regional/project company levels, and tracking of our operational targets with respect to our sales of properties.

Fair value gains on investment properties

Our fair value gains on investment properties increased slightly by 1.4% to RMB101.3 million in 2018 from RMB99.9 million in 2017, primarily due to the appreciation in value of investment properties in our portfolio, and partially offset by reduction of investment properties in relation to the disposal of Guangxi Fuxin Investment Co., Ltd. in 2018.

Net impairment losses/reversal on financial and contract assets

We recorded net impairment losses on our financial and contract assets of RMB16.1 million in 2018 and net impairment reversal of RMB9.6 million in 2017, primarily due to an increase of our other receivables in 2018.

Other expenses

Our other expenses increased significantly to RMB28.3 million in 2018 from RMB6.2 million in 2017, primarily due to our donation in the aggregate amount of approximately RMB20.0 million to certain elementary schools located in the vicinity of our Mingmen Impression (名門印象).

Other net gains

Our other net gains increased significantly to RMB122.7 million in 2018 from RMB16.2 million in 2017, primarily because we disposed of our equity interests in Nanchang Tangmen Real Estate Co., Ltd. (南昌唐門房地產有限公司) and Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司) in 2018, whereas we did not make significant disposal of interests in our subsidiaries in 2017. The increase in other net gains was also because of an increase in fair value gains of financial assets at FVTPL to RMB23.4 million in 2018 from RMB14.6 million in 2017. For details on the financial assets at FVTPL, see "— Description of Certain Consolidated Balance Sheet Items — Financial Assets at FVTPL" below.

Other income

Our other income increased by 19.4% to RMB33.3 million in 2018 from RMB27.9 million in 2017, primarily due to a government grant of RMB10.2 million that we received in relation our environmental-protection efforts in construction of property projects in Nanning in 2018.

Finance income

Our finance income increased by 52.5% to RMB19.5 million in 2018 from RMB12.8 million in 2017, primarily due to the interest income from amounts due from an associate in 2018. See "— Finance income and costs" above for more details.

Finance costs

Our finance costs increased by 8.8% to RMB38.8 million in 2018 from RMB35.7 million in 2017, primarily due to the increase in the interest expenses of our bank and other borrowings.

Share of results of associates and joint ventures

Our share of profits of associates and joint ventures was RMB45.1 million in 2017 and our share of losses of associates and joint ventures was RMB17.3 million in 2018, primarily due to the profit from our joint venture, Guangxi Behai Datang Xinqi Real Estate Co., Ltd., in 2017.

Profit before income tax

As a result of the foregoing, our profit before income tax increased by 43.8% to RMB1,083.6 million in 2018 from RMB753.7 million in 2017.

Income tax expenses

Our income tax expenses increased by 45.5% to RMB495.4 million in 2018 from RMB340.6 million in 2017, primarily due to (i) increase in LAT as a result of the increase in the revenue generated from the sales of properties in 2018, and (ii) the decrease in deferred income tax.

Profit for the year

As a result of the foregoing, our profit for the year increased by 42.4% to RMB588.2 million in 2018 from RMB413.2 million in 2017.

Loss attributable to non-controlling interests

Our losses attributable to non-controlling interests increased significantly to RMB95.5 million in 2018 from RMB10.9 million in 2017, primarily due to the increase of losses of certain of our subsidiaries with non-controlling interests in 2018, such as Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司) and Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司).

DESCRIPTION OF CERTAIN CONSOLIDATED BALANCE SHEET ITEMS

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, capitalized borrowing costs 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. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we had properties under development amounted to RMB15,574.3 million, RMB20,105.9 million, RMB21,357.7 million and RMB23,783.5 million, respectively. The increase of properties under development during the Track Record Period was primarily due to the expansion of our property development activities.

As of September 30, 2020, approximately RMB1,784.0 million, or 7.5%, of our properties under development for sale as of June 30, 2020, was transferred to completed properties for sale.

The table below sets forth the breakdown of properties under development as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
		(RMB'000)		
Within normal operating cycle included under current assets	15,515,005	20,091,719	21,343,530	23,769,331
Beyond normal operating cycle included under non-current assets	59,329	14,140	14,140	14,140
Total properties under development expected to be completed	15,574,334	20,105,859	21,357,670	23,783,471
Construction costs	3,624,282	7,361,302	8,656,659	9,678,390
Capitalized interests	876,767	1,456,014	1,497,288	1,726,466
Land	11,096,816	11,443,321	11,482,441	12,657,333
Less: impairment provision	(23,531)	(154,778)	(278,718)	(278,718)
Total properties under development	**15,574,334**	**20,105,859**	**21,357,670**	**23,783,471**

As of December 31, 2017, 2018 and 2019 and June 30, 2020, we made impairment provision of RMB23.5 million, RMB154.8 million, RMB278.7 million and RMB278.7 million for properties under development, respectively. Such impairment provisions were made entirely in relation to the property under development for Jiaomei Dynasty Royalty (角美大唐世家), primarily because the development cost per unit that we had incurred and expected to incur for this property project was higher than the ASP for the units that have been pre-sold or expected to be pre-sold. Jiaomei Dynasty Royalty (角美大唐世家) is located in Jiaomei town, Zhangzhou, which is very close to Xiamen and near a transportation hub between Xiamen and Zhangzhou. Given its location, the target customers of this property project were mainly potential property purchasers who were interested in investing in properties near Xiamen. Before we acquired the land parcels for this property project, we had evaluated, among others, the market conditions of Xiamen and considered that the then upward economic growth trend of Xiamen would continue and boost the economic growth of the area in Jiaomei where Jiaomei Dynasty Royalty (角美大唐世家) was located. We acquired the land parcels in Zhangzhou in June 2017 with a total land premium of RMB1,500 million. As of June 30, 2020, we held an equity interest of 67.0% in the property project. The property project is a mix of residential properties, commercial properties and car parks, with a total site area of 41,558 sq.m. We commenced the construction of this property project in December 2017 and expect to complete the property development in April 2021. In May 2018, the pre-sale of the residential properties of this project started. In the second half of 2017 and 2018, as the economic developments in Xiamen had not accelerated at a pace previously expected, the selling prices of properties in Xiamen had not increased as expected. As a result, the average selling prices of properties in Jiaomei had generally declined, and the selling prices of Jiaomei Dynasty Royalty (角美大唐世家) was no exception to this change in market trend. Accordingly, we made impairment provisions for this property project to account for the difference between the costs and the corresponding net realizable value. The ASP per sq.m. pre-sold for residential properties for this property project was within the range of approximately RMB16,400 to RMB18,600. Commercial properties and car parks for this property project have not been pre-sold. The ASP per sq.m. pre-sold for residential properties was slightly lower than the estimated ASP per sq.m. used for calculating the impairment provision of residential properties of the property project, which was within the range of approximately RMB16,500 to RMB19,500 per sq.m. The difference in the ASP per sq.m. was due to the fact that part of the higher-end properties have not been pre-sold and we also offered a small discount for some of the residential properties during early stage of the pre-sales. We believe that the subsequent selling price is generally in line with the estimated ASP per sq.m. used for impairment provision calculation and therefore the impairment was sufficient. For a discussion on risks relating to land acquisition and fluctuation in market demand for properties, see "Risk Factors — Risks Relating to Our Business — We may fail to identify desirable locations and acquire land use rights for future property development projects on favorable terms, or at all" and "Financial Information — Key Factors Affecting Our Results of Operations — Timing of Property Development, Pre-sale and Delivery."

Despite our unexpected returns on this one property project, we have been successful in the acquisition, development and subsequent sale of many of our other property projects in Zhangzhou, such as Zhangzhou Dynasty Impression (漳州大唐印象), Panda Villa (熊貓墅) and Zhangzhou Bay Dynasty Royalty (漳州港大唐世家). In 2019, we achieved the gross profit margin of approximately 45.0% for Zhangzhou Dynasty Impression (漳州大唐印象). For 2018, we achieved the gross profit margin of approximately 48.3% for Panda Villa (熊貓墅). For 2017, we achieved the gross profit margin of approximately 32.6% for Zhangzhou Bay Dynasty Royalty (漳州港大唐世家). These results are attributable to, among others, our detailed and prudent site selection process and standardized operational process. Among others, our site selection process is led by our investment and development personnel at the regional level who worked with representatives from several departments at the Group level for review and inputs. Detailed feasibility study reports containing inputs from various departments and at different levels are submitted to our investment management committee for approval, which carefully assesses a number of factors. Our investment management committee has placed greater emphasis on the review of prospects of an area or its surrounding environment's economic developments. See "Business — Our Property Development Management — Site Selection" for more details.

The table below sets forth a summary of the numbers of our property projects by development stage as of August 31, 2020, respectively:

	Completed projects	Projects under development	Projects held for future development
As of August 31, 2020 (being the valuation date)	22	65	18

Completed properties held for sale

Completed properties held for sale represent completed properties remaining unsold as of the end of each financial period and are stated at the lower of cost and net realizable value. Cost of properties held for sale is determined by an apportionment of related costs incurred attributable to the completed properties held for sale. Net realizable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable selling expenses, or by management estimates of the estimated selling prices based on prevailing market conditions. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we had completed properties held for sale of RMB2,254.5 million, RMB1,662.0 million, RMB1,926.7 million and RMB1,857.2 million, respectively.

As of September 30, 2020, approximately RMB92.2 million, or 5.0%, of our completed properties held for sale as of June 30, 2020, was subsequently sold and delivered.

The table below sets forth the breakdown of our completed properties held for sale during the Track Record Period:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Completed properties held for sale	2,325,992	1,714,852	1,983,311	1,913,866
Less: impairment provision	(71,527)	(52,867)	(56,660)	(56,660)
Completed properties for sale	**2,254,465**	**1,661,985**	**1,926,651**	**1,857,206**

We made impairment provision for completed properties held for sale of RMB71.5 million, RMB52.9 million, RMB56.7 million and RMB56.7 million, respectively, as of December 31, 2017, 2018 and 2019 and June 30, 2020. The basis of calculation for the amount of impairment provisions is to deduct the relevant costs for the relevant properties from the estimated net realizable value of the properties. For more details on the accounting policies and methods regarding the determination of net realizable value, see "— Certain Significant Accounting Policies and Accounting Estimates and Judgments — Significant accounting policies — Completed properties held for sale." During the Track Record Period, we made impairment provisions for the completed property projects held for sale of Gelin Town (格林小鎮), Tong'an Dynasty Royalty (同安大唐世家), Zhangzhou Dynasty Royalty (漳州大唐世家) and Zhangzhou Bay Dynasty Royalty (漳州港大唐世家). For Gelin Town (格林小鎮), we made impairment provision for the part of the properties that had been completed, which were constructed by the project company, Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司), before it was acquired by us. We had taken the impairment provision into consideration when we acquired project company that owned this property project, Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司), in 2016. We had evaluated the four other property projects of Tianjin Haihui Real Estate Development Co., Ltd., which included Guanya Garden (觀雅庭院), Tangsheng Yayuan (唐晟雅苑), Tangxi Yayuan (唐璽雅苑) and Tangyun Yayuan (唐韻雅苑), and believed that they were of value and could generate healthy economic returns for us when we develop them by leveraging our extensive property development experiences. We also considered the fact that the acquisition of Tianjin Haihui Real Estate Development Co., Ltd. would enable us to establish a market presence in Tianjin. Based on the overall assessment, we made the strategic decision to acquire Tianjin Haihui Real Estate Development Co., Ltd., despite the impairment provision that had to be made for one property project. We also made impairment provisions for certain car parks of Tong'an Dynasty Royalty (同安大唐世家), Zhangzhou Dynasty Royalty (漳州大唐世家) and Zhangzhou Bay Dynasty Royalty (漳州港大唐世家) that remained unsold after the majority of these three property projects had been pre-sold/sold. In addition, while our Detian International New Town (德天國際新城) and Dynasty Tinghai Residence (大唐聽海居) also had unsold properties at the time of the valuation during the Track Record Period, their respective market values less costs of disposals have exceeded their respective remaining costs of sales at each time of the valuation under the impairment test and therefore no impairment was made.

Investment properties

Investment properties are properties we retain mainly for rental income purposes and for capital appreciation and properties under construction for such purposes. They are measured initially at cost, including transaction costs and subsequent to initial recognition, measured at fair value. Professional valuations are obtained at least once every year. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise. Transfers are made to or from investment properties when and only when there is a change in use. For a transfer from properties for development or completed properties for sale to investment properties, any difference between the fair value of the properties at that date and its previous carrying amount is recognized in profit or loss. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we had investment properties amounted to RMB1,463.6 million, RMB1,413.0 million, RMB1,550.5 million and RMB1,626.3 million, respectively.

The table below sets forth the movement of the value of our investment properties as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Opening net book amount	1,135,594	1,463,580	1,413,010	1,550,540
Transfer from properties under development and completed properties held for sale:				
—Revaluation gains	2,234	16,524	—	27,402
—Cost	8,215	35,572	—	43,498
Other additions	240,252	314,986	95,325	482
Fair value gains	97,660	84,748	42,205	4,378
Disposals of subsidiaries	—	(502,400)	—	—
Other disposals	(20,375)	—	—	—
Closing net book amount	**1,463,580**	**1,413,010**	**1,550,540**	**1,626,300**

Our fair value of investment properties decreased from 2017 to 2018, primarily due to the disposal of a subsidiary, Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司) in 2018. Our value of investment properties increased from 2018 to 2019, primarily due to the appreciation of our investment properties and an increase in the capital expenditure on Nanning Dynasty Tiancheng Phases I and II (南寧大唐天城一期和二期) in 2019. Our value of investment properties increased from 2019 to the first half of 2020, primarily because of the addition of Mingmen Impression (名門印象) to our investment property portfolio in the first half of 2020.

Trade Receivables

Our trade receivables represent the amounts due from customers for properties sold and provision of construction services for resettlement housing. As of December 31, 2017, 2018 and 2019 and June 30, 2020, our trade receivables amounted to approximately RMB115.1 million, RMB56.4 million, RMB43.5 million and RMB29.5 million, respectively.

The following table sets forth an aging analysis of our trade receivables based on the invoice date as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Within 90 days	88,900	22,299	16,674	17,989
Over 90 days and within 180 days	55	924	9,627	71
Over 180 days and within one year	17	15,158	1,223	1,300
Over one year	29,156	20,871	18,043	11,337
Total	**118,128**	**59,252**	**45,567**	**30,697**

As of September 30, 2020, approximately RMB7.2 million, representing approximately 24.6% of our total trade receivables as of June 30, 2020, were subsequently settled. As of June 30, 2020, approximately RMB12.5 million, representing approximately 43.3% of the Group's total trade receivables with invoice dates over 90 days as of December 31, 2019 are to be settled. We do not expect to experience any material issues in recovering our trade receivables with invoice dates of over 90 days, as the majority of such trade receivables to be settled were with a PRC local government as discussed below.

During the Track Record Period, we provided construction services for resettlement housing projects of Nanning Dynasty Shengshi Phases I and II (南寧大唐盛世一期和二期), Longgang Dynasty Royalty (龍崗大唐世家) and Longgang Dynasty Youth (龍崗大唐果), pursuant to the agreements with a PRC local government ("Local Government for Resettlement"). Under those agreements, the Local Government for Resettlement will pay us in installments based on our construction process for the above-mentioned projects, and the last installment will not be paid until we obtain building ownership certificates. Once we have obtained the building ownership certificates, we are required to submit the relevant documents to Local Government for Resettlement for review and approval of the relevant payments for our construction services, which involves an administrative process that may take time to complete. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recorded trade receivables of RMB24.5 million, RMB16.2 million, RMB10.8 million and RMB10.8 million, respectively, from Local Government for Resettlement. As of June 30, 2020, RMB10.8 million of trade receivables was due over three years. Such long-aging trade receivables from Local Government for Resettlement were mainly related to Longgang Dynasty Royalty (龍崗大唐世家) and Longgang Dynasty Youth (龍崗大唐果), which have been delivered as of December 31, 2019. We had obtained the relevant building ownership certificates for these two projects and submitted the relevant documents to Local Government for Resettlement for review and approval for the relevant payments as of the end of 2019. In November 2019, the Local Government for Resettlement informed us that a third-party auditor would be required to conduct audit the relevant resettlement properties before the Local Government for Resettlement approves the last installment payment to us. A third-party auditor has been appointed in April 2020 to conduct the audit. Given that Longgang Dynasty Royalty (龍崗大唐世家) and Longgang Dynasty Youth (龍崗大唐果) were relatively large-scale resettlement housing projects with construction work spanning over a few years, the detailed audit procedures required involve gathering a series of supporting documents and conducting the necessary checks which takes time. As of the date of this prospectus, the audit has not been completed. However, it is expected that the audit would be completed and submitted to the Local Government for Resettlement for review within the third quarter of 2020. We do not expect any difficulties in obtaining such approval. To the best of our knowledge, the Local Government for Resettlement is not in any financial difficulties. We maintain a stable cooperative relationship with, and do not have any disputes with, the Local Government for Resettlement. We understand the Local Government for Resettlement was undergoing the normal internal procedures for review and approval process for payments as of the Latest Practicable Date. Based on the foregoing, we do not expect to encounter any material recoverability issue with the trade receivables due from the Local Government for Resettlement and expect to settle such trade receivables by the end of 2020.

We apply the simplified approach to providing for expected credit losses prescribed by HKFRS 9 'Financial Instruments', which permits the use of the lifetime expected loss provision for all trade receivables both from third parties and related parties. To measure the expected credit losses of receivables of trading nature, trade receivables have been grouped based on shared credit risk characteristics and the days past due. During the Track Record Period, we consistently applied expected credit loss rate of 0.10%, 2.00%, 5.00% and 10.00%, respectively, for trade receivables due within 90 days, over 90 days and within 180 days, over 180 days and within 365 days, over 365 days, respectively.

10% loss rate is applied to trade receivables due from the Local Government for Settlement overdue for over 365 days after our management's review on the historical settlement of the sales, the negotiation with Local Government for Resettlement, the credit quality of Local Government for Resettlement and forward-looking factors. Our Directors considered the expected credit loss rate is sufficient and appropriate.

Other receivables and prepayments

The table below sets forth a breakdown of our other receivables and prepayments as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Other receivables				
Amounts due from related parties	1,188,000	908,715	1,819,170	1,752,262
Amounts due from non-controlling interests	127,101	127,919	702,225	1,071,020
Amounts due from third parties	14,514	7,756	8,010	65,924
Deposits for land auctions	435,641	380,280	210,210	640,975
Construction deposits	38,463	52,422	73,121	215,174
Amounts paid on behalf of government	54,798	136,798	100,628	129,828
Arising from disposals of subsidiaries	5,300	113,331	5,100	—
Others	77,406	123,040	57,226	55,062
Less: allowance for impairment	(53,845)	(61,979)	(35,256)	(28,473)
	1,887,378	**1,788,282**	**2,940,434**	**3,901,772**
Prepayments				
Related parties	393	286	—	—
Prepayment for acquisition of land use rights	47,478	47,478	47,478	47,478
Prepayment for construction cost and raw materials	16,766	46,483	23,920	64,999
Prepaid tax and other levies	205,627	595,269	886,742	932,989[1]
Others	274	3,567	7,237	9,160
	270,538	693,083	965,377	1,054,626
Total	**2,273,038**	**2,537,731**	**3,949,303**	**4,985,877**

Note:

(1) As of September 30, 2020, RMB141.0 million, representing approximately 15.1% of the prepaid tax and other levies as of June 30, 2020, had been settled.

Other Receivables

Amounts due from related parties mainly represent current payments made by us to certain entities controlled by the ultimate Controlling Shareholders and to our joint ventures and associates. See "— Related Party Transactions" for more details. Our amounts due from related parties generally decreased during the Track Record Period due to a decrease in amounts due from entities controlled by the ultimate Controlling Shareholder.

Amounts due from non-controlling interests mainly represent current accounts with the non-controlling interests of certain subsidiaries of our Group in the ordinary course of business, which were non-trade related. Such subsidiaries are project companies established for the purpose of jointly developing property projects with third-parties. When a surplus of funds became available in such project companies, pursuant to certain joint development agreements entered into among our Group and the non-controlling shareholders, funds can be temporarily advanced to these non-controlling shareholders and our Group on a pro-rata basis from time to time. Such funds advanced shall be repaid by our Group 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 retained earnings after the relevant projects are completed and delivered. Our amounts due from non-controlling interests increased from RMB127.9 million as of December 31, 2018 to RMB702.2 million as of December 31, 2019 and further to RMB1,071.0 million as of June 30, 2020, primarily due to the increase in the number of projects developed by our non-wholly owned subsidiaries as a result of our business expansion. As of the Latest Practicable Date, RMB112.0 million, representing approximately 10.5% of our total amounts due from non-controlling interests as of June 30, 2020, had been settled.

Amounts due from third parties mainly represent current accounts with third parties in the ordinary course of business and prepayments to third parties for land acquisition for property projects to be jointly developed with the third parties. Our amounts due from third parties increased from RMB8.0 million as of December 31, 2019 to RMB65.9 million as of June 30, 2020 was primarily due to an increase in prepayments to third parties for land acquisition for property projects that we will jointly develop with the third parties.

Construction Deposits represent deposits made to certain government authorities in relation to construction work as required by legal regulations.

Amounts paid on behalf of government mainly represent our advances to the government in relation to the resettlement, which are to be paid back by local governments.

Others of other receivables mainly include dividends receivables and prepayments.

Prepayments

Prepayments to related parties represent prepayment of property management fees.

Prepayment for acquisition of land use rights represents the deposits we paid to local governments for land parcels to be acquired.

Prepayment for construction cost and raw materials represents prepayments we made to our contractors for construction cost and suppliers for the cost of raw materials.

Prepayments for acquisition of land use rights represent the deposits we paid for acquiring land parcels for some of our property development projects.

Trade payables

Our trade payables primarily represent construction cost payables to external contractors, payables to material suppliers and payable land acquisition costs. As of December 31, 2017, 2018 and 2019 and June 30, 2020, our trade payables amounted to RMB2,567.1 million, RMB2,764.9 million, RMB2,975.7 million and RMB2,584.4 million, respectively. The general increase in our trade payables during the Track Record Period was in line with our property construction and development activities.

The following table sets forth the components of our trade payables as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Related parties	14,118	14,249	24,903	20,795
Third parties	2,552,959	2,750,602	2,950,751	2,563,622
	2,567,077	**2,764,851**	**2,975,654**	**2,584,417**

The following table sets forth an aging analysis of our trade payables based on the invoice date as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Within 90 days	2,302,458	1,030,403	2,404,619	992,540
Over 90 days and within 180 days	41,048	745,772	51,036	912,493
Over 180 days and within one year	50,009	25,871	191,134	206,491
Over one year	173,562	962,805	328,865	472,893
Total	**2,567,077**	**2,764,851**	**2,975,654**	**2,584,417**

The following table sets forth our trade payables turnover days as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
Trade payables turnover days[(1)]	280.5	245.1	176.9	369.6

Note:

(1) Calculated as the average trade payables of the relevant period divided by cost of sales in that relevant period then multiplied by the number of days in the relevant period.

Our trade payables turnover days generally decreased from 280.5 days as of December 31, 2017 to 176.9 days as of December 31, 2019 and further increased to 369.6 days as of June 30, 2020, primarily due to the inconsistency between the time for different contractors and suppliers in issuing invoices and the recognition of cost of sales when the properties were delivered.

As of September 30, 2020, approximately RMB473.4 million, representing approximately 18.3% of our total trade payables as of June 30, 2020, were subsequently settled.

Other payables

The following table sets forth the components of our other payables as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Amounts due to related parties	2,569,668	1,920,391	2,976,205	4,144,826
Amounts due to non-controlling interests	1,183,961	1,491,551	2,266,778	1,951,352
Amounts due to third parties	51,000	186,000	185,985	185,985
Dividend payable	12,619	12,619	12,619	—
Construction guarantee deposits received	119,677	191,636	196,737	270,139
Notes payable	45,644	107,360	73,048	40,233
Accrued payroll	51,676	84,420	132,231	20,709
Other taxes payables	961,254	1,023,579	1,487,262	1,575,835
Interest payables	31,561	19,413	41,366	49,531
Consideration payable for acquisition of a subsidiary	—	119,914	—	—
Consideration payable for acquisition of a joint venture	—	156,839	16,800	—
Others	137,048	234,303	345,301	299,072
Total	**5,164,108**	**5,548,025**	**7,734,332**	**8,537,682**

Amounts due to related parties mainly represent advances provided by our joint ventures and associates. The decrease of amounts due to related parties from RMB2,569.7 million as of December 31, 2017 to RMB1,920.4 million as of December 31, 2018 was primarily due to the repayments of advances to related parties. The increase in amounts due to related parties from RMB1,920.4 million as of December 31, 2018 to RMB2,976.2 million as of December 31, 2019 and further to RMB4,144.8 million as of June 30, 2020 was primarily because of an increase in the amount of advances provided by related parties, which was in line with the increase of the number of projects developed by our joint ventures and associates. See "— Related Party Transactions" below for more details.

Amounts due to non-controlling interests 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 interests are non-trade related. As of September 30, 2020, approximately RMB686.3 million, representing 35.2% of amounts due to non-controlling interests of subsidiaries as of June 30, 2020, was subsequently settled.

Other taxes payables mainly represent payables of VAT and surcharges, which increased from 2017 to 2018 due to changes in the relevant PRC tax regulations that resulted in an increase in VAT from sales of properties and further increased to RMB1,487.3 million as of December 31, 2019 due to an increase in our pre-sales in 2019. Other taxes payables increased to RMB1,575.8 million as of June 30, 2020 due to an increase in relevant taxable income for the first half of 2020.

The amounts due to third parties represent cash advances from Zhangzhou Project Company (as defined below), which held Bihu Impression (as defined below). Our investment in the Zhangzhou Project Company was measured as financial assets at FVTPL. After completion and delivery of Bihu Impression, the retained earnings of the Zhangzhou Project Company shall be distributed to us based on a pre-agreed capital contribution ratio. The cash advances from Zhangzhou Project Company represented the distribution of cash surplus based on the capital contribution ratio, which will be offset by the distribution of retained earnings upon the completion and delivery of Bihu Impression (as defined below). See "— Description of Certain Consolidated Balance Sheet Items — Financial Assets at FVTPL." We expect such distribution to offset the amounts due to Zhangzhou Project Company in 2020.

Financial Assets at FVTPL

Financial Assets at FVTPL during our Track Record Period relate to certain investment we made in Zhangzhou, which was investment in a property development company. Our investment is recorded as non-current assets on our consolidated balance sheets and measured at fair value as of each balance sheet date as determined by independent valuations. The valuation of investment involves exercise of professional judgment and use of estimates. The fair value of our investment may be higher or lower depending on, among others, the assumptions used, market conditions and the operating performance of the property development company.

In December 2016, we entered into a cooperation agreement with an independent third party Zhangzhou City Investment and Properties Development Co., Ltd. (漳州城投置業有限公司) and its subsidiary (together, the "Zhangzhou Project Company") in connection with Bihu Impression (碧湖印象) in Zhangzhou, Fujian province ("Bihu Impression"). Under the cooperation agreement, we agreed to invest an amount of approximately RMB128.9 million into the Zhangzhou Project Company holding Bihu Impression (which amount of investment was made by us in 2016). In return, such independent third party agreed that, among others, (i) Zhangzhou Project Company shall distribute any cash surplus from Bihu Impression on a progressive basis, once its net operating cash inflow has exceeded certain threshold, and (ii) after completion and delivery of Bihu Impression, any residual profit the Zhangzhou Project Company has then shall be distributed to investees in the Zhangzhou Project based on a pre-agreed capital contribution ratio. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we have amount due to third parties in the amount of RMB51.0 million, RMB186.0 million, RMB186.0 million and RMB186.0 million, respectively.

As our investment in the Zhangzhou Project Company with variable returns is linked to the finance performance of the company, such investment is treated as financial assets at FVTPL in accordance with the HKFRS. For details, see Note 23 of the Accountant's Report included in Appendix I to this Prospectus. As of December 31, 2017, 2018 and 2019 and June 30, 2020, the value of such financial assets at FVTPL, based on the fair value appraised by an independent third party valuer, Jones Lang LaSalle, on a discounted cash flow basis, was RMB153.2 million, RMB176.6 million, RMB200.8 million and RMB207.9 million, respectively. Accordingly, we recorded fair value gains of financial assets at FVTPL of RMB14.6 million, RMB23.4 million, RMB24.2 million and RMB7.1 million, respectively, in the corresponding periods. As of December 31, 2019, the cash surplus we received from the Zhangzhou Project Company has exceeded the amount of our investment in it. Bihu Impression was completed in January 2020. The contracted sales amount of Bihu Impression amounted to approximately RMB1,505.3 million as of June 30, 2020. As of the Latest Practicable Date, more than 95% of the total GFA of Bihu Impression has been pre-sold.

In relation to the valuation of the financial assets at FVTPL, we engaged an independent qualified professional valuer, Jones Lang LaSalle to assess the fair value of the investment in the Zhangzhou Project Company. Our Directors reviewed the professional qualification of Jones Lang LaSalle, and selected the firm based on its prior experience in valuing similar investments and appropriate knowledge of the financial reporting framework being applied. Our Directors concluded that Jones Lang LaSalle was independent from us, was suitably qualified to undertake the work, and had the relevant expertise and resources to perform the valuation. Our Directors provided Jones Lang LaSalle with all material information likely to affect the valuation. Our Directors are of the view that such valuation is fair and reasonable.

The Sole Sponsor has conducted relevant due diligence work, including but not limited to (i) reviewing the professional qualifications and previous experience of the core team members of Jones Lang LaSalle involved in the valuation engagement; (ii) conducting expert interview with Jones Lang Salle to further understand the (a) qualification, competence, resources and independence of the firm, (b) the scope of work, and (c) opinions, reports and methodology of the valuation; (iii) reviewing the relevant notes in the Accountant' Report set forth in Appendix I to this Prospectus; (iv) conducting an interview with Jones Lang LaSalle to understand the valuation methodology and key bases and assumptions made in relation to the valuation of the investment; and (v) conducting an interview with our Group and the reporting accountant, to understand (a) nature and accounting treatment of the investment, (b) audit work conducted by the reporting accountant on the investment, (c) key bases and assumptions made in relation to the audit work conducted on the investment, and (d) internal control measures adopted by our Group to manage and monitor the risk in relation to the valuation of the investment. Having considered the work done by our Directors and reporting accountant and the relevant due diligence done as stated above, the Sole Sponsor has satisfied itself that Jones Lang LaSalle is appropriately qualified, experienced and competent to give the opinion on the fair value of the investment in relation to the investment in the Zhangzhou Project Company, and the valuation methodology and key inputs used in the valuation are reasonable. Nothing has come to the Sole Sponsor's attention that would cause the Sole Sponsor to cast doubt the valuation of the financial assets at FVTPL performed by Jones Lang LaSalle.

Details of the fair value measurement of the financial assets at FVTPL, particularly the fair value hierarchy, the valuation techniques and key inputs, including significant unobservable inputs, the relationship of unobservable inputs to fair value and reconciliation of level 3 measurements are disclosed in note 4.3 to the Historical Financial Information of Group for the Track Record Period as set out in the Accountant's Report in accordance with Hong Kong Standard on Investment Circular Reporting Engagement 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants in Appendix I. The Reporting Accountant's opinion on the Historical Financial Information of the Group for the Track Record Period as a whole is set out on I-2 of Appendix I.

To reduce the risks relating to our financial investments, we have adopted a series of internal control measures to better manage and monitor such risks. As part of our treasury policy, our capital management department and financial management department are primarily responsible for liquidity risk management of our investments, including long-term debt investments, and to ensure the timely availability of funds when needed. Our legal affairs department is responsible for evaluating the investment plan from the legal perspective and keeping relevant departments abreast of any changes or developments in applicable laws relating to investment and financing. Our capital management department and investment management department are required to involve and obtain inputs from our legal affairs department with respect to any investment plans. Our legal affairs department can also report directly to the management at the Group level for any legal risks it detects. See "Business — Risk Management" for more details.

Deferred Tax Assets and Deferred Tax Liabilities

Deferred income tax mainly represent temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets recognized during the Track Record Period are mainly attributable to tax losses of our subsidiaries carrying on property development business during their early development stage, when net losses were incurred as a result of selling and administrative expenses and no revenue was recognized. We recorded deferred tax assets of RMB484.9 million, RMB513.3 million, RMB656.9 million and RMB668.6 million as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. The increase in deferred tax assets during the Track Record Period was mainly due to the tax losses incurred for our properly development subsidiaries during their early development stage, which was line with our growing property development business and increasing number of property projects.

Deferred tax liabilities mainly represent tax payments that we are expected to make in the future. We recorded deferred tax liabilities of RMB686.0 million, RMB1,140.0 million, RMB1,203.9 million and RMB1,249.0 million as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. Deferred tax liabilities recognized during the Track Record Period were mainly attributable to the revaluation gains resulted from acquisitions of subsidiaries, including but not limited to, Hunan Xingrong Investment Co., Ltd. in 2018, which results in revaluation gain of RMB1,828.3 million. The revaluation gain was mainly due to the appreciation of the underlying lands under development and held for future development as compared to their respective original costs recognized by the company acquired by us.

Contract Assets and Contract Costs

Our contract assets and contract costs consist of contract assets related to the provision of construction services and costs for obtaining contracts. The table below sets forth the details of our contract assets and contract costs as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Contract assets related to construction services	128,148	179,947	57,228	126,190
Costs for obtaining contracts	134,471	202,098	223,712	232,193
Total contract assets and contract costs	262,619	382,045	280,940	358,383
Less: allowance for impairment	(2,937)	(8,447)	(2,606)	(5,007)
	259,682	**373,598**	**278,334**	**353,376**

Our construction service customers are typically required to pay us in installments based on relevant contractual milestones, including (i) signing of the agreements, (ii) the completion of a certain portion of the resettlement housing as specified in the relevant contract with the local government and (iii) the completion of the resettlement housing and receipt of the relevant property ownership certificates. We recognize revenue from the provision of construction services based on our construction progress, and we issue bills to the relevant customers for the contract amounts that have become outstanding pursuant to the relevant resettlement agreements, i.e., having reached the relevant milestones in accordance with the relevant construction and resettlement agreements, which amount, if not yet settled by the relevant customers, will be recorded as trade receivables. For the revenue calculated based on construction progress which we have not yet billed to the relevant customers as the relevant performance or milestone has not been made or reached, such amount will be recorded as contract assets related to the construction services. In other words, we recognize contract assets related to construction services as the excess revenue which is recognized based on our construction progress, over the amount billed to the relevant customers based on the relevant milestones reached according to the relevant contracts we have with the customer.

Our revenue from provision of construction services was RMB534.8 million, RMB204.0 million and RMB218.6 million for the years ended December 31, 2017, 2018 and 2019, respectively. The decreases in the revenue from construction services from 2017 to 2018 was primarily due to the substantial completion of Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期), a resettlement housing project, in 2017, for which we recognized revenue from the provision of construction services in the amount of RMB491.1 million. The slight increase in our revenue from the provision of construction services in 2019 as compared to that of 2018 was primarily due to the commencement of the construction of one resettlement housing project, namely, Dynasty Shuxiang Yazhu (大唐·書香雅築), for which we recognized revenue from the provision of construction services in the amount of RMB57.0 million. Our revenue from provision of construction services was RMB64.8 million and RMB127.5 million for the first half of 2019 and 2020, respectively. The increase was primarily because resettlement housing properties of Dynasty Shuxiang Yazhu (大唐·書香雅築). Our revenue from the provision of construction service increased by 96.7% to RMB127.5 million for the first half of 2020 from RMB64.8 million for the first half of 2019, primarily due to the fact that we completed a portion of a resettlement housing project, namely, Dynasty Shuxiang Yazhu (大唐·書香雅築) based on the construction progress in the first half of 2020, as we recognize revenue from the provision of construction service based on our construction progress pursuant to the relevant contracts.

As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recorded contract assets related to construction services of RMB128.1 million, RMB179.9 million, RMB57.2 million and RMB126.2 million, respectively. The increase in contract assets related to construction services from December 31, 2017 to December 31, 2018 was primarily due to the increases from contract assets for Zhangzhou Dynasty Impression (漳州大唐印象), Nanning Dynasty Shengshi Phases III (南寧大唐盛世三期) and Wuxiang Dynasty Youth (五象大唐果), amounting to an aggregate amount of RMB56.8 million, and partially offset by the decrease in contract assets for Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期) amounting to RMB19.5 million, as the payments for the relevant constructions services were only paid after meeting the relevant milestones as set out in the contractual agreements, which are different in terms of timing as compared to the revenue recognition, and subject to the administrative review and approval process of the relevant local government. The decrease in contract assets related to construction services from December 31, 2018 to December 31, 2019 was primarily due to the decreases from contract assets for Nanning Dynasty Shengshi Phases I & II (南寧大唐盛世一期和二期) and Zhangzhou Dynasty Impression (漳州大唐印象) amounting to RMB104.7 million in total, as substantial payment milestones of these construction projects as set out in the contractual agreements had been met during the year ended December 31, 2019. The increase in contract assets related to construction services from December 31, 2019 to June 30, 2020 was primarily due to the increases from contract assets for Dynasty Shuxiang Yazhu (大唐·書香雅築), amounting to RMB70.0 million, as the payments for the relevant constructions services were only paid after meeting the relevant milestones as set out in the contractual agreements and is subject to the administrative review and approval process of the relevant local government.

Costs for obtaining contracts primarily represent sale commission paid or payable to both our internal sales staff and external sales agents in relation to our pre-sales of properties, as a result of obtaining the property sale contracts. We expect such costs are recoverable. Our sales commissions paid or payable were determined based on a percentage of the property contract sum and therefore accumulated incrementally. Such sales commissions were capitalized as assets and further amortized in selling and marketing expenses when the revenue from the sales contracts has been recognized upon the delivery of properties to the customers. The general increase in costs for obtaining contracts during the Track Record Period was in line with our business expansion and increased marketing and selling activities in relation to our pre-sales.

Contract Liabilities

We receive payments from customers on billing schedule as established in contracts in relation to the pre-sales of our properties. Payments are usually received in advance of the performance under contracts which are mainly from sales of properties and in line with our business growth. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recognized contract liabilities of RMB7,908.0 million, RMB11,478.4 million and RMB13,273.4 million and RMB15,425.1 million, respectively.

The table below sets forth the unsatisfied contracts in relation to the sales of properties as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Expected to be recognized within one year	5,045,834	6,864,403	8,329,486	9,172,620
Expected to be recognized after one year	5,589,867	8,295,914	12,463,210	14,033,916
Total	**10,635,701**	**15,160,317**	**20,792,696**	**23,206,536**

The table below sets forth the unsatisfied contracts in relation to construction services as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			
Expected to be recognized within one year	213,413	210,627	174,357	67,018
Expected to be recognized after one year	276,472	75,250	87,178	75,948
Total	**489,885**	**285,877**	**261,536**	**142,966**

NET CURRENT ASSETS

During the Track Record Period, we had met our working capital needs mainly from cash flow from operations, bank and other borrowings and trust financing. The following table sets forth a breakdown of our net current assets as of the dates indicated:

	As of December 31,			As of June 30, 2020	As of September 30, 2020
	2017	2018	2019		
			(RMB'000)		*(unaudited)*
Current assets					
Inventories	915	2,833	2,599	3,352	1,655
Properties under development	15,515,005	20,091,719	21,343,530	23,769,331	24,889,615
Completed properties held for sale	2,254,465	1,661,985	1,926,651	1,857,206	1,980,606
Contract assets and contract costs	259,682	373,598	278,334	353,376	374,499
Trade and other receivables	2,273,038	2,537,731	3,949,303	4,985,877	6,132,936
Prepaid income taxes	462,194	407,775	717,022	730,400	635,880
Cash and bank deposits	2,102,786	2,714,659	4,095,171	3,229,544	3,841,737
Total current assets	**22,868,085**	**27,790,300**	**32,312,610**	**34,929,086**	**37,856,928**
Current liabilities					
Trade and other payables	7,731,185	8,312,876	10,709,986	11,122,099	12,134,701
Contract liabilities	7,908,027	11,478,394	13,273,377	15,425,112	16,059,190
Borrowings	1,647,622	3,799,240	2,301,763	2,416,363	2,608,845
Lease liabilities	1,709	1,605	1,749	1,194	2,151
Current income tax liabilities	303,982	355,846	993,840	776,635	818,769
Total current liabilities	**17,592,525**	**23,947,961**	**27,280,715**	**29,741,403**	**31,623,656**
Net current assets	**5,275,560**	**3,842,339**	**5,031,895**	**5,187,683**	**6,233,272**

Our net current assets decreased from December 31, 2017 to December 31, 2018, primarily due to (i) an increase in contract liabilities as a result of increased properties under development and (ii) an increase of our borrowings for financing our property projects, which was partially offset by an increase in property sales.

Our net current assets increased from December 31, 2018 to December 31, 2019, primarily due to (i) increases in trade and other receivables and our properties under development, which were in line with our business expansion; (ii) increases in our cash and bank deposits due to increased property sales and (iii) a decrease of borrowings primarily as we repaid certain short-term loans, which was partially offset by an increase in contract liabilities due to payments from customers in relation to pre-sales of properties.

Our net current assets increased slightly from December 31, 2019 to June 30, 2020, primarily as a result of an increase in properties under development in line with our property development activities, which was partially offset by an increase in contract liabilities as a result of payments from pre-sales of properties.

Our net current assets increased from June 30, 2020 to September 30, 2020, primarily due to (i) increases in trade and other receivables and (ii) an increase in properties under development in line with our property development activities, which was partially offset by an increase in contract liabilities as a result of payments from pre-sale of properties.

LIQUIDITY AND CAPITAL RESOURCES

Our principal use of cash have been for the development of our property projects. Our main source of liquidity has been generated mainly from proceeds from the pre-sale of our properties, bank loans and trust financing. In the foreseeable future, we expect these resources to continue to be our principal resources of liquidity and we may use a portion of the proceeds from the Global Offering to finance some of our capital requirements.

Cash flow

The following table sets forth a summary of our cash flows as of the dates indicated:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
			(RMB'000)	*(unaudited)*	
Operating cash flows before movements in working capital	705,362	1,169,406	1,534,508	791,421	235,311
Changes in working capital	(713,157)	2,208,775	3,056,775	2,839,453	849,966
Interest paid	(826,158)	(879,098)	(729,154)	(381,365)	(359,392)
Income tax paid	(407,172)	(446,239)	(542,032)	(299,577)	(288,605)
Net cash generated/(used in) from operating activities	(1,241,125)	2,052,844	3,320,097	2,949,932	437,280
Net cash used in investing activities	(545,533)	(761,641)	(1,939,494)	(1,990,551)	(2,511,296)
Net cash flows generated from/(used in) financing activities	2,633,020	(893,767)	(1,032,523)	(883,331)	989,627
Net increase/(decrease) in cash and cash equivalents	846,362	397,436	348,080	76,050	(1,084,389)
Cash and cash equivalents at beginning of year	622,241	1,468,603	1,866,042	1,866,042	2,214,161
Effect of foreign exchange rate, net	—	3	39	(18)	35
Cash and cash equivalents at end of year/ period	**1,468,603**	**1,866,042**	**2,214,161**	**1,942,074**	**1,129,807**

Net cash generated from/(used in) operating activities

Our net cash used in operating activities principally comprises payments made in relation to our property development activities, including construction costs and land acquisitions. Our cash generated from operating activities is principally proceeds from pre-sale of our properties.

In the first half of 2020, our net cash flows generated from operating activities were RMB437.3 million, which was the result of (i) cash generated from operating activities of RMB1,085.3 million; (ii) interest paid of RMB359.4 million and (iii) income tax paid of RMB288.6 million. We had operating cash flows, before movements in working capital, of RMB235.3 million. The increase of RMB850.0 million in the working capital was primarily attributable to an increase in trade and other payables of RMB1,777.8 million as a result of the increase of amounts due to related parties and non-controlling interests, partially offset by (i) an increase in properties under development and completed properties held for sale of RMB2,054.6 million; (ii) a decrease in restricted cash of RMB223.4 million and (iii) a decrease in contract assets and contract costs of RMB75.0 million.

In 2019, our net cash flows generated from operating activities were RMB3,320.1 million, which was the result of (i) cash generated from operating activities of RMB4,591.3 million; (ii) interest paid of RMB729.2 million and (iii) income tax paid of RMB542.0 million. We had operating cash flows, before movements in working capital, of RMB1,534.5 million. The increase of RMB3,056.8 million in the working capital was primarily attributable to an increase in trade and other payables of RMB3,956.3 million as a result of the increase of amounts due to related parties and non-controlling interests, partially offset by (i) an increase in properties under development and completed properties held for sale of RMB966.4 million; (ii) an increase in restricted cash of RMB930.4 million and (iii) an increase in trade and other receivables of RMB893.0 million.

In 2018, our net cash flows generated from operating activities were RMB2,052.8 million, which was the result of (i) cash generated from operations of RMB3,378.2 million; (ii) interest paid of RMB879.1 million and (iii) income tax paid of RMB446.2 million. We had operating cash flows, before movements in working capital, of RMB1,169.4 million. The increase of RMB2,208.8 million in the working capital was primarily attributable to an increase in contract liabilities of RMB3,553.0 million mainly due to the increase of advanced payments we received from our customers in pre-sales, partially offset by an increase in properties under development and completed properties held for sale of RMB831.8 million and an increase in trade and other receivables of RMB717.0 million.

In 2017, our net cash flows used in operating activities were RMB1,241.1 million, which was the result of (i) cash used in operations of RMB7.8 million, (ii) interest paid of RMB826.2 million and (iii) income tax paid of RMB407.2 million. We had operating cash flows, before movements in working capital, of RMB705.4 million. The decrease of RMB713.2 million in the working capital was primarily attributable to an increase in properties under development and completed properties held for sale of RMB6,351.4 million, partially offset by an increase in contract liabilities of RMB2,428.0 million mainly due to the increase of payments we received from our customers for pre-sales of our properties.

Net cash generated from/(used in) investing activities

Our cash used in investing activities principally comprises of cash outflows in connection with our investment properties, investments in associate and joint ventures and purchase of property, plant and equipment as well as intangible assets.

In the first half of 2020, our net cash flows used in investing activities were RMB2,511.3 million, which was primarily attributable to (i) advances to related parties and third parties of RMB3,764.5 million and (ii) investments in joint ventures and associates of RMB867.9 million, partially offset by loans repaid from related parties and third parties of RMB2,203.6 million.

In 2019, our net cash flows used in investing activities were RMB1,939.5 million, which was primarily attributable to (i) advances to related parties and third parties of RMB3,429.1 million and (ii) investment in associates of RMB806.0 million, partially offset by loans repaid from related parties and third parties of RMB2,795.6 million.

In 2018, our net cash flows used in investing activities were RMB761.6 million, which was primarily attributable to advances to related parties and third parties of RMB1,955.4 million, partially offset by repayment from related parties and third parties of RMB1,997.7 million.

In 2017, our net cash flows used in investing activities were RMB545.5 million, which was primarily attributable to advances to related parties and third parties of RMB3,220.6 million, partially offset by repayment from related parties and third parties of RMB3,494.1 million.

Net cash generated from financing activities

Our cash used in financing activities principally comprises repayments of borrowings and repayments to related parties. Our cash generated from financing activities principally comprises proceeds from borrowings and proceeds from amounts due to related parties.

In the first half of 2020, our net cash flows generated from financing activities were RMB989.6 million, which was primarily attributable to (i) proceeds from borrowings of RMB2,224.2 million and (ii) proceeds from loans due to related parties of RMB1,416.0 million, partially offset by (i) repayment of borrowings of RMB1,803.5 million and (ii) repayments to related parties of RMB1,506.5 million.

In 2019, our net cash flows used in financing activities were RMB1,032.5 million, which was primarily attributable to (i) repayment of borrowings of RMB7,451.6 million and (ii) repayments to related parties of RMB7,662.7 million, partially offset by (i) proceeds from borrowings of RMB6,761.6 million and (ii) proceeds from loans due to related parties of RMB6,375.5 million.

In 2018, our net cash flows used in financing activities were RMB893.8 million, which was primarily attributable to (i) repayment of borrowings of RMB8,619.1 million and (ii) repayments to related parties of RMB7,322.2 million, partially offset by (i) proceeds from borrowings of RMB8,066.1 million and (ii) proceeds from loans due to related parties of RMB6,828.0 million.

In 2017, our net cash flows generated from financing activities were RMB2,633.0 million, which was primarily attributable to (i) proceeds from borrowings of RMB6,601.5 million and (ii) proceeds from loans due to related parties of RMB6,918.8 million, partially offset by (i) repayment of borrowings of RMB2,909.8 million and (ii) repayments to related parties of RMB7,724.0 million.

Working capital

Property development require substantial capital investment for land acquisition and construction, and it may take many months or years before positive cash flow can be generated. To date, we have funded our growth principally from proceeds from the pre-sale of our properties, bank loans and trust financing. Our financing methods vary from project to project and are subject to limitation imposed by the PRC or other local regulations and monetary policies. See "— Cash Flow — Net Cash Generated from/(Used in) Operating Activities" for more details.

To achieve sufficient working capital, we will continue to improve our cash inflow associated with the sales and pre-sales of our properties by enhancing our payment collection from customers. We intend to continue to monitor our development and construction schedules, property sales and land acquisition plans based on the cash inflow associated with existing and planned external financing opportunities, including but not limited to the issuance of corporate bonds or other debt offerings and property sales proceeds.

Sufficiency of working capital

Taking into account our current project development and sales schedules and plans, our expected cash generated from operating activities, the estimated net proceeds from the Global Offering (after a possible Downward Offer Price Adjustment setting at the final Offer Price of up to 10% below the low end of the indicative Offer Price range), our bank and other borrowings, and any additional financial resources available to us, together with our expected cash outflow in the near future, which was mainly driven by the increase in the number of our existing property development projects entering into development stage and the unpaid land premium, our Directors are of the opinion that we will have available sufficient working capital for our present requirements and for the next 12 months from 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 intangible assets, and payment for construction of investment properties. In 2017, 2018 and 2019 and the first half of 2020, we incurred capital expenditures of RMB292.4 million, RMB600.9 million, RMB235.9 million and RMB32.8 million, respectively.

Our Directors estimate that our capital expenditure relating to purchase of property, plant and equipment and payment for construction of investment properties for the years ending December 31, 2020 and 2021 will be approximately RMB71.8 million and RMB86.2 million, respectively. Such estimates represent the total capital expenditure we expect to incur in the relevant years based on our existing profit estimates. We may adjust our business plans and the estimated total capital expenditure may also change.

INDEBTEDNESS

Bank and Other Borrowings

As of December 31, 2017 and 2018 and 2019 and June 30, 2020 and September 30, 2020, our total borrowings amounted to RMB9,144.7 million, RMB8,460.5 million, RMB7,770.4 million and RMB8,191.2 million and RMB8,905.5 million, respectively. The following table sets forth the components of our borrowings as of the dates indicated:

	As of December 31,						As of June 30, 2020		As of September 30, 2020	
	2017		2018		2019					
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000) *(unaudited)*	(%)
Non-current:										
Bank borrowings— secured	1,311,264	14.3	2,575,500	30.4	4,381,845	56.4	4,852,086	59.2	4,910,456	55.1
Other borrowings— secured	7,211,030	78.9	5,445,214	64.4	2,417,550	31.1	2,369,550	28.9	3,699,334	41.5
Less: current portion of non-current borrowings	(1,025,234)	(11.2)	(3,359,500)	(39.7)	(1,330,713)	(17.1)	(1,446,813)	(17.7)	(2,559,045)	(28.7)
Current:										
Bank borrowings— secured	40,000	0.4	119,700	1.4	19,000	0.2	100,000	1.2	100,000	1.1
Other borrowings— secured	582,388	6.4	320,040	3.8	952,050	12.3	869,550	10.6	195,700	2.2
Current portion of non-current borrowings	1,025,234	11.2	3,359,500	39.7	1,330,713	17.1	1,446,813	17.7	2,559,045	28.7
Total borrowings	**9,144,682**	**100.0**	**8,460,454**	**100.0**	**7,770,445**	**100.0**	**8,191,186**	**100.0**	**8,905,490**	**100.0**

We incurred relatively higher bank and other borrowings primarily because of our financing needs for several large-scale projects, such as Zhangzhou Mingmen Impression (漳州名門印象), parts of Bisong Garden (比松花園), Tang Yayuan (唐雅苑) and/or Tang Jinyuan (唐槿苑) and Dynasty Zhenguan (大唐臻觀). Since December 31, 2017, we have exerted efforts to manage our indebtedness and entered into less bank borrowings and trust and other financings. As of the Latest Practicable Date, a substantial portion of such bank borrowings and trust and other financings that were outstanding as of December 31, 2017 had been repaid by us mainly by using cash generated from our business operations.

As of December 31, 2017, 2018 and 2019 and June 30, 2020 and September 30, 2020, our borrowings were repayable as follows:

	As of December 31,			As of June 30,	As of September 30,
	2017	2018	2019	2020	2020
			(RMB'000)		*(unaudited)*
Within one year	1,647,622	3,799,240	2,301,763	2,416,363	2,854,745
Between one and two years	4,683,300	2,001,338	2,820,932	4,152,948	2,992,745
Between two and five years	2,743,760	2,659,876	2,527,750	1,561,875	2,998,000
Over five years	70,000	—	120,000	60,000	60,000
Total	**9,144,682**	**8,460,454**	**7,770,445**	**8,191,186**	**8,905,490**

Lease Liabilities

We recognized lease liabilities in the amount of RMB4.9 million, RMB3.2 million, RMB3.1 million and RMB2.2 million and RMB4.7 million as of December 31, 2017, 2018 and 2019 and June 30, 2020 and September 30, 2020, respectively. Lease liabilities are measured at net present value of the lease payments during the lease terms that are not yet paid.

The bank and other borrowings were secured and/or guaranteed as of the dates indicated as follows:

	As of December 31,			As of June 30,	As of September 30,
	2017	2018	2019	2020	2020
			(RMB'000)		*(unaudited)*
Secured:					
Current	1,647,622	3,799,240	2,301,763	2,416,363	2,854,745
Non-current	7,497,060	4,661,214	5,468,682	5,774,823	6,050,745
Total secured borrowings	9,144,682	8,460,454	7,770,445	8,191,186	8,905,490
Total borrowing	**9,144,682**	**8,460,454**	**7,770,445**	**8,191,186**	**8,905,490**

Certain of our bank and other borrowings were secured by our asset portfolio which includes completed properties held for sale, properties under development, property, plant and equipment, right-of-use assets, investment properties, equity interests of certain subsidiaries and bank deposits. The following table sets forth our bank and other borrowings which are secured by pledges of the following assets with book values as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	(RMB'000)			*(unaudited)*
Land cost included in properties under development and completed properties held for sale	6,765,518	7,487,208	10,316,160	13,792,225
Restricted cash	65,113	53,488	155,396	152,904
Investment properties	337,930	341,270	1,009,610	976,280
Property, plant and equipment	89,342	135,778	135,778	128,264
Right-of-use assets	11,854	11,227	11,227	10,757
	7,269,757	**8,028,971**	**11,628,171**	**15,060,430**

As of December 31, 2017 2018 and 2019 and June 30, 2020, our bank and other borrowings of RMB8,111.0 million, RMB6,204.5 million, RMB3,437.9 million and RMB2,785.3 million, respectively, were guaranteed by our related party, Fuxin Group or Mr. Wu Di or jointly guaranteed by Fuxin Group and Mr. Wu Di, our executive Director. RMB2,376.3 million of the guarantees solely and jointly provided by Mr. Wu Di as of June 30, 2020 will not be released upon the Listing. See "Connected Transactions — Overview — (A) Continuing Connected Transactions Which Are Fully Exempted From the Reporting, Annual Review, Announcement and Independent Shareholders' Approval Requirements — 1. Personal Guarantees provided by Mr. Wu". We expect that all of the guarantees solely and jointly provided by Fuxin Group as of June 30, 2020 would be released prior to the Listing.

The following table shows the weighted-average interest rates for our bank and other borrowings as of the dates indicated:

	As of December 31,			As of June 30,
	2017	2018	2019	2020
Bank borrowings	5.78%	6.76%	6.82%	6.36%
Other borrowings	9.50%	9.53%	9.83%	11.05%
Weighted average effective interest rates	8.76%	8.99%	8.22%	8.27%

The weighted-average interest rates for our bank and other borrowings represent the actual borrowing costs incurred during the period divided by the weighted-average borrowings that were outstanding during the period. The general decrease in our weighted-average interest rates for our bank and other borrowings during the Track Record Period was primarily due to the increase of bank loans, whose interest rates were relatively lower, and the decrease of trust financing arrangements, whose interest rates were relatively higher.

Trust financing arrangements

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. These financing arrangements can be categorized into trust financing and other financing arrangements. Trust financing arrangements refer to the financing arrangements with trust companies, asset management companies and their financing vehicles. As of September 30, 2020, the total amount of trust financing outstanding accounted for 30.1% of our total borrowings as of the same date. For additional information as to the relevant laws and regulations applicable to trust financing arrangements, see “Regulatory Overview — Real Estate Financing — Trust Loan.”

The following table 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	Maturity date	Collaterals	Veto rights of financial institution	Balance as of[1] June 30, 2020	Balance as of[1] September 30, 2020	General category of trust financing arrangements
							(RMB'000)	(unaudited)	
1	China Huarong Asset Management Co., Ltd —Guangxi Zhuang Autonomous Region Branch	10.00%	November 28, 2017	November 28, 2020	Pledge of 100% shares of Guangxi Xindi and car parks and commercial properties owned by Guangxi Xindi and guaranteed by Xiamen Datang and Fuxin Group	N/A	184,000	100,000	Type 2
2	Hangzhou Industrial and Commercial Trust Co., Ltd.	12.00%	July 11, 2019	October 16, 2021	Pledge of 85% shares of Guangxi Tanggui Investment Co., Ltd. (廣西唐桂投資有限公司) and guaranteed by Xiamen Datang	N/A	488,500	411,500	Type 2
3	Xiamen International Trust Co., Ltd.	11.50%	August 14, 2019	August 14, 2021	Pledge of 100% shares of Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司) and properties under development owned by Hunan Xingrong Investment Co., Ltd. and guaranteed by Xiamen Datang and Fuxin Group	N/A	701,100	—	Type 2

Item	Financial institution	Annual interest rate	Effective date	Maturity date	Collaterals	Veto rights of financial institution	Balance as of[1] June 30, 2020	Balance as of[1] September 30, 2020	General category of trust financing arrangements
							(RMB'000)	*(unaudited)*	
4	Xiamen International Trust Co., Ltd	12.9%	February 25, 2020	February 25, 2022	Pledge of 100% shares of Zhangzhou Tangfeng Real Estate Development Co., Ltd. (漳州唐峰房地產開發有限公司) and land mortgage guarantee and guaranteed by Xiamen Datang	N/A	156,000	156,000	Type 2
5	Shanghai Chenxi Equity Investment Fund Management Co., Ltd.	9.00%	August 16, 2019	October 17, 2020	Pledge of 10% shares of Zhangzhou Tanghua Real Estate Co., Ltd. (漳州唐華房地產有限公司)	N/A	129,850	—	Type 3
6	Wuhan Changsheng No.1 Enterprise Management Partnership	13.00%	September 30, 2019	September 30, 2020	Transfer of 15% of shares of Guangxi Tangju Investment Co., Ltd. (廣西唐聚投資有限公司)	N/A	160,000	—	Type 3
7	Wanxiang Trust Company Limited	12.50%	April 30, 2020	August 14, 2021	Pledge of 100% shares of Zhangzhou Tangshun Real Estate Development Co., Ltd. (漳州唐順房地產開發有限公司) and land mortgage guarantee and guaranteed by Xiamen Datang	N/A	200,000	200,000	Type 2
8	Wanxiang Trust Company Limited	13.00%	December 31, 2019	July 1, 2021	Pledge of 100% shares of Guangxi Tanghui Investment Co., Ltd. (廣西唐暉投資有限公司) and land mortgage guarantee and guaranteed by Xiamen Datang	N/A	180,000	180,000	Type 2

Item	Financial institution	Annual interest rate	Effective date	Maturity date	Collaterals	Veto rights of financial institution	Balance as of(1) June 30, 2020	Balance as of(1) September 30, 2020	General category of trust financing arrangements
							(RMB'000)		
								(unaudited)	
9	Avic Trust Co., Ltd.	10.00%	June 19, 2020	June 30, 2022	Pledge of 100% shares of Zhangzhou Longwen Tangguang Real Estate Development Co., Ltd. (漳州龍文唐光房地產開發有限公司) and land mortgage guarantee and guaranteed by Xiamen Datang and Yango Group Co., Ltd (陽光城集團股份有限公司)	N/A	132,800	800,000	Type 2
10	China Great Wall Asset Management Co., Ltd. Hunan Branch	9.60%	July 28, 2020	July 27, 2023	Pledge of 100% shares of Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司) and Yueyang Tangyun Real Estate Development Co., Ltd. (岳陽唐韵房地產開發有限公司) and mortgage of land and construction in progress and guaranteed by Xiamen Datang	N/A	—	836,000	Type 2

Note:

(1) The balance disclosed is the principal balance of the trust financing as of the dates indicated.

Types of Our Trust Financing Arrangements

Trust financing arrangements are typically categorized into the following three broad categories:

- 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 involves 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.

As of September 30, 2020, our trust financing arrangements consisted of Type 2 and Type 3 arrangements. trust financing arrangements may also be secured by other securities, such as pledges of land use rights of the relevant property projects. At maturity, and upon the satisfaction of the terms for repayment, the pledge of the equity interests in the relevant company will be released and/or the equity interests in the relevant company will be repurchased from the relevant entities provided in each of our trust financing arrangement.

The following table sets forth the aggregate principal balances of our trust financing borrowings by type as of the dates indicated:

	As of June 30, 2020		As of September 30, 2020	
	Number	(RMB '000)	Number	(RMB '000) *(unaudited)*
Type 2	7	2,042,400	7	2,683,500
Type 3	2	289,850	0	—
Total trust financing borrowings	**9**	**2,332,250**	**7**	**2,683,500**

Selection of Our Trust Financing Arrangements

We generally do not have any pre-fixed selection criteria when determining the type of trust financing arrangement, and make our decision based on negotiations with the relevant financial institution on a case-by-case basis. In forming our decision, we consider a number of factors, including but not limited to, the timetable of the funding arrangement for the relevant project(s), the type of securities pledged, the use of the financed amount, costs and other commercial terms available to us. We believe the arrangements we have entered into are in line with the industry practice in the PRC.

Key terms of Type 2 arrangements

In Type 2 arrangements, the equity interests held by us or our Controlling Shareholders, 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 arrangements, 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 control over the decision making power of the boards of all relevant subsidiaries. During the Track Record Period and up to the Latest Practicable Date, 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 the management of our subsidiary are not competent to perform management roles. During the Track Record Period and up to the Latest Practicable Date, 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 September 30, 2020, the lender is entitled to 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 and up to the Latest Practicable Date, none of the board representatives of such lender has exercised his/her veto rights. As of the Latest Practicable Date, we conducted interviews with such financial institution lenders and had received a confirmation letter from them confirming that they would not exercise their 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 30 of the Accountant's Report included in Appendix I to this Prospectus.

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 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, which may materially and adversely affect our financial condition and results of operations." 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 arrangements we have entered into, the lenders generally 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

Under certain of our financing agreements with banks, trust companies, asset management companies and their financing vehicles and other financial institutions, we have restrictive covenants that, among others, limit our ability to:

- incur additional debt, provide loans or guarantees;
- provide security and quasi-security;
- incur liens;
- dispose of material assets through sale, lease or other methods;
- pay dividends or distributions on certain of our subsidiaries' capital stock;
- repay or transfer certain indebtedness;
- reduce registered capital;
- make investments and acquisitions;
- establish joint ventures;
- conduct mergers, consolidation and other change-of-control transactions; or
- file for bankruptcy or dissolution.

For further information, see "Risk Factors — Risks Relating to Our Business — We have indebtedness and may incur additional indebtedness in the future, which may materially and adversely affect our financial condition and results of operations." 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 confirmed that we had not defaulted any payment or breached any of the material covenants contained in our financing agreements with banks, trust companies and other financial institutions during the Track Record Period and up to the Latest Practicable Date, nor are they aware of any restrictions that will materially limit our ability to drawdown on our unutilized facilities. Our Directors further confirmed that during the Track Record Period and up to the Latest Practicable Date, we had not experienced any material difficulties in obtaining banking facilities.

As of the Latest Practicable Date, we had unutilized credit facilities of approximately RMB3,830.0 million which were and will not be secured or guaranteed by our Controlling Shareholders and/or Directors or their respective close associates after the Listing. We did not experience any material change in our indebtedness position from June 30, 2020 up to the Latest Practicable Date.

COMMITMENTS AND CONTINGENT LIABILITIES

Commitments for Capital Expenditures

During the Track Record Period, our capital commitments mainly related to properties, plant and equipment and investment properties. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we had commitments for capital expenditures in the amount of RMB203.9 million, RMB174.1 million, RMB95.1 million and RMB71.8 million, respectively.

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.

The following table set forth our total guarantees as of the dates indicated:

	As of December 31,			As of June 30, 2020	As of September 30, 2020
	2017	2018	2019		
			(RMB'000)		*(unaudited)*
Guarantees in respect of mortgage facilities for certain purchasers	841,115	2,018,296	10,451,822	10,651,006	10,964,171
Guarantees provided for the borrowings of joint ventures	—	660,000	253,000	973,000	1,954,100
Guarantees provided for the borrowings of associates	540,000	1,166,740	3,156,640	5,277,590	6,385,290
Guarantees provided for the borrowings of other related parties	42,000	—	225,000	225,000	187,000
Total	**1,423,115**	**3,845,036**	**14,086,462**	**17,126,596**	**19,490,561**

During the Track Record Period, we provided guarantees for the borrowings of certain of our (i) joint ventures, including Nanning Xinyong Properties Co., Ltd. (南寧新邕置業有限公司), Quanzhou Tangjin Real Estate Co., Ltd. (泉州唐晉房地產有限公司, Guangxi Sanmenjiang Property Investment Co., Ltd. (廣西三門江置業投資有限公司) and Zhangzhou Tanghe Real Estate Development Co., Ltd. (漳州唐和房地產開發有限公司); (ii) associates, including Guangxi Tanglin Real Estate Co., Ltd. (廣西唐林房地產有限公司), Guangxi Tangqin Tongguang Investment Co., Ltd. (廣西唐沁同光投資有限公司),

Guangxi Zhongqing Yiju Investment Co., Ltd. (廣西眾擎易舉投資有限公司), Nanning Yaoxin Real Estate Development Co., Ltd. (南寧市耀鑫房地產開發有限公司), Chongqing Supin Real Estate Development Co., Ltd. (重慶肅品房地產開發有限公司), Zhangzhou He'ai Real Estate Development Co., Ltd. (漳州和艾房地產開發有限公司) and Guangxi Yangtangmao Real Estate Co., Ltd. (廣西陽唐茂房地產有限公司); and (iii) other related parties, including Xiamen Rongyin Trade Co., Ltd. (廈門融銀貿易有限公司), Xiamen Shuisha Trade Co., Ltd. (廈門市水莎貿易有限公司)) and Xiamen Sidake Trade Co., Ltd. (廈門斯達克貿易有限公司). As of June 30, 2020, the guarantees that we provided for the borrowings of certain of our joint ventures and associates amounted to approximately RMB6,250.6 million, representing approximately 36.5% of our total guarantees as of the same date. As of June 30, 2020, the guarantees that we provided for the borrowings of our other related parties amounted to RMB225.0 million, representing 1.3% of our total guarantees as of the same date. We expect that the guarantees we provided for the borrowings of our joint ventures and associates as of June 30, 2020 will not be released upon the Listing, while the guarantees we provided for the borrowings of other related parties as of June 30, 2020 will be released prior to the Listing.

The guarantees we provided for the borrowings of joint ventures and associates are mainly for financing property projects developed by our joint ventures and associates. Pursuant to agreements with the lenders, the borrowings are usually secured by land use rights and properties under development of the relevant project, and are guaranteed by us, as a shareholder of the project company, according to our equity interest in the project company. The guarantees we provided for the borrowings of joint ventures and associates increased during the Track Record Period because of an increase in the number of property projects developed by our joint ventures and associates. We carefully evaluate the risks in relation to such guarantees and select our business partners with whom we formed joint ventures and associates based on their qualifications, financial capacity, market reputation and track record. For the guarantees that we provided for the borrowings of our other related parties, we also carefully reviewed the credit history and background of the relevant parties as well as make sure that security by such related parties are also provided in addition to the guarantees for the borrowings to lower our financial risks in respect of such guarantees.

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 latest date for liquidity disclosure, 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 since latest date for liquidity disclosure and up to the Latest Practicable Date.

OFF-BALANCE SHEET ARRANGEMENTS

Except for the contingent liabilities disclosed 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 uncombined entity that provides financing, liquidity, market risk or credit support to us.

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 or for the year ended December 31,			As of or for the six months ended June 30,
	2017	2018	2019	2020
Return on equity (%)(1)	98.0	67.1	33.3	5.0
Return on total assets (%)(2)	1.8	2.0	1.8	0.5
Interest coverage ratio (times)(3)	1.9	2.2	2.9	1.5
Net gearing ratio (%)(4)	1,087.9	408.8	119.2	128.5
Current ratio (times)(5)	1.3	1.2	1.2	1.2

Notes:

(1) Return on equity ratio is calculated by dividing net profit attributable to the owners of the Company for the year/period by the average balance of total equity attributable to owners of the Company at the beginning and end of the year/period and multiplied by 100% and arithmetically annualizing the result. It is not indicative of the actual results.

(2) Return on total assets ratio is calculated based on our profit from continuing operations for the year/period divided by the average balance of our total assets at the beginning and end of the year/period and multiplied by 100% and arithmetically annualizing the result. It is not indicative of the actual results.

(3) Interest coverage ratio is calculated by dividing our earnings before interest and income taxes by our interest expenses for the same year/period. Interest expenses refer to the finance costs added back capitalized interest for the respective year/period.

(4) Net gearing ratio is calculated based on net debt (the sum of long-term and short-term interest-bearing bank and other borrowings less cash and bank deposits) divided by total equity as of the respective dates and multiplied by 100%.

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

Return on equity

Our return on equity decreased from 98.0% in 2017 to 67.1% in 2018, and further to 33.3% as of December 31, 2019, primarily due to the increase in shareholders' equity resulting from the accumulated retained earnings and capital injection from shareholders. Our return on equity decreased from 33.3% as of December 31, 2019 to 5.0% as of June 30, 2020 primarily as a result of the decrease in our net profit.

Return on total assets

Our return on total assets increased from 2017 to 2018, primarily due to the increase of our profit in 2018. Our return on total assets decreased from 2018 to 2019, primarily due to an increase of average total assets from 2018 to 2019, which was primarily due to an increase in properties under development and investment in our associates and joint ventures as a result of our increased property development activities. Our return on total assets decreased from 2019 to the first half of 2020, primarily due to the increase of average total assets, which is attributable to an increase in the balance of properties under development as of June 30, 2020, and the decrease of net profit.

Interest coverage ratio

Our interest coverage ratio increased from 2017 to 2019, primarily due to the increase of our profits before interests and taxes in the relevant years. Our interest coverage ratio decreased from 2019 to the first half of 2020 primarily because of the decrease of profit before interest and tax mainly resulting from a decrease in revenue from sales of properties.

Net gearing ratio

Our net gearing ratio decreased significantly from 1,087.9% as of December 31, 2017 to 408.8% as of December 31, 2018 and further to 119.2% as of December 31, 2019 primarily due to (i) the continued increase in retained earnings from 2017 to 2019, (ii) and an increase in capital injection from shareholders of our Company in 2019, and (iii) our repayment of borrowings with excess cash. Our net gearing ratio generally remained relatively stable from 119.2% as of December 31, 2019 to 128.5% as of June 30, 2020. We expect our net gearing ratio to further decrease upon Listing as we plan to use approximately 30.0% of the net proceeds of the Global Offering to repay a portion of certain existing interest-bearing bank borrowings. See "Future Plan and Use of Proceeds — Use of Proceeds."

Current ratio

Our current ratio remained relatively stable during the Track Record Period.

Financial Ratios under the Proposed PBOC Standard

Recent news articles have begun to emerge which report that the PBOC 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. 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 cash to short-term borrowing ratio (calculated as cash and bank balances divided by short-term interest bearing liabilities) shall not be lower than 1.0. The PBOC standard as reported in the news articles 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 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.

As of June 30, 2020, using the above-mentioned calculation methods, our pro forma liability asset ratio would be 84.7%; net gearing ratio would be 128.5%; and cash to short-term borrowing ratio would be 1.34. As such, in the event that the above-mentioned standard mentioned in the news articles comes into effect, we may only comply with one of the above-mentioned three limits and our ability to obtain additional financing may be materially adversely affected.

Since December 31, 2017, we have exerted efforts to manage our indebtedness and entered into less bank borrowings and trust and other financings in 2018, 2019 and the first half of 2020 as compared to that of 2017. As a result, our net gearing ratio has decreased significantly from approximately 1,087.9% as of December 31, 2017 to approximately 128.5% as of June 30, 2020. In the event that the proposed PBOC standard comes into effect, we will continue to improve our management of our level of borrowings, cash inflow and optimize our capital structure by (i) strengthening our sales and marketing efforts to further increase our revenue from pre-sales; (ii) facilitating the collection of payments from our customers and receivables from trade counterparties;

(iii) monitoring our cash flow to ensure maintenance of sufficient level of cash on hand for short- and long-term needs and reporting to our management team at the Group level if there is any significant change in our borrowing and investment activities; and (iv) further diversifying our financing resources and utilize access to the equity capital markets.

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

The main risks arising from our financial instruments are 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 interest rate risk arises from interest-bearing bank deposits and bank and other borrowings. Bank deposits, bank and other borrowings issued at variable rates expose us to cash flow interest-rate risk. Bank and other borrowing issued at fixed rates expose us to fair value interest rate risk. For borrowings obtained at variable rates, we are exposed to cash flow interest rate risk which is partially offset by cash held at variable rates. We closely monitor trend of interest rate and its impact on our interest rate risk exposure.

Credit Risk

We are exposed to credit risk in relation to our trade and other receivables and cash deposits with banks. The carrying amounts of trade and other receivables, restricted cash, cash and cash equivalents represent our maximum exposure to credit risk in relation to financial assets. To manage this risk, deposits are mainly placed with licensed banks which are all high-credit-quality financial institutions.

For trade and other receivables, we have established monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, we review the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, our directors consider that our credit risk is significantly reduced.

Liquidity Risk

Our cash flows and results of operations were subject to timing for the different stages of property development, selling prices and the GFA pre-sold/sold during the relevant periods. We recorded negative net cash flow from operating activities in the amount of RMB1,241.1 million in 2017, and also a net gearing ratio of 1,087.9% for 2017, primarily because we used a significant amount of cash in its operations to increase its property development activities and land acquisition efforts. During the Track Record Period, our cash inflow was mainly from cash generated from our operations and bank and other borrowings and trust financing arrangements. Following the continuous expansion of our property portfolio, we expect the saleable GFA to continue to increase which will put us in a better position to control and manage our costs and expenses due to its increasing economies of scale.

We aim to maintain sufficient cash through internally generated sales proceeds and an adequate amount of committed credit facilities to meet our operation needs and commitments in respect of property projects. Our objective is to maintain a balance between continually of funding and flexibility through the use of interest-bearing bank and other borrowings. Our capital management department and financial management department are primarily responsible for the management of our liquidity risks, and we have established a series of internal control measures to manage our liquidity risk and compliance with capital requirements under the PRC law. See "Business — Risk Management." 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 also prepare reports on a monthly basis which identify and address the potential issues and potential solutions in short-term cash flow, which are reviewed by the chief officers of the capital management department and financial management department who then make recommendations to our management team about available actions to take to address the issues. Additionally, we review financial results for compliance against certain targets to ensure maintenance of sufficient level of cash on hand for short- and long-term needs and the responsible personnel of financial management department report to our management team at the Group level if there is any significant change in our borrowing and investment activities. 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.

DIVIDEND AND DISTRIBUTABLE RESERVE

We did not declare any dividends to our shareholders during the Track Record Period. We have no fixed dividend policy and, subject to compliance with the relevant laws of the Cayman Islands and the Articles, the Company may have the right to declare dividends in any currency to be paid to the shareholders in general meeting, but no dividend may be declared in excess of the amount recommended by our Board. Our Memorandum and Articles of Association provide that no dividend shall be paid otherwise than out of profits or out of monies otherwise available for dividend in accordance with the Companies Law. Subject to a solvency test, as prescribed in the Companies Law, and the provisions, if any, of our Memorandum and Articles of Association, our Company may pay dividends and distributions out of its share premium account.

The Company will declare dividends, if any, in Hong Kong dollars with respect to our Shares on a per-Share basis and will pay such dividends in Hong Kong dollars. The amount of dividends actually distributed to our Shareholders will depend upon our earnings and financial condition, operating requirements, capital requirements and any other conditions that our Directors may deem relevant and will be subject to the approval of our Shareholders save that interim dividend may be paid by our Board if the Board is satisfied that such payment is justified by our profits.

Future dividend payments will also depend upon the availability of dividends received from our subsidiaries in China. PRC laws require that dividends be paid only out of net profit, calculated in accordance with PRC accounting principles, which differ in certain aspects from the generally accepted accounting principles in other jurisdictions, including IFRS. PRC laws also require foreign-invested enterprises to set aside part of their net profits as statutory reserves, which are not available for distribution as cash dividends. Furthermore, distributions from our subsidiaries may be restricted if they incur debts or losses or as a result of any restrictive covenants in our bank credit facilities, or other agreements that we or our subsidiaries may enter into in the future. There were no reserves available for distribution to our Shareholders as of June 30, 2020.

RELATED PARTY TRANSACTIONS

The related party transaction during the Track Record Period are as set forth in Note 43 to the Accountant's Report included in Appendix I to this Prospectus.

During the Track Record Period, our related parties may be generally classified into three groups: (i) joint ventures and associates, (ii) entities controlled by our ultimate Controlling Shareholder, and (iii) entities controlled by certain Directors and/or their close family members.

During the Track Record Period, we recorded amounts due from/(to) related parties primarily represented cash advances to/(from) such related parties to support the business operations of relevant entities.

As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recorded balances of amounts due from joint ventures of RMB214.8 million, RMB67.6 million, RMB510.4 million and RMB161.3 million, respectively. As of the same dates, we recorded balances of amounts due to joint ventures of RMB111.7 million, RMB271.5 million, RMB545.8 million and RMB868.8 million, respectively. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recorded balances of amounts due from associates of RMB205.3 million, RMB651.7 million and RMB1,307.3 million and RMB1,590.3 million, respectively. As of the same dates, we recorded balances of amounts due to associates of RMB118.2 million, RMB272.7 million, RMB2,339.6 million and RMB3,275.7 million, respectively. As of December 31, 2017, 2018 and 2019 and June 30, 2020, the non-trade amounts due from our joint ventures and associates amounted to RMB420.0 million, RMB719.3 million, RMB1,817.7 million and RMB1,751.6 million, respectively. As of the same dates, the non-trade amounts due to joint ventures and associates amounted to RMB229.9 million, RMB544.2 million, RMB2,885.4 million and RMB4,144.5 million, respectively. The non-trade amounts due from our joint ventures and associates primarily consist of our advances to them for the purpose of project development, which will be repaid when our jointly developed projects have been completed. The non-trade amounts due to our joint ventures and associates primarily consist of surplus cash advances provided by them, which will be gradually offset by future dividends to be declared by our joint ventures and associates. The amounts due from/(to) joint ventures and associates will not be settled in full upon Listing.

As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recorded balances of amounts due from entities controlled by our ultimate Controlling Shareholder in the amount of approximately RMB750.5 million, RMB189.5 million, RMB1.5 million and RMB0.6 million, respectively. As of the same dates, we recorded balances of amounts due to entities controlled by our ultimate Controlling Shareholder in the amount of approximately RMB2,339.5 million, RMB1,376.0 million, RMB90.6 million and RMB0.2 million, respectively. As of December 31, 2017, 2018 and 2019 and June 30, 2020, the non-trade amounts due from entities controlled by our ultimate Controlling Shareholder amounted to RMB750.5 million, RMB189.5 million, RMB1.5 million and RMB0.6 million, respectively. As of the same dates, the non-trade amounts due to entities controlled by our ultimate Controlling Shareholder amounted to RMB2,339.5 million, RMB1,376.0 million, RMB90.6 million and RMB0.2 million, respectively. As confirmed by our Directors, we will settle in full the non-trade amounts due from/(to) entities controlled by our ultimate Controlling Shareholders before Listing.

As of December 31, 2017, 2018 and 2019 and June 30, 2020, we recorded balances of amounts due from entities controlled by certain Directors and/or their close family members in the amount of RMB17.5 million, nil, nil and nil, respectively. As of the same dates, we recorded balances of amounts due to entitles controlled by certain Directors and/or their close family members in the amount of RMB0.3 million, RMB0.2 million, RMB0.2 million and RMB0.2 million, respectively. As of December 31, 2017, 2018 and 2019 and June 30, 2020, the non-trade amounts due from entities controlled by certain Directors and/or their close family members amounted to RMB17.5 million, nil, nil and nil, respectively. As of the same dates, the non-trade amounts due to entities controlled by certain Directors and/or their close family members amounted to RMB0.3 million, RMB0.2 million, RMB0.2 million and RMB0.2 million, respectively. As confirmed by our Directors, we will settle in full the non-trade amounts due from/(to) entities controlled by certain Directors and/or their close family members before Listing.

The cash advances to our related parties involved lending of money which may not be compliant with the General Lending Provisions. According to the General Lending Provisions, only financial institutions may legally 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 that became effective on September 1, 2015, loans among companies are legal if extended for the purposes of financing production or business operations. PRC courts will also support a company's claim for interest in respect of such a loan as long as the annual interest rate does not exceed 24%.

As confirmed by the Directors, as of the Latest Practicable Date, except for the amount due from an associate as disclosed under "— Description of Certain Consolidated Statements of Comprehensive Income Items — Finance income and costs," we had not received any interest for the cash advances to related parties, and we had not received any notice of claim or penalty relating to such cash advances.

As of the Latest Practicable Date, we had not received any notice of claim or penalty relating to the cash advances. We are advised by our PRC Legal Advisors, Jingtian & Gongcheng, that the possibility that the PBOC would impose a fine amounting to one to five times of the interest income of such cash advances on companies in respect of the lending from our related parties pursuant to the Provisions is low.

Our Directors confirm that all of the related party transactions were conducted on an arm's length basis and on fair and reasonable terms.

In addition, our Directors further confirm that, save for the Personal Guarantees provided by Mr. Wu Di, our executive Director, as disclosed in "Connected Transactions — Overview — (A) Continuing Connected Transactions Which Are Fully Exempted From the Reporting, Annual Review, Announcement and Independent Shareholders' Approval Requirements — 1. Personal Guarantees provided by Mr. Wu," loans or guarantees provided by our Controlling Shareholders and their respective associates will be released and discharged upon Listing. See "Relationship with Controlling Shareholders – Independence from our Controlling Shareholders."

LISTING EXPENSES

The total listing expenses (including underwriting commissions) in connection with the Global Offering are estimated to be approximately RMB74.2 million (approximately HK$87.5 million), among which, approximately RMB32.6 million (approximately HK$38.4 million) is directly attributable to the Global Offering and will be capitalized, and approximately RMB41.6 million (HK$49.1 million) has been or will be reflected in our consolidated statements of comprehensive income. During the Track Record Period, approximately RMB37.5 million (approximately HK$44.3 million) has been reflected in our consolidated statements of comprehensive income. Our Directors do not expect such expenses to have a material adverse impact on our financial results for the year ending December 31, 2020.

DISCLOSURE PURSUANT TO RULES 13.13 TO 13.19 OF THE LISTING RULES

We 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 Rules 13.19 of the Listing Rules.

PROPERTY INTERESTS AND PROPERTY VALUATION

Jones Lang LaSalle, an independent property valuer, has valued our property interests as of August 31, 2020 and is of the opinion that the aggregate value of the property in which we had an interest as of such date was RMB58,396.2 million, and the value attributable to us was RMB35,433.7 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" to this Prospectus.

The statement below shows the reconciliation of aggregate amounts of certain properties reflected in the audited consolidated financial information as of June 30, 2020 as set out in "Appendix I — Accountant's Report" to this Prospectus with the valuation of these properties as of August 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 June 30, 2020	
Properties under development	23,783,471
Completed properties held for sale	1,857,206
Fair value of investment property as of June 30, 2020	1,626,300
Addition	984,457
Less: sale of completed properties held for sale	(501,899)
Net book value of the properties as of August 31, 2020	27,749,536
Net Valuation Surplus	5,037,364
Market value of properties developed by our subsidiaries as of August 31, 2020	32,786,900
Market value of properties developed by our joint ventures and associates as of August 31, 2020	25,609,300
Market value of properties as of August 31, 2020 as set out in the Property Valuation Report in Appendix III to this Prospectus	58,396,200

UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

For illustrative purpose only, the following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with Rule 4.29 of the Listing Rules is to show the effect on the audited consolidated net tangible assets of the Group attributable to owners of the Company as of June 30, 2020 as if the Global Offering had occurred on June 30, 2020 and is based on the consolidated net assets attributable to owners of the Company derived from the audited financial information of the Group as of June 30, 2020, as set out in the Accountant's Report in Appendix I to this Prospectus and adjusted as follows:

	Audited Consolidated Net Tangible Assets of the Group attributable to owners of the Company as of June 30, 2020(1)	Estimated Net Proceeds from the Global Offering(2)	Unaudited Pro Forma Adjusted Consolidated Net Tangible Assets of the Group attributable to owners of the Company as at June 30, 2020(3)	Unaudited Pro Forma Adjusted Consolidated Net Tangible Assets of the Group attributable to owners of the Company per Share(4)(5)(6)	
	RMB'000	RMB'000	RMB'000	RMB	HK$
Based on an Offer Price of HK$3.24 per Share, after a Downward Offer Price Adjustment of 10%	2,970,257	888,570	3,858,827	2.89	3.41
Based on an Offer Price of HK$3.60 per Share	2,970,257	988,882	3,959,139	2.97	3.50
Based on an Offer Price of HK$4.60 per Share	2,970,257	1,267,529	4,237,786	3.18	3.75

Notes:

(1) The audited consolidated net tangible assets of the Group attributable to the owners of the Company as at June 30, 2020 is extracted from the Accountant's Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to the owners of the Company as at June 30, 2020 of approximately RMB2,986,977,000, with adjustment for intangible assets as at June 30, 2020 of approximately RMB16,720,000.

(2) The estimated net proceeds from the Global Offering are based on the indicative Offer Price of HK$3.60 and HK$4.60 per share, being the low and high end of the indicative Offer Price range, and also based on an Offer Price of HK$3.24 per Offer Share after making a Downward Offer Price Adjustment of approximately 10%, respectively, after deduction of the underwriting fees and other related expenses (excluding listing expenses of approximately RMB37,548,000 which have been accounted for in the consolidated statements of comprehensive income of the Group prior to June 30, 2020) paid/payable by the Company, and takes no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option, any options which may be granted under the Share Option Scheme or any Shares which may be issued or repurchased by the Company pursuant to the general mandates given to the Directors for issue and allotment of Shares as described in the section headed "Share Capital" in this prospectus.

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraph and on the basis that 1,333,400,000 Shares were in issue, assuming that the Global Offering and Capitalization Issue have been completed on June 30, 2020 but takes no account of any Shares which may be allotted and issued pursuant to the exercise of the options which may be granted under the Share Option Scheme and any Shares which may be issued or repurchased by the Company pursuant to the general mandates given to the Directors for issue and allotment of Shares as described in the section headed "Share Capital" in this prospectus.

(4) For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets, the balances stated in Renminbi are converted into Hong Kong dollars at a rate of RMB1.0000 to HK$1.1786, as set out in "Information about this Prospectus and the Global Offering" to this prospectus. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(5) No adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to June 30, 2020.

DIRECTORS' CONFIRMATION ON NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, up to the date of this Prospectus, there has been no material adverse change in our financial or trading position or prospects since June 30, 2020, being the date on which our latest audited combined financial statements were prepared, and there is no event since June 30, 2020 which would materially affect the information as set out in the Accountant's Report included in Appendix I to this Prospectus.

FUTURE PLANS AND PROSPECTS

See "Business — Our Business Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$1,279.4 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$4.10 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 60.0%, or approximately HK$767.7 million, will be used for financing our existing projects, including the construction costs of property development projects, among which, (i) approximately 16.2%, or approximately HK$207.1 million, will be used for construction and development of Tangsheng Yayuan (唐晟雅苑) by the end of 2020; (ii) approximately 18.4%, or approximately HK$235.7 million, will be used for construction and development of Tangxi Yayuan (唐璽雅苑) by the end of 2020; (iii) approximately 10.7%, or approximately HK$136.3 million, will be used for construction and development of Tangyun Yayuan (唐韻雅苑) by the end of 2020; (iv) approximately 12.0%, or approximately HK$153.2 million, will be used for construction and development of Changsha Dynasty Impression — Yuxi (長沙大唐印象•御璽) by the end of 2020 and (v) approximately 2.8%, or approximately HK$35.4 million, will be used for construction and development of Changsha Dynasty Impression — Yuyuan (長沙大唐印象•御園) by the end of 2020;

- approximately 30.0%, or approximately HK$383.8 million, will be used for repayment of a portion of certain existing interest-bearing bank borrowings, which are loans for our property project development, including (i) a bank borrowing of HK$265.9 million with a fixed interest rate of 8.5025% per annum and maturing in August 2021; and (ii) a bank borrowing of HK$117.9 million with a fixed interest rate of 10.00% per annum and maturing in January 2021; and

- approximately 10.0%, or approximately HK$127.9 million, will be used for general business operations and working capital.

The table below sets forth the estimate of the net proceeds of the Global Offering which we will receive after deduction of underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering:

	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full
Assuming an Offer Price of HK$3.24 per Offer Share (after a Downward Offer Price Adjustment of 10% below the low end of the indicative Offer Price range)	Approximately HK$992.7 million	Approximately HK$1,154.8 million
Assuming an Offer Price of HK$3.60 per Offer Share (being the low end of the Offer Price range stated in this Prospectus)	Approximately HK$1,112.7 million	Approximately HK$1,292.8 million
Assuming an Offer Price of HK$4.10 per Offer Share (being the mid-point of the Offer Price range stated in this Prospectus)	Approximately HK$1,279.4 million	Approximately HK$1,484.5 million
Assuming an Offer Price of HK$4.60 per Offer Share (being the high end of the Offer Price range stated in this Prospectus)	Approximately HK$1,446.1 million	Approximately HK$1,676.2 million

Except for the amount of HK$383.8 million that we expect to use to repay our interest-bearing bank borrowings, the above allocation of the proceeds will be adjusted on a pro rata basis in the event that the Offer Price is fixed at a higher or lower level compared to the midpoint of the proposed Offer Price range.

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, and will only, apply the unused net proceeds in short-term deposits with licensed banks or 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

ICBC International Securities Limited
ABCI Securities Company Limited
BOCOM International Securities Limited
CCB International Capital Limited
CMB International Capital Limited
CRIC Securities Company Limited
Essence International Securities (Hong Kong) Limited
GLAM Capital Limited
Guodu Securities (Hong Kong) Limited
Guotai Junan Securities (Hong Kong) Limited
Haitong International Securities Company Limited
Hongkong Rich & Fortune Securities Co., Limited
HTF Securities Limited
Huajin Securities (International) Limited
Livermore Holdings Limited
Vision Capital International Holdings Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Public Offering, our Company is initially offering 33,340,000 Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong on, and subject to, the terms and conditions set out in this Prospectus and the Application Forms.

Subject to:

(a) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this Prospectus and such listing and permission not subsequently being revoked; and

(b) certain other conditions set out in the Hong Kong Underwriting Agreement (including but not limited to the Offer Price being agreed upon between our Company and ICBC International Capital (for itself and on behalf of the other Underwriters)),

the Hong Kong Underwriters have agreed severally, and not jointly, to subscribe for, or procure subscribers for, their respective applicable proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering, on the terms and conditions set out in this Prospectus, the Application Forms and the Hong Kong Underwriting Agreement. If, for any reason, the Offer Price is not agreed between our Company and ICBC International Capital (for itself and on behalf of the Underwriters) by Wednesday, December 9, 2020, the Global Offering will not proceed and will lapse.

The Hong Kong Underwriting Agreement is conditional upon and subject to the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters), in its sole and absolute discretion, shall be entitled by notice in writing to the Company to terminate the Hong Kong Underwriting Agreement with immediate effect if occurs at or prior to 8:00a.m. on the Listing Date:

(a) there has come to the notice of ICBC International Capital:

(i) that any statement contained in this Prospectus, the Application Forms, the formal notice (collectively, the "**Offer Documents**") and/or any public notices, announcements, or other documents issued or used by or on behalf of our Company in connection with the Global Offering (including any supplement or amendments thereto) (collectively, the "**Relevant Documents**") was, when it was issued, or has become, untrue, incorrect, misleading or deceptive in any material respect or that any forecast, expression of opinion, intention or expectation expressed in any of the Relevant Documents is not, in the sole and absolute opinion of ICBC International Capital (for itself and on behalf of the other Underwriters), fair and honest and based on reasonable assumptions, when taken as a whole; or

(ii) that any matter has arisen or has been discovered which would or might, had it arisen or been discovered immediately before the respective dates of the publication of the Relevant Documents (including any supplement or amendments thereto), constitute a material omission therefrom; or

(iii) any material breach of any of the obligations imposed or to be imposed upon any party to the Hong Kong Underwriting Agreement or the International Underwriting Agreement (in each case, other than on the part of any of the Underwriters); or

(iv) any event, act or omission which gives or is likely to give rise to any liability of any of our Company, Controlling Shareholders, Mr. Wu and MeiDi ("**Warrantors**") pursuant to the indemnities provided by them in the Hong Kong Underwriting Agreement or under the International Underwriting Agreement; or

(v) any breach of, or any event or circumstance rendering untrue or incorrect in any material respect, any of the representations, warranties, agreements and undertakings to be given by the Warrantors in the Hong Kong Underwriting Agreement; or

(vi) the approval by the Listing Committee of the Stock Exchange of the listing of, and permission to deal in, the Shares (including any additional Shares that may be issued upon the exercise of the Over-allotment Option) is refused or not granted, or is qualified (other than subject to customary conditions), on or before the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or

(vii) our Company has withdrawn any of the Offer Documents or the Global Offering; or

(viii) any expert (other than the Sole Sponsor) has withdrawn or sought to withdraw its consent to being named in any of the Offer Documents or to the issue of any of the Offer Documents; or

(b) there shall develop, occur, exist or come into effect:

(i) any local, national, regional, international event or circumstance, or series of events or circumstances, beyond the reasonable control of the Underwriters (including, without limitation, any acts of government or orders of any courts, strikes, calamity, crisis, lock-outs, fire, explosion, flooding, civil commotion, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God, acts of terrorism, declaration of a local, regional, national or international emergency, riot, public disorder, economic sanctions, outbreaks of diseases, pandemics or epidemics (including, without limitation, Severe Acute Respiratory Syndrome, avian influenza A (H5N1), Swine Flu (H1N1), Middle East Respiratory Syndrome, Coronavirus disease 2019 (COVID-19) or such related or mutated forms) in or affecting any of Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), the Cayman Islands, the BVI, the Cook Islands, or any other jurisdictions relevant to any member of our Group or the Global Offering (the "**Specific Jurisdictions**"); or

(ii) any change or development involving a prospective change, or any event or circumstance or series of events or circumstances likely to result in any change or development involving a prospective change, in any local, regional, national, international, financial, economic, political, military, industrial, fiscal, legal regulatory, currency, credit or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets) in or affecting any of the Specific Jurisdictions; or

(iii) any moratorium, suspension or restriction on trading in securities generally (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on the Stock Exchange, the New York Stock Exchange, the London Stock Exchange, the NASDAQ Global Market, the Shanghai Stock Exchange and the Shenzhen Stock Exchange; or

(iv) any new laws, rules, statutes, ordinances, regulations, guidelines, opinions, notices circulars, orders, judgments, decree or rulings of any governmental authority ("**Laws**") or any change or development involving a prospective change in existing Laws, or any event or circumstance or series of events or circumstances likely to result in any change or development involving a prospective change in the interpretation or application of existing Laws by any court or other competent authority, in each case, in or affecting any of the Specific Jurisdictions; or

(v) any general moratorium on commercial banking activities as imposed by the competent activities, or any disruption in commercial banking activities, foreign exchange trading or securities settlement or clearance services or procedures or matters, in or affecting any of the Specific Jurisdictions; or

(vi) any change or development involving a prospective adverse change in the assets, liabilities, general affairs, management, business prospects, shareholders' equity, profits, losses, results of operations, position or conditions (financial, trading or otherwise) or performance of any member of our Group; or

(vii) an order or petition is presented for the winding-up of any member of our Group or any compromise or arrangement made by any member of our Group with its creditors or a scheme of arrangement entered into by any member of our Group or any resolution for the winding-up for any member of our 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 our Group; or

(viii) the imposition of economic sanctions on any member of our Group, in whatever form, directly or indirectly, by or for any of the Specific Jurisdictions; or

(ix) a change or development involving a prospective change in or affecting taxation or exchange control (or the implementation of any exchange control), currency exchange rates or foreign investment laws (including, without limitation, any change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States or a material devaluation in the exchange rate of the Hong Kong dollar or the Renminbi against any foreign currency) in or affecting any of the Specific Jurisdictions; or

(x) any change or development involving a prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this Prospectus; or

(xi) any litigation or claim of any third party being threatened or instigated against any member of our Group or the ultimate Controlling Shareholder; or

(xii) our chairman or president of our Company vacating his office; or

(xiii) the commencement by any governmental, regulatory or political body or organization of any action against an executive Director in his or her capacity as such or an announcement by any governmental, regulatory or political body or organization that it intends to take any such action; or

(xiv) a contravention by any member of our Group of the Listing Rules, the Companies Ordinance or any other laws applicable to the Global Offering; or

(xv) a prohibition by a government authority on our Company for whatever reason from issuing, allotting, or selling the Offer Shares and/or the Shares under the Over-allotment Option pursuant to the terms of the Global Offering; or

(xvi) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(xvii) a significant portion of the orders in the book building process, at the time the International Underwriting Agreement is entered into, or the investment commitments by any cornerstone investor after signing of agreement with such cornerstone investor, have been withdrawn, terminated or cancelled,

which in each case individually or in aggregate in the sole and absolute opinion of ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters):

(a) has or is or will or may or could be expected to have a material adverse effect on the assets, liabilities, business, general affairs, management, shareholders' equity, profits, losses, results of operation, financial, trading or other condition or prospects or risks of our Company or our Group or any member of our Group; or

(b) has or will or may have or could be expected to have a material adverse effect on the success, marketability or pricing of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Offering; or

(c) makes or will make or may make it inadvisable, inexpedient or impracticable for any part of the Hong Kong Underwriting Agreement or the Global Offering to be performed or implemented or proceeded with as envisaged or to market the Global Offering or shall otherwise result in an interruption to or delay thereof; or

(d) has or will or may have the effect of making any 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.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

(A) Undertakings by our Company

In accordance with Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued by our Company or form the subject of any agreement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the commencement of dealing), except pursuant to the Global Offering the exercise of the Over-allotment Option, the exercise of the options which may be granted under the Share Option Scheme and/or any of the circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertakings by our Controlling Shareholders

In accordance with Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has undertaken to our Company and to the Stock Exchange that, except pursuant to the Capitalization Issue, the Global Offering, the Stock Borrowing Agreement and the exercise of the Over-allotment Option or any Options that may be granted under the Share Option Scheme, she or it shall not:

(a) in the period commencing on the date of this Prospectus and ending on the date which is six months from the Listing Date, 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 of the Company in respect of which she or it is shown in this Prospectus to be the beneficial owners; and

(b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above 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 the 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, she or it would cease to be a group of "controlling shareholder" (as defined in the Listing Rules) of our Company.

In accordance with Note 3 to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has undertaken to our Company and to the Stock Exchange that within the period commencing on the date of this Prospectus and ending on the date which is 12 months from the Listing Date, she or it will:

(i) when she or it pledges or charges any Shares or securities of our Company beneficially owned by her or it in favor 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 our Company so pledged or charged; and

(ii) when 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 our Company will be disposed of, immediately inform our Company in writing of such indications.

We will also inform the Stock Exchange as soon as we have been informed of the matters referred to in paragraphs (i) and (ii) above by any of our Controlling Shareholders and subject to the then requirements of the Listing Rules disclose such matters by way of an announcement which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

Undertakings Pursuant to the Hong Kong Underwriting Agreement

(A) Undertakings by our Company

We have undertaken to each of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that we will not, and will, except as permissible under Rule 10.08 of the Listing Rules, or except pursuant to the Global Offering (including pursuant to the Over-allotment Option) and the exercise of any options granted or to be granted under the Share Option Scheme, without the prior written consent of ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters) unless in compliance with the Listing Rules, at any time during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on the date falling six months after the Listing Date (the "**First Six-Month Period**"):

(a) 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 a pledge, charge, lien, mortgage, option, restriction, right of first refusal, security interest, claim, pre-emption rights, equity interest, third party rights or interests or rights of the same nature as that of the foregoing or other encumbrances or security interest of any kind or another type of preferential arrangement (including without limitation, retention arrangement) having similar effect ("**Encumbrance**") over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company, 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 other securities of our Company), or deposit any Shares or other equity securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipt, as applicable; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or other securities of our Company, 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 other securities of our Company); or

(c) enter into any transaction with the same economic effect as any transactions specified in (a) or (b) above; or

(d) offer to or agree to or announce any intention to effect any transaction specified in (a), (b) or (c) above; or

in each case, whether any of the transactions specified in (a), (b) or (c) above is to be settled by delivery of Shares or other securities of our Company, as applicable, or in cash or otherwise (whether or not the issue of such Shares or other shares or securities will be completed within the First Six-Month Period).

In the event that, during the period of six months immediately following the expiry of the First Six-Month Period (the "**Second Six-Month Period**"), we enter into any such transactions specified in (a), (b) or (c) above or offer or agree or announce an intention to, enter into any such transactions, our Company will take all reasonable steps to ensure that it will not create a disorderly or false market in any Shares or other securities of our Company.

(B) Undertakings by our Controlling Shareholders

Each of our Controlling Shareholders hereby jointly and severally undertakes to each of the Sole Sponsor, the Sole Global Coordinator, our Company, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, except pursuant to the Capitalization Issue, the Global Offering (including the issue of Shares pursuant to the exercise of the Over-allotment Option or any options that may be granted under the Share Option Scheme), the Stock Borrowing Agreement and in compliance with the requirements under Rule 10.07(3) of the Listing Rules, without the prior written consent of ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters):

(i) at any time during the First Six-Month Period, she or it shall not,

(a) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge (other than any mortgage, charge or pledge of the issued share capital of the Company after consummation of the Global Offering in favour of an authorised institution as defined in the Banking Ordinance (Chapter 155 of the laws of Hong Kong) for a bona fide commercial loan in compliance with Note 2 to Rule 10.07(2) of the Listing Rules), hypothecate, lend, grant or sell any option, warrant, contract or right to 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 Shares or other securities of our Company or any interest therein (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) beneficially owned by it or her (the "**Relevant Securities**"), or deposit any Relevant Securities with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Relevant Securities; or

(c) enter into or effect any transaction with the same economic effect as any of the transactions referred to in sub-paragraphs (a) or (b) above; or

(d) offer to or agree to or announce any intention to enter into or effect any of the transactions referred to in sub-paragraphs (a), (b) or (c) above, which any of the foregoing transactions referred to in sub-paragraphs (a), (b), (c) or (d) is to be settled by delivery of Shares or such other securities of our Company or in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-Month Period);

(ii) at any time during the Second Six-Month Period, she or it shall not enter into any of the transactions referred to in (i)(a), (b) or (c) above or offer to or agree to or announce any intention to enter into 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, she or it would cease to be a "controlling shareholder" (as defined in the Listing Rules) of our Company or would together with the other Controlling Shareholders cease to be "controlling shareholders" (as defined in the Listing Rules) of our Company; and

(iii) in the event that she or it enters into any of the transactions specified in (i)(a), (b) or (c) above or offer to or agrees to or announce any intention to effect any such transaction within the Second Six-Month Period, she or it shall take all reasonable steps to ensure that she or it will not create a disorderly or false market for any Shares or other securities of our Company.

Each of our Controlling Shareholders further undertakes to each of the Sole Sponsor, our Company, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, and the Hong Kong Underwriters that, within the period from the date by reference to which disclosure of their shareholding in our Company is made in this Prospectus and ending on the date which is twelve months from the Listing Date, she or it will:

(i) when she or it pledges or charges any securities or interests in the Relevant Securities in favour of an authorized institution pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company and the Sole Sponsor in writing of such pledges or charges together with the number of securities and nature of interest so pledged or charged; and

(ii) when she or it receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged securities or interests in the securities of our Company will be sold, transferred or disposed of, immediately inform our Company and the Sole Sponsor in writing of such indications.

(C) Undertakings by Mr. Wu Di and MeiDi

Mr. Wu Di and MeiDi hereby jointly and severally undertakes to each of the Sole Sponsor, the Sole Global Coordinator, our Company, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, without prior written consent of ICBC International Capital (for itself and on behalf of the Hong Kong Underwriters):

(i) at any time during the First Six-Month Period, he or it shall not,

(a) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge (other than any mortgage, charge or pledge of the issued share capital of our Company after consummation of the Global Offering (i) in favor of an authorized institution as defined in the Banking Ordinance (Chapter 155 of the laws of Hong Kong) for a bona fide commercial loan in compliance with Note 2 to Rule 10.07(2) of the Listing Rules; and (ii) in favor of persons other than authorized institutions for a bona fide commercial loan, such mortgage, charge or pledge shall not become enforceable during the First Six-Month Period and that, such mortgagee, chargee or pledgee will be prohibited from exercising any power of sale and/or any right to take possession of the Wu Di Relevant Securities (as defined below) during the First Six-Month Period), hypothecate, lend, grant or sell any option, warrant, contract or right to 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 Shares or other securities of our Company or any interest therein (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) beneficially owned by him or it (the "**Wu Di Relevant Securities**"), or deposit any Wu Di Relevant Securities with a depositary in connection with the issue of depositary receipts; and

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Wu Di Relevant Securities; or

(c) enter into or effect any transaction with the same economic effect as any of the transactions referred to in sub-paragraphs (a) or (b) above; or

(d) offer to or agree to announce any intention to enter into or effect any of the transactions referred to in sub-paragraphs (a), (b) or (c) above, which any of the foregoing transactions referred to in sub-paragraphs (a), (b), (c) or (d) is to be settled by delivery of Shares or such other securities of our Company or in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-Month Period);

(ii) in the event that he or it enters into a transaction specified in (i)(a), (i)(b) or (i)(c) above or offer to or agrees to or announce any intention to effect any such transaction within the Second Six-Month Period, he or it shall take all reasonable steps to ensure that he or it will not create a disorderly or false market for any Shares or other securities of our Company.

Hong Kong Underwriters' Interests in our Company

Save for their respective obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, the Hong Kong Underwriters were not interested legally or beneficially, directly or indirectly in any shares or securities in our Company or any other member of our Group or had any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any shares or securities in our Company or any other member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their respective affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement.

International Offering

International Underwriting Agreement

In connection with the International Offering, our Company, our Controlling Shareholders, Mr. Wu Di and Mei Di expect to enter into the International Underwriting Agreement with, among others, the International Underwriters. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions set out therein, severally agree to purchase the International Offering Shares or procure purchasers for the International Offering Shares initially being offered pursuant to the International Offering. Please refer to the section headed "Structure of the Global Offering — The International Offering" in this Prospectus for further details.

Over-allotment Option

Our Company expects to grant to the International Underwriters, exercisable by ICBC International Capital (for itself and on behalf of the International Underwriters)), the Over-allotment Option which will be exercisable in whole or in part as one or more times from the Listing Date until 30 days after 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 50,010,000 additional Shares, representing no more than 15% of the number of Offer Shares initially available to the Global Offering at the Offer Price, to cover over-allocations in the International Offering, if any.

Commissions and Expenses

We will pay ICBC International Capital (for itself and on behalf of the other Underwriters) an underwriting commission of 1.0% on the aggregate Offer Price of the Offer Shares. For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to ICBC International Capital and the relevant International Underwriters, but not the Hong Kong Underwriters. In addition, we may, at our sole and absolute discretion, pay to ICBC International Capital an additional incentive fee up to 0.5% on the aggregate Offer Price of the Offer Shares.

Assuming that the Over-allotment Option is not exercised and based on an Offer Price of HK$4.6 per Offer Share (being the mid-point of the indicative Offer Price range of HK$5.1 to HK$4.1 per Offer Share), the aggregate commissions and fees, together with the Stock Exchange listing fee, SFC transaction levy, Stock Exchange trading fee, legal and other professional fees, printing and other fees and expenses relating to the Global Offering, are estimated to amount in aggregate to HK$81.1 million in total payable by us.

Indemnity

We have undertaken to indemnify and keep indemnified on demand (on an after-tax basis) and hold harmless each of the Sole Sponsor, the Sole Global Coordinator and the Hong Kong Underwriters (for itself and on trust for its directors, officers, employees, agents, assignees and affiliates) from and against 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.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus 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 authorised or to any person to whom it is unlawful to make such an offer or invitation.

INDEPENDENCE OF THE SOLE SPONSOR

The Sole Sponsor satisfies 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 the Shares, those activities could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the 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 the Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the 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 the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the 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 the 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 the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in the section headed "Structure of the Global Offering — Stabilization" in this Prospectus. Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the 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 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):

- the Hong Kong Public Offering of initially 33,340,000 Offer Shares (subject to reallocation as mentioned below) in Hong Kong as described below in the paragraph headed "The Hong Kong Public Offering"; and
- the International Offering of initially 300,060,000 Offer Shares (subject to reallocation and the Over-allotment Option as described below) outside the United States (including to professional, institutional and corporate investors and other investors anticipated to have a sizeable demand for the Offer Shares in Hong Kong) in offshore transactions in reliance on Regulation S.

Investors may either:

- apply for the Hong Kong Offer Shares under the Hong Kong Public Offering; or
- apply for or indicate an interest for the International Offer Shares under the International Offering,

but may not do both.

The 333,400,000 Offer Shares in the Global Offering will represent approximately 25% of our enlarged share capital immediately after the completion of the Global Offering and the Capitalization Issue, 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 27.7% of our enlarged share capital immediately following the completion of the Global Offering and the Capitalization Issue.

References to applications, application forms, application monies or procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

We are initially offering for subscription by the public in Hong Kong 33,340,000 Offer Shares, 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, the number of Offer Shares offered under the Hong Kong Public Offering will represent approximately 2.5% of our enlarged issued share capital immediately after completion of the Global Offering and the Capitalization Issue, assuming 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 that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out below in "Conditions of the Global Offering".

Allocation

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based 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. We may, if necessary, allocate the Hong Kong Offer Shares on the basis 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 Offer Shares available under the Hong Kong Public Offering 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 the Hong Kong Offer Shares with an aggregate subscription price of HK$5 million or less (excluding brokerage, SFC transaction levy and Stock Exchange trading fee payable); and
- ***Pool B***: The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million and up to the value of pool B (excluding brokerage, SFC transaction levy and 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 the 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 the pool and be allocated accordingly. For the purpose of this subsection only, the "subscription price" for the Hong Kong Offer Shares means the price payable on application therefor (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 or suspected multiple applications under the Hong Kong Public Offering and any application for more than 16,670,000 Hong Kong Offer Shares will 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 ICBC International Capital, subject to the following:

(a) where the International Offer Shares are fully subscribed or oversubscribed:

(i) if the Hong Kong Offer Shares are undersubscribed, ICBC International Capital (for itself and on behalf of the other Underwriters) has the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering, in such proportions as the ICBC International Capital deems appropriate;

(ii) if the number of Offer Shares validly applied for under the Hong Kong Public Offering are over-subscribed and represents less than 15 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then up to 33,340,000 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 66,680,000 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 are over-subscribed and represents (1) 15 times or more but less than 50 times, (2) 50 times or more but less than 100 times, and (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 out in paragraph 4.2 of Practice Note 18 of the Listing Rules, so that the total number of Hong Kong Offer Shares will be increased to 100,020,000 Offer Shares (in the case of (1)), 133,360,000 Offer Shares (in the case of (2)) and 166,700,000 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 Offer 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 proportion 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 33,340,000 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the maximum total number of the Offer Shares available under the Hong Kong Public Offering will be increased to 66,680,000 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 low end of the indicative Offer Price range (i.e. HK$3.60 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 be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has 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, 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 International Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering are required to pay, on application, maximum price of HK$4.60 per Offer Share in addition to brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% on each Offer Share, amounting to a total of HK$4,646.35 for one board lot of 1,000 Shares. If the Offer Price, as finally determined on the Price Determination Date in the manner as described below in the paragraph headed "Pricing and Allocation", is less than the maximum price of HK$4.60 per Offer Share, appropriate refund payments (including brokerage, SFC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. For further details, please see "How to Apply for Hong Kong Offer Shares".

THE INTERNATIONAL OFFERING

Number of Offer Shares Initially Offered

We will be initially offering for subscription under the International Offering 300,060,000 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, the number of Offer Shares offered under the International Offering will represent approximately 22.5% of our enlarged issued share capital immediately after completion of the Global Offering and the Capitalization Issue, assuming the Over-allotment Option is not exercised.

Allocation

The International Offer Shares will conditionally be offered to selected professional, institutional and corporate investors and other investors anticipated to have a sizeable demand for our Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. 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. Prospective professional, institutional and other investors will be required to specify the number of the International Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to the Price Determination Date.

Allocation of the International Offer Shares pursuant to the International Offering will be determined by ICBC International Capital and will be based on a number of factors including the level and timing of demand, 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, and/or hold or sell its Shares, after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the International Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of us and our Shareholders as a whole.

ICBC International Capital (for itself and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to ICBC International Capital so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any applications of Hong Kong Offer Shares under the Hong Kong Public Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the clawback arrangement as described above in the paragraph headed "The Hong Kong Public Offering — Reallocation" or 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.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, it is expected that we will grant the Over-allotment Option to the International Underwriters.

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by ICBC International Capital (for itself and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require us to issue up to 50,010,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to, among other things (such as effecting the permitted stabilizing actions as set out in the paragraph headed "Stabilization" below), cover over-allocations which may be made in connection with the distribution of the International Offer Shares.

If the Over-allotment Option is exercised in full, the additional Shares to be issued pursuant thereto will represent approximately 3.6% of our enlarged issued share capital immediately following the completion of the Global Offering and the Capitalization Issue. 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 securities in the secondary market, during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, 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, on behalf of the Underwriters, may 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 in the open market 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 stabilizing action, if taken, will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it and may be discontinued at any time, and is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering.

Stabilization action permitted in Hong Kong under the Securities and Futures (Price Stabilizing) Rules of the SFO includes (i) over-allocating 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 agreeing to purchase, 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 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 (ii), (iii), (iv) or (v) above.

Specifically, prospective applicants for and investors in 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 the Shares;
- there is no certainty as to 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) and selling in the open market, may have an adverse impact on the market price of the Shares;
- no stabilizing action can be taken to support the price of the 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 lodging applications under the Hong Kong Public Offering. After this date, when no further action may be taken to support the price of the Shares, demand for the Shares, and therefore the price of the Shares, could fall;
- the price of the Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilizing action; and
- stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price, which means that stabilizing bids or transactions effected may be made at a price below the price paid by applicants for, or investors in, the Offer Shares.

We will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO 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 Stabilizing Manager (or any person acting for it) may cover such over-allocations by (among other methods) exercising the Over-allotment Option in full or in part, using Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price, or through the stock borrowing arrangement as detailed below or a combination of these means.

STOCK BORROWING AGREEMENT

In order to facilitate the settlement of over-allocations in connection with the Global Offering, the Stabilizing Manager may choose to enter into an agreement with Dynasty Cook, our Controlling Shareholder, to borrow, whether on its own or through its affiliates, up to 50,010,000 Shares, representing 15% of the total number of the Offer Shares initially available for the Global Offering. The stock borrowing arrangement under such an agreement, if entered into, will not be subject to the restrictions of Rule 10.07(1)(a) of the Listing Rules, provided that the requirements set out in Rule 10.07(3) of the Listing Rules are complied with as follows:

- such stock borrowing arrangement is fully described in this prospectus and must be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option;
- the maximum number of Shares to be borrowed from Dynasty Cook by the Stabilizing Manager (or any person acting for it) is the maximum number of Shares that may be issued upon full exercise of the Over-allotment Option;
- the same number of Shares so borrowed must be returned to Dynasty Cook or its nominee(s) within three business days following the earlier of (a) the last day on which the Over-allotment Option may be exercised, and (b) the day on which the Over-allotment Option is exercised in full;
- the stock borrowing arrangement will be effected in compliance with all applicable listing rules, laws and other regulatory requirements; and
- no payment will be made to Dynasty Cook by the Stabilizing Manager (or any person acting for it) in relation to such stock borrowing arrangement.

PRICING AND ALLOCATION

Our Company and ICBC International Capital (for itself and on behalf of the Underwriters) will determine the Offer Price and sign an agreement on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or around Friday, December 4, 2020 and in any event, not later than 12:00 noon on Wednesday, December 9, 2020.

The Offer Price will not be more than HK$4.60 per Offer Share and is expected to be not less than HK$3.60 per Offer Share, unless otherwise announced, as further explained below. If you apply for the Offer Shares under the Hong Kong Public Offering, you must pay the maximum price of HK$4.60 per Offer Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% fee, amounting to a total of HK$4,646.35 for one board lot of 1,000 Shares.

Prospective investor 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 (subject to a Downward Offer Price Adjustment).

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 prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

ICBC International Capital (for itself and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with the consent of us, determine the final Offer Price to be no more than 10% below the low end of the indicative Offer Price range, at any time on or prior to the Price Determination Date. In such a case, we will as soon as practicable following the decision to set the final Offer Price below the low end of the indicative Offer Price range, publish on our website at **www.dyna888.com** and the website of the Stock Exchange at **www.hkexnews.hk** an announcement of the final Offer Price after making a Downward Offer Price Adjustment (the contents of the website do not form a part of this prospectus). Such announcement will be issued as soon as practicable after the Price Determination Date but before and separate from the announcement of the results of allocations expected to be announced on Thursday, December 10, 2020. The Offer Price announced following making of a Downward Offer Price Adjustment shall be the final Offer Price and shall not be subsequently changed.

In the absence of an announcement that a Downward Offer Price Adjustment has been made, the final Offer Price will not be outside the indicative Offer Price range as disclosed in this prospectus unless the Withdrawal Mechanism is utilized. If the Offer Price, as finally determined in the manner described below, is lower than HK$4.60, we will refund the respective difference, including the brokerage fee, the Stock Exchange trading fee and the SFC transaction levy attributable to the surplus application monies. We will not pay interest on any refunded amounts. For more details, see "How to Apply for the Hong Kong Offer Shares" In this prospectus.

ICBC International Capital (for itself and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with the consent of us, reduce the number of Offer Shares and/or the Offer Price range below that stated in this prospectus 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 post a notice on our website at **www.dyna888.com** and the website of the Stock Exchange at **www.hkexnews.hk** (the contents of the website do not form a part of this Prospectus). Upon issue of such a notice, the revised number of Offer Shares and/or offer price range will be final and conclusive and the Offer Price, if agreed upon by us, will be fixed within such revised offer price range.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price range may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Such notice will also confirm or revise, as appropriate, the working capital statement, the Global Offering statistics as currently set out in "Summary" in this prospectus, and any other financial information which may change as a result of such reduction. In the absence of any such notice so published, the Offer Price, if agreed upon with us and ICBC International Capital (for itself and on behalf of the Underwriters) will under no circumstances be set outside the Offer Price range as stated in this Prospectus.

If you have already submitted an application for the Hong Kong Offer Shares before the last day for lodging applications under the Hong Kong Public Offering, you will not be allowed to subsequently withdraw your application. However, if the number of Offer Shares and/or the Offer Price range is reduced, applicants are entitled to withdraw their applications and their applications will be deemed revoked unless positive confirmation is received.

In the event of a reduction in the number of Offer Shares, ICBC International Capital 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 (assuming the Over-allotment Option is not exercised).

Irrespective of whether a Downward Offer Price Adjustment is made, the final Offer Price, the level of indication of interest in the International Offering, the basis of allotment of Offer Shares available under the Hong Kong Public Offering and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering are expected to be made available in a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares — 11. Publication of Results" in this Prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares is conditional on:

- the Listing Committee granting approval for the listing of, and permission to deal in, our Shares in issue and to be issued as described in this prospectus (including the Shares which may be issued pursuant to the exercise of the Over-allotment Option);
- the Offer Price having been agreed between us and ICBC International Capital (for itself and on behalf the Underwriters);
- the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the case may be (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than the 30th date after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between us and ICBC International Capital (for itself and on behalf of the Underwriters) by 12:00 noon on Wednesday, December 9, 2020, the Global Offering (including the Hong Kong Public Offering) will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, each other offering becoming unconditional and not having been terminated in accordance with its respective 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. Notice of the lapse of the Hong Kong Public Offering will be published by us on our website at **www.dyna888.com** and the website of the Stock Exchange at **www.hkexnews.hk** on the next day following such lapse. In such an event, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares — 13. Refund of Application Monies" in this Prospectus. In the meantime, all application monies will be held in 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).

UNDERWRITING AGREEMENTS

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, among other conditions, us and ICBC International Capital (for itself and on behalf of the Underwriters) agreeing on the Offer Price on the Price Determination Date.

We expect to enter into the International Underwriting Agreement relating to the International Offering on the Price Determination Date.

Certain terms of the underwriting arrangements, the Hong Kong Underwriting Agreement and the International Underwriting Agreement, are summarized in the section headed "Underwriting" in this Prospectus.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, December 11, 2020, it is expected that dealings in our Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, December 11, 2020.

The Shares will be traded in board lots of 1,000 Shares each.

1. HOW TO APPLY

If you apply for Hong Kong Offer Shares, then you may not apply for or indicate an interest for International Offering 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 Sole Global Coordinator, 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 (except those who have complied with all relevant PRC laws and regulations in relation to such application, including but not limited to qualified domestics institutional investors).

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 ICBC International Capital may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority. Our Company and ICBC International Capital, as our Company's agent, will have full discretion to accept or reject any application, in full or in part, without giving any reason.

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;
- an associate or close associate (as defined in the Listing Rules) of any of the above;
- a connected person or a core 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; and
- have been allocated or have applied for any International Offering 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 in the **IPO App** or online through **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, November 27, 2020 to 12:00 noon on Friday, December 4, 2020 from:

(i) the following office of the Hong Kong Underwriters:

ICBC International Securities Limited	37/F, ICBC Tower 3 Garden Road Hong Kong
ABCI Securities Company Limited	10/F, Agriculture Bank of China Tower 50 Connaught Road Central Central, Hong Kong
BOCOM International Securities Limited	9/F, Man Yee Building 68 Des Voeux Road Central Hong Kong
CCB International Capital Limited	12/F, CCB Tower 3 Connaught Road Central Central, Hong Kong
CMB International Capital Limited	45/F, Champion Tower 3 Garden Road Central, Hong Kong

CRIC Securities Company Limited	Room 2007 & 2403, Great Eagle Centre 23 Harbour Road, Wanchai Hong Kong
Essence International Securities (Hong Kong) Limited	39/F, One Exchange Square Central, Hong Kong
GLAM Capital Limited	Rooms 908–11, 9/F, Nan Fung Tower 88 Connaught Road Central Central Hong Kong
Guodu Securities (Hong Kong) Limited	Room 1307, 13/F Bank of America Tower 12 Harcourt Road Central, Hong Kong
Guotai Junan Securities (Hong Kong) Limited	27/F, Low Block, Grand Millennium Plaza 181 Queen's Road Central Hong Kong
Haitong International Securities Company Limited	22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong
Hongkong Rich & Fortune Securities Co., Limited	Room 2007, 20/F West Tower, Shun Tak Centre 168-200 Connaught Road Central Hong Kong
HTF Securities Limited	Unit 1807, 18/F, Office Tower Convention Plaza 1 Harbour Road Wan Chai, Hong Kong
Huajin Securities (International) Limited	Suite 1101, 11/F Champion Tower 3 Garden Road, Central Hong Kong
Livermore Holdings Limited	Unit 1214A, 12/F Tower II Cheung Sha Wan Plaza 833 Cheung Sha Wan Road Kowloon, Hong Kong
Vision Capital International Holdings Limited	Room A01, 11/F Grand Millennium Plaza 181 Queen's Road Central Sheung Wan, Hong Kong

(ii) any of the following branches of Industrial and Commercial Bank of China (Asia) Limited, the receiving bank:

District	Branch	Address
Hong Kong Island	Queen's Road Central Branch	Basement, Ground Floor and First Floor of 122 QRC, Nos. 122–126 Queen's Road Central, Hong Kong
	Causeway Bay Branch	Shop A on G/F, 1/F, Hennessy Apartments, 488 & 490 Hennessy Road, Hong Kong
Kowloon	Yaumatei Branch	542 Nathan Road, Yaumatei, Kowloon
	Telford Branch	Shop P19–P20, Telford Plaza, Kowloon Bay, Kowloon
New Territories	Shatin Branch	Shop 22J, Level 3, Shatin Centre, New Territories

You can collect a **YELLOW** Application Form and a Prospectus during normal business hours from 9:00 a.m. on Friday, November 27, 2020 until 12:00 noon on Friday, December 4, 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 "**ICBC (ASIA) NOMINEE LIMITED — DATANG GROUP 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:

- 9:00 a.m. to 5:00 p.m., Friday, November 27, 2020
- 9:00 a.m. to 1:00 p.m., Saturday, November 28, 2020
- 9:00 a.m. to 5:00 p.m., Monday, November 30, 2020
- 9:00 a.m. to 5:00 p.m., Tuesday, December 1, 2020
- 9:00 a.m. to 5:00 p.m., Wednesday, December 2, 2020
- 9:00 a.m. to 5:00 p.m., Thursday, December 3, 2020
- 9:00 a.m. to 12:00 noon, Friday, December 4, 2020

The application lists will be open from 11:45 a.m. to 12:00 noon on Friday, December 4, 2020, the last application day or such later time as described in the paragraph headed "How to apply for the Hong Kong Offer Shares — 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Applications 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 Sole Global Coordinator (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 Law, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Memorandum 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 Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisers 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 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 Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or their respective advisers 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 Sole Sponsor, the Sole Global Coordinator the Joint Bookrunners, the Joint Lead Managers, and the Underwriters nor any of their respective officers or advisers 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 are eligible to collect the 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, our Directors and ICBC International Capital 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 "2. Who can apply" section, may apply through the **HK eIPO White Form** service for the 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** and 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 in the **IPO App** or at **www.hkeipo.hk** (24 hours daily, except on the last application day) from 9:00 a.m. on Friday, November 27, 2020 until 11:30 a.m. on Friday, December 4, 2020 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Friday, December 4, 2020 or such later time under the paragraph headed "How to apply for the Hong Kong Offer Shares — 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Application Lists" in this 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 Sole Global Coordinator 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 is 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 Offer Shares under the International Offering;
- (if **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 Sole Global Coordinator 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 Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisers 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 Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or its respective advisers 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 Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Memorandum 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 the 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:

- 9:00 a.m. to 8:30 p.m., Friday, November 27, 2020
- 8:00 a.m. to 8:30 p.m., Monday, November 30, 2020
- 8:00 a.m. to 8:30 p.m., Tuesday, December 1, 2020
- 8:00 a.m. to 8:30 p.m., Wednesday, December 2, 2020
- 8:00 a.m. to 8:30 p.m., Thursday, December 3, 2020
- 8:00 a.m. to 12:00 noon, Friday, December 4, 2020

Note:

(1) These times 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.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Friday, November 27, 2020 until 12:00 noon on Friday, December 4, 2020 (24 hours daily, except on the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Friday, December 4, 2020, the last application day or such later time as described in the paragraph headed "How to apply for the Hong Kong Offer Shares — 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Application Lists" in this section.

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, the Hong Kong Share Registrar, the receiving bankers, the Sole Global Coordinator, the Underwriters and any of their respective advisers 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 Sole Sponsor, the Sole Global Coordinator, 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 Friday, December 4, 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, please refer to the section headed "**Structure of the Global Offering — Pricing and allocation**" in this Prospectus.

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; or
- Extreme Conditions; and/or
- a "black" rainstorm warning,

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, December 4, 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 Friday, December 4, 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 the section headed "Expected Timetable" in this Prospectus, 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 Thursday, December 10, 2020 on our Company's website at **www.dyna888.com** 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 **www.dyna888.com** and the Stock Exchange's website at **www.hkexnews.hk** by no later than 9:00 a.m. on Thursday, December 10, 2020;
- from the "IPO Results" function in the **IPO App** or the designated results of allocations website at **www.tricor.com.hk/ipo/result** (alternatively: **www.hkeipo.hk/IPOResult**) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Thursday, December 10, 2020 to 12:00 midnight on Wednesday, December 16, 2020;
- by telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, December 10, 2020 to Tuesday, December 15, 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 from Thursday, December 10, 2020 to Saturday, December 12, 2020 at all the receiving bank branches and sub-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 the section headed "**Structure of the Global Offering**" in this Prospectus.

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 Sole Global Coordinator, 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 the 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 our 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 Offering 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 Sole Global Coordinator 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% 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 of HK$4.60 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 the section headed "**Structure of the Global Offering — Conditions of the Hong Kong Public Offering**" in this Prospectus 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 Thursday, December 10, 2020.

14. DESPATCH/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 the Shares. No receipt will be issued for sums paid on application. If you apply by **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 Thursday, December 10, 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 the Listing Date provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" in this Prospectus 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 the 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 Thursday, December 10, 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 the 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 despatched promptly to the address specified in your Application Form 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 Thursday, December 10, 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 Thursday, December 10, 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 Thursday, December 10, 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 "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 Thursday, December 10, 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 the 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 Thursday, December 10, 2020, or such other date as notified by our Company as the date of despatch/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 Thursday, December 10, 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 despatched 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 despatched 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 Thursday, December 10, 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 "Publication of Results" above on Thursday, December 10, 2020. You should check the announcement published by our Company and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, December 10, 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 Thursday, December 10, 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 Thursday, December 10, 2020.

15. ADMISSION OF THE SHARES 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 date of commencement of dealings in the 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 adviser for details of the settlement arrangement as such arrangements may affect their rights and interests. All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

The following is the text of a report set out on pages I-1 to I-3, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Prospectus. It is prepared and addressed to the directors of the Company and to the Sole Sponsor pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200 Accountant's Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.

pwc 羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF DATANG GROUP HOLDINGS LIMITED AND ICBC INTERNATIONAL CAPITAL LIMITED

Introduction

We report on the historical financial information of Datang Group Holdings Limited (the ''Company'') and its subsidiaries (together, the ''Group'') set out on pages I-4 to I-92, which comprises the consolidated balance sheets of the Group as at December 31, 2017, 2018 and 2019 and June 30, 2020, the Company's balance sheets as at December 31, 2018 and 2019 and June 30, 2020, and the consolidated statements of 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 six months ended June 30, 2020 (the ''Track Record Period'') 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-92 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated November 27, 2020 (the ''Prospectus'') in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

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 preparation set out in Notes 2 and 3.1 to the Historical Financial Information, 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 accountant's 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

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Circular Reporting Engagements 200 *Accountant's 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 accountant's 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 accountant considers 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 preparation set out in Notes 2 and 3.1 to the Historical Financial Information 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 accountant's report, a true and fair view of the financial position of the Company as at December 31, 2018 and 2019 and June 30, 2020 and the consolidated financial position of the Group as at December 31, 2017, 2018 and 2019 and June 30, 2020 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended June 30, 2019 and other explanatory information (the ''Stub Period Comparative Financial Information''). The directors of the Company are responsible for the presentation and preparation of the Stub Period Comparative Financial Information in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period 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 Stub Period Comparative Financial Information, for the purposes of the accountant's report, is not prepared, in all material respects, in accordance with the basis of presentation and preparation set out in Notes 2 and 3.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the ''Listing Rules'') 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 44 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its date of incorporation.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong
November 27, 2020

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with Hong Kong Standards on Auditing issued by the HKICPA ("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 comprehensive income

		Year ended December 31,			Six months ended June 30,	
	Note	2017	2018	2019	2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue	7	4,019,267	5,495,610	8,108,026	2,526,095	1,785,418
Cost of sales	8	(3,052,884)	(3,970,317)	(5,922,653)	(1,580,002)	(1,368,970)
Gross profit		966,383	1,525,293	2,185,373	946,093	416,448
Selling and marketing costs	8	(170,051)	(263,814)	(444,185)	(93,200)	(80,827)
Administrative expenses	8	(212,247)	(354,099)	(454,868)	(140,286)	(179,225)
Fair value gains on investment properties	19	99,894	101,272	42,205	27,808	31,780
Net reversal/(losses) of impairment on financial and contract assets	4.1.2	9,571	(16,129)	2,858	(311)	5,239
Other income	10	27,865	33,276	39,152	12,490	24,102
Other expenses	11	(6,151)	(28,313)	(35,575)	(22,339)	(2,341)
Other gains—net	12	16,212	122,715	86,971	15,744	4,769
Operating profit		731,476	1,120,201	1,421,931	745,999	219,945
Finance income	13	12,788	19,504	25,539	10,684	15,116
Finance costs	13	(35,667)	(38,811)	(48,466)	(16,879)	(21,808)
Finance costs—net		(22,879)	(19,307)	(22,927)	(6,195)	(6,692)
Share of results of associates and joint ventures	15	45,137	(17,292)	8,860	(17,773)	(31,834)
Profit before income tax		753,734	1,083,602	1,407,864	722,031	181,419
Income tax expenses	16	(340,573)	(495,439)	(780,451)	(352,623)	(91,448)
Profit and total comprehensive income for the year/period		413,161	588,163	627,413	369,408	89,971
Profit and total comprehensive income attributable to:						
—Owners of the Company		424,056	683,632	710,256	399,068	72,987
—Non-controlling interests		(10,895)	(95,469)	(82,843)	(29,660)	16,984
		413,161	588,163	627,413	369,408	89,971
Earnings per share (expressed in RMB per share)						
—Basic	17	566	912	901	533	73
—Diluted	17	566	882	836	503	68

Consolidated balance sheets

	Note	As at December 31,			As at June 30,
		2017	2018	2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000
Assets					
Non-current assets					
Property, plant and equipment	18	528,615	718,661	745,701	735,981
Investment properties	19	1,463,580	1,413,010	1,550,540	1,626,300
Intangible assets	20	4,445	10,067	17,320	16,720
Right-of-use assets	21	37,200	34,747	33,941	32,824
Properties under development	24	59,329	14,140	14,140	14,140
Investments in joint ventures	15(a)	209,396	347,896	625,118	1,066,115
Investments in associates	15(b)	35,595	137,469	881,880	1,249,152
Financial assets at fair value through profit or loss	23	153,209	176,589	200,806	207,947
Deferred income tax assets	36	484,922	513,348	656,905	668,625
Deposits for acquisitions		581,698	—	—	81,492
		3,557,989	3,365,927	4,726,351	5,699,296
Current assets					
Inventories		915	2,833	2,599	3,352
Properties under development	24	15,515,005	20,091,719	21,343,530	23,769,331
Completed properties held for sale	25	2,254,465	1,661,985	1,926,651	1,857,206
Contract assets and contract costs	26	259,682	373,598	278,334	353,376
Trade and other receivables	28	2,273,038	2,537,731	3,949,303	4,985,877
Prepaid income taxes	29	462,194	407,775	717,022	730,400
Cash and bank deposits	30	2,102,786	2,714,659	4,095,171	3,229,544
		22,868,085	27,790,300	32,312,610	34,929,086
Total assets		26,426,074	31,156,227	37,038,961	40,628,382
Equity					
Equity attributable to owners of the Company					
Share capital	31	—	—	70	70
Share premium	31	—	—	508,442	508,442
Other reserves	32	206,511	384,765	758,445	795,253
Retained earnings		437,471	1,009,241	1,610,225	1,683,212
		643,982	1,394,006	2,877,182	2,986,977
Non-controlling interests		3,333	11,485	207,111	875,082
Total equity		647,315	1,405,491	3,084,293	3,862,059
Liabilities					
Non-current liabilities					
Borrowings	34	7,497,060	4,661,214	5,468,682	5,774,823
Lease liabilities	35	3,167	1,562	1,372	1,052
Deferred income tax liabilities	36	686,007	1,139,999	1,203,899	1,249,045
		8,186,234	5,802,775	6,673,953	7,024,920
Current liabilities					
Trade and other payables	33	7,731,185	8,312,876	10,709,986	11,122,099
Contract liabilities	27	7,908,027	11,478,394	13,273,377	15,425,112
Borrowings	34	1,647,622	3,799,240	2,301,763	2,416,363
Lease liabilities	35	1,709	1,605	1,749	1,194
Current income tax liabilities		303,982	355,846	993,840	776,635
		17,592,525	23,947,961	27,280,715	29,741,403
Total liabilities		25,778,759	29,750,736	33,954,668	36,766,323
Total equity and liabilities		26,426,074	31,156,227	37,038,961	40,628,382

Balance sheets

	Note	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
		RMB'000	RMB'000	RMB'000
Assets				
Non-current assets				
Investment in subsidiaries	46(a)	—	2,546,277	2,560,479
Current assets				
Cash and bank deposits		—	—	6,253
Prepayments	46(b)	—	7,217	9,160
		—	7,217	15,413
Total assets		—	2,553,494	2,575,892
Equity				
Equity attributable to owners of the Company				
Share capital	31	—	70	70
Share premium	31	—	508,442	508,442
Other reserves	46(c)	—	2,037,765	2,051,967
Accumulated losses	46(c)	—	(28,660)	(37,548)
Total equity		—	2,517,617	2,522,931
Liabilities				
Current liabilities				
Amounts due to a subsidiary	46(d)	—	17,433	31,386
Other payables	46(e)	—	18,444	21,575
Total liabilities		—	35,877	52,961
Total equity and liabilities		—	2,553,494	2,575,892

Consolidated statements of changes in equity

	Note	Attributable to owners of the Company					Non-controlling interests	Total equity
		Share capital	Share premium	Other reserves	Retained earnings	Total		
		RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 32)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2017		—	—	120,071	101,403	221,474	165,735	387,209
Comprehensive income								
Profit for the year		—	—	—	424,056	424,056	(10,895)	413,161
Transactions with owners								
Acquisitions of additional interest in subsidiaries	40(a)	—	—	(1,548)	—	(1,548)	(161,996)	(163,544)
Disposals of subsidiaries	42	—	—	—	—	—	589	589
Capital injection from non-controlling interests		—	—	—	—	—	9,900	9,900
Appropriation of statutory reserves		—	—	87,988	(87,988)	—	—	—
		—	—	86,440	(87,988)	(1,548)	(151,507)	(153,055)
Balance at December 31, 2017		—	—	206,511	437,471	643,982	3,333	647,315
Balance at January 1, 2018		—	—	206,511	437,471	643,982	3,333	647,315
Comprehensive income								
Profit for the year		—	—	—	683,632	683,632	(95,469)	588,163
Transactions with owners								
Capital injection from shareholders of the Company	32(a)	—	—	32,307	—	32,307	—	32,307
Employee share schemes—value of employee services	32(c)	—	—	34,085	—	34,085	—	34,085
Disposals of subsidiaries	42	—	—	—	—	—	(10,479)	(10,479)
Capital injection from non-controlling interests		—	—	—	—	—	114,100	114,100
Appropriation of statutory reserves		—	—	111,862	(111,862)	—	—	—
		—	—	178,254	(111,862)	66,392	103,621	170,013
Balance at December 31, 2018		—	—	384,765	1,009,241	1,394,006	11,485	1,405,491

	Note	Attributable to owners of the Company					Non-controlling interests	Total equity
		Share capital	Share premium	Other reserves	Retained earnings	Total		
		RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 32)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2019		—	—	384,765	1,009,241	1,394,006	11,485	1,405,491
Comprehensive income								
Profit for the year		—	—	—	710,256	710,256	(82,843)	627,413
Transactions with owners								
Issue of shares	31	70	508,442	—	—	508,512	—	508,512
Capital injection from shareholders of the Company	32(a)	—	—	265,548	—	265,548	—	265,548
Employee share schemes—value of employee services	32(c)	—	—	22,724	—	22,724	—	22,724
Capital injection from non-controlling interests		—	—	—	—	—	308,104	308,104
Disposals of subsidiaries	42	—	—	—	—	—	(28,245)	(28,245)
Disposal of interests in a subsidiary without loss of control	40(b)	—	—	645	—	645	1,101	1,746
Acquisitions of additional interests in subsidiaries	40(a)	—	—	(24,509)	—	(24,509)	(2,491)	(27,000)
Appropriation of statutory reserves		—	—	109,272	(109,272)	—	—	—
		70	508,442	373,680	(109,272)	772,920	278,469	1,051,389
Balance at December 31, 2019		70	508,442	758,445	1,610,225	2,877,182	207,111	3,084,293

	Note	Attributable to owners of the Company					Non-controlling interests	Total equity
		Share capital	Share premium	Other reserves	Retained earnings	Total		
		RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 32)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2020		70	508,442	758,445	1,610,225	2,877,182	207,111	3,084,293
Comprehensive income								
Profit for the period		—	—	—	72,987	72,987	16,984	89,971
Transactions with owners								
Employee share schemes—value of employee services	32(c)	—	—	14,202	—	14,202	—	14,202
Capital injection from non-controlling interests		—	—	—	—	—	577,487	577,487
Contributions from a fellow subsidiary	32(d)	—	—	22,606	—	22,606	—	22,606
Disposals of interests in subsidiaries without loss of control	40(b)	—	—	—	—	—	73,500	73,500
		—	—	36,808	—	36,808	650,987	687,795
Balance at June 30, 2020		70	508,442	795,253	1,683,212	2,986,977	875,082	3,862,059
(Unaudited)								
Balance at January 1, 2019		—	—	384,765	1,009,241	1,394,006	11,485	1,405,491
Comprehensive income								
Profit for the period		—	—	—	399,068	399,068	(29,660)	369,408
Transactions with owners								
Issue of shares for reorganization	31	—	—	—	—	—	—	—
Capital injection from shareholders of the Company		—	—	265,548	—	265,548	—	265,548
Employee share schemes—value of employee services	32(c)	—	—	8,521	—	8,521	—	8,521
Capital injection from non-controlling interests		—	—	—	—	—	242,000	242,000
		—	—	274,069	—	274,069	242,000	516,069
Balance at June 30, 2019 (unaudited)		—	—	658,834	1,408,309	2,067,143	223,825	2,290,968

Consolidated statements of cash flows

	Note	Year ended December 31, 2017	2018	2019	Six months ended June 30, 2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cash flows from operating activities						
Cash (used in)/generated from operations	37	(7,795)	3,378,181	4,591,283	3,630,874	1,085,277
Income tax paid		(407,172)	(446,239)	(542,032)	(299,577)	(288,605)
Interest paid		(826,158)	(879,098)	(729,154)	(381,365)	(359,392)
Net cash (used in)/generated from operating activities		(1,241,125)	2,052,844	3,320,097	2,949,932	437,280
Cash flows from investing activities						
Purchases of property, plant and equipment	18	(48,324)	(277,319)	(128,676)	(65,716)	(29,603)
Purchase of intangible assets	20	(3,841)	(8,578)	(11,934)	(4,205)	(2,679)
Payment for construction of investment properties	19	(240,252)	(314,986)	(95,325)	(29,342)	(482)
Payments for financial assets at fair value through profit or loss	23	—	—	—	—	(110,741)
Proceeds from disposals of property, plant and equipment	37(d)	687	4,641	31,468	1,436	494
Proceeds from disposals of intangible assets		—	291	—	—	—
Proceeds from disposals of investment properties		20,375	—	—	—	—
Proceeds from disposals of financial assets at fair value through profit or loss	23	—	—	—	—	110,741
Investment in joint ventures		(52,000)	(66,500)	(346,812)	(183,339)	(461,647)
Investment in associates		—	(111,800)	(806,000)	(624,000)	(406,237)
Advances to related parties, non-controlling interests and third parties		(3,220,649)	(1,955,449)	(3,429,128)	(2,433,379)	(3,764,549)
Repayments from related parties, non-controlling interests and third parties		3,494,083	1,997,714	2,795,573	1,411,308	2,203,609
Proceeds from disposals of subsidiaries, net of cash and cash equivalent disposed of	42	53,340	92,796	145,810	46,003	5,100
Acquisitions of subsidiaries, net of cash and cash equivalent acquired	41	(581,698)	(140,378)	(119,914)	(119,914)	—
Prepayments for acquisition of certain equity interests		—	—	—	—	(81,492)
Proceeds from de-registration of an associate		—	—	—	—	8,882
Decrease/(increase) in term deposits with original maturities over three months		19,958	(1,577)	(95)	(87)	2,192
Interest received		12,788	19,504	25,539	10,684	15,116
Net cash used in investing activities		(545,533)	(761,641)	(1,939,494)	(1,990,551)	(2,511,296)
Cash flows from financing activities						
Issue of shares	31	—	—	508,512	—	—
Capital injection from shareholders of the Company	32	—	32,307	265,548	265,548	—
Contribution from a fellow subsidiary	32	—	—	—	—	9,987
Proceeds from borrowings		6,601,542	8,066,050	6,761,556	4,615,110	2,224,200
Repayments of borrowings		(2,909,802)	(8,619,079)	(7,451,565)	(5,477,163)	(1,803,459)
Proceeds from amounts due to related parties		6,918,825	6,828,020	6,375,495	3,454,965	1,416,043
Repayments to related parties		(7,723,958)	(7,322,209)	(7,662,708)	(3,951,115)	(1,506,475)
Acquisitions of additional shares in subsidiaries	40(a)	(163,544)	—	(27,000)	—	—
Listing expenses paid		(258)	(2,433)	(6,276)	(564)	(3,037)
(Increase)/decrease in deposits pledged for borrowings		(44,470)	11,625	(101,908)	(31,167)	2,492
Proceeds from disposals of subsidiaries without loss of control		—	—	—	—	73,500
Capital injection from non-controlling interests		9,900	114,100	308,104	242,000	577,487
Principal elements of lease payments		(1,215)	(2,148)	(2,281)	(945)	(1,111)
Dividends paid to non-controlling interests	44	(54,000)	—	—	—	—
Net cash generated from/(used in) financing activities		2,633,020	(893,767)	(1,032,523)	(883,331)	989,627
Net increase/(decrease) in cash and cash equivalents		846,362	397,436	348,080	76,050	(1,084,389)
Cash and cash equivalents at beginning of year/period		622,241	1,468,603	1,866,042	1,866,042	2,214,161
Exchange gain/(losses) on cash and cash equivalents		—	3	39	(18)	35
Cash and cash equivalents at end of year/period		1,468,603	1,866,042	2,214,161	1,942,074	1,129,807

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General information and reorganization

1.1 General information

The Company was incorporated in the Cayman Islands on December 14, 2018 as an exempted company with limited liability under the Companies Law. The address of the Company's registered office is PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY 1-1108, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are primarily engaged in property development business in the People's Republic of China (the "PRC"). The ultimate holding company of the Company is Good First Holding Limited ("Good First BVI") which is incorporated in the British Virgin Islands ("BVI") and controlled by Ms. WONG Hei, the ultimate controlling shareholder (the "Ultimate Controlling Shareholder").

Following the completion of Reorganization explained in Note 1.2 and issue of additional shares in Note 31 below, Ms. WONG Hei effectively holds 77.79% equity interests in the Company.

1.2 Reorganization

Prior to the incorporation of the Company and the completion of the reorganization as described below (the "Reorganization"), the business of the Group was operated through Xiamen Dynasty Real Estate Group Company Limited (廈門大唐房地產集團有限公司, "Xiamen Datang") and its subsidiaries in the PRC during the Track Record Period. Xiamen Datang, a wholly owned subsidiary of Dynasty International Co. Ltd. ("Dynasty Cook"), was incorporated in Xiamen, the PRC, on August 29, 1997 as a limited liability company. Dynasty Cook is incorporated in the Cook Islands and was 70% indirectly owned by Ms. WONG Hei.

In preparation for the initial listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing"), the Reorganization was undertaken pursuant to which Xiamen Datang and its subsidiaries were transferred to the Company. The Reorganization involved in the following steps:

a) Incorporation of the Company

On December 14, 2018, the Company was incorporated in the Cayman Islands with an authorized share capital of US$50,000 divided into 50,000 ordinary shares of US$1.00 each. Upon its incorporation, 1 fully-paid share was issued to the initial subscriber, an independent third party, at par and was transferred to Dynasty Cook at par on the same day.

b) Incorporation of offshore subsidiaries

i) Datang Investment Limited ("Datang Investment") was incorporated in Hong Kong on January 30, 2019. On the same date, one share was issued to the Company. Upon completion of the shares allotment and issue, Datang Investment became a wholly-owned subsidiary of the Company.

ii) Dynasty Management International Limited ("Dynasty Management") was incorporated in the British Virgin Islands on June 19, 2019. On the same date, 100 shares were issued to the Company. Upon completion of the shares allotment and issue, Dynasty Management became a wholly-owned subsidiary of the Company.

iii) Dynasty Development International Limited ("Dynasty Development") was incorporated in Hong Kong on June 27, 2019. On the same date, 100 shares were issued to Dynasty Management. Upon completion of the shares allotment and issue, Dynasty Development became wholly-owned by Dynasty Management.

c) Transfer of Xiamen Datang and incorporation of Xiamen Tangjia Business Management Co., Ltd. ("Xiamen Tangjia")

On April 24, 2019, the Company acquired the entire equity interest in Xiamen Datang from Dynasty Cook at a consideration of allotting and issuing 1 share to Dynasty Cook by the Company. Upon completion of the equity transfer on April 30, 2019, Xiamen Datang became a wholly-owned subsidiary of the Company.

On May 13, 2019, Datang Investment acquired the entire equity interest in Xiamen Datang from the Company at a consideration of allotting and issuing 10 shares to the Company by Datang Investment on. Upon completion of the equity transfer on June 11, 2019, Xiamen Datang became a wholly-owned subsidiary of Datang Investment.

On May 9, 2019, Xiamen Tangjia was established in the PRC as a wholly-foreign owned enterprise with a registered capital of US$1.0 million, which was wholly-owned by Datang Investment. On July 31, 2019, Datang Investment transferred its entire equity interest in Xiamen Tangjia to Dynasty Development at nil consideration. Upon completion of the equity transfer, Xiamen Tangjia became a wholly-owned subsidiary of Dynasty Development.

As a result of the Reorganization, the Company became the holding company of the subsidiaries now comprising the Group.

2 Basis of presentation

Immediately prior to and after the Reorganization, the business of the Group has been conducted through Xiamen Datang and its subsidiaries (the "Xiamen Datang Group"). Pursuant to the Reorganization, the Xiamen Datang Group is transferred to and held by the Company. The Company has not been involved in any other business prior to the Reorganization and does not meet the definition of a business. The Reorganization is merely a reorganization of the Xiamen Datang Group with no change in management and the ultimate controlling party remains the same.

Accordingly, the Group resulting from the Reorganization is regarded as a continuation of the Xiamen Datang Group, with the assets and liabilities of the Group recognized and measured at the carrying amounts under the financial statements of the Xiamen Datang Group for all periods presented.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the Historical Financial Information are set out below. These policies have been consistently applied to all the years and periods presented, unless otherwise stated.

3.1 Basis of preparation

The Historical Financial Information has been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The Historical Financial Information has been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and investment properties, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 5.

3.1.1 New and revised standards adopted

HKFRS 9, "Financial instruments", HKFRS 15 "Revenue from contracts with customers" and HKFRS 16 "Leases" are relevant to the Group and effective for annual periods beginning on or after January 1, 2018, January 1, 2018 and January 1, 2019, respectively, and earlier application is permitted. The Group has applied HKFRS 9, HKFRS 15 and HKFRS 16 consistently throughout the Track Record Period.

3.1.2 New and revised standards, amendments and interpretations to existing standards that have been issued but are not effective for the Track Record Period and have not been early adopted

Up to the date of issuance of this report, the HKICPA has issued the following new standards and amendments to existing standards which are not yet effective and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKFRS 16	COVID-19-related Rent Concessions	June 1, 2020
Amendments to HKFRS 3	Reference to the Conceptual Framework	January 1, 2022
Amendments to HKAS 16	Proceeds before Intended Use	January 1, 2022
Amendments to HKAS 37	Cost of Fulfilling a Contract	January 1, 2022
Annual improvement project	Annual Improvements 2018–2020 Cycle	January 1, 2022
HKFRS 17	Insurance Contracts	January 1, 2023
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, interpretation and amendments, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors of the Company, no significant impact on the financial performance and position of the Group is expected when they become effective.

3.2 Subsidiaries

3.2.1 Consolidation

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

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(a) Business combinations not under common control

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

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interests in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

(b) Business combinations under common control

The Historical Financial Information incorporates the financial statement items of the entities or businesses in which the common control combination occurs as if they had been consolidated from the date when the entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognized in consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

A uniform set of accounting polices is adopted by those entities. All intra-group transactions, balances and unrealized gains on transactions between combining entities or businesses are eliminated on consolidation.

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

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

(d) Disposals of subsidiaries

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

3.2.2 Separate financial statements

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

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

3.3 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of results of associates' in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognized in profit or loss.

3.4 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognizes the amount adjacent to 'share of results of a joint venture' in profit or loss.

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

3.5 Segment reporting

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

3.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements 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 functional currency of the Company is RMB. The Company's primary subsidiaries were incorporated in the PRC and these subsidiaries considered RMB as their functional currency. As the major operations of the Group during the Track Record Period are within the PRC, the Group determined to present its Historical Financial Information in RMB.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the statement of comprehensive income on a net basis within other income or other expenses.

(iii) Group companies

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

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative

effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

- all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.7 Leases

The Group as a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

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

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

The Group's right-of-use assets consist of various leases for properties and up-front payments to acquire long-term interest in the usage of land.

Right-of-use assets resulted from leases of properties are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. Depreciation is calculated on a straight-line basis over the respective lease terms and is charged to profit or loss in the consolidated statements of comprehensive income.

Right-of-use assets resulted from prepaid land lease payments are stated at cost less accumulated depreciation and accumulated impairment losses. Cost represents consideration paid for the rights to use the land and other direct related costs from the date when the respective rights were granted. Depreciation of prepaid land lease payments is calculated on a straight-line basis over the lease terms as stated in the relevant land certificates granted for usage by the Group in the PRC and is charged to profit or loss in the consolidated statements of comprehensive income.

The Group as a lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Rental income from operating leases is recognized in profit or loss on a straight-line basis over the terms of the relevant lease. Initial direct costs with more than a significant amount are capitalized when incurred, and are recognized in profit or loss on the same basis as rental income over the lease term. Other initial direct costs with an insignificant amount are charged to profit or loss in the period in which they are incurred.

The lease receivable under lease arrangements are recognized as "trade receivable" in the consolidated balance sheets.

3.8 Property, plant and equipment

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

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

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

—	Buildings	20-40 years
—	Building improvements	5 years
—	Transportation equipment	5 years
—	Office and machinery equipment	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction in progress represents the direct costs of construction incurred of property, plant and equipment less any impairment losses. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and put into use. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

3.9 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss.

If an item of completed properties held for sale or properties under development becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer shall be recognized in profit or loss.

3.10 Intangible assets

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (2 to 5 years).

3.11 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposals and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.12 Financial assets

(i) Classification

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortized cost.

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

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

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

(ii) Recognition and derecognition

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

(iii) Measurement

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

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

Debt instruments

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

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(loss) in the period in which it arises.

Equity instruments

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

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at financial assets at fair value through other comprehensive income are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income and lease receivable. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by HKFRS 9 which requires expected lifetime losses to be recognized from initial recognition of the receivables. See Note 4.1.2 for further details.

3.13 Offsetting financial instruments

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

3.14 Inventories

Inventories mainly comprise of spare parts and consumables for hotel business, which are stated at the lower of cost or net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3.15 Properties under development

Properties under development are stated at the lower of cost and net realizable value. Net realizable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle. The normal operating cycle is usually around 3 years.

3.16 Completed properties held for sale

Completed properties remaining unsold at reporting period end are stated 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.

3.17 Trade and other receivables

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

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

3.18 Contract assets and liabilities and costs for obtaining contracts

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognized as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognized as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

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

3.19 Cash and cash equivalents and restricted cash

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less. Bank deposits which are restricted to use are included in "restricted cash" of the consolidated balance sheets. Restricted cash are excluded from cash and cash equivalents.

3.20 Share capital

Ordinary shares are classified as equity.

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

3.21 Trade and other payables

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

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

3.22 Borrowings

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

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

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

3.23 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

3.24 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

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

Deferred income tax

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

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

3.25 Employee benefits

(i) Pension obligations

The Group only operate defined contribution pension plans. In accordance with the rules and regulation in the PRC, the PRC based employees of the Group participate in various defined contribution pension plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees' payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the governments.

The Group's contributions to the defined contribution pension plans are expensed as incurred.

(ii) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurances and other social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Groups liability in respect of these funds is limited to the contributions payable in each year. Contributions to the housing funds, medical insurances and other social Insurances are expensed as incurred.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

3.26 Share-based payments

Share-based compensation benefits are provided to employees via the employee share incentive scheme.

Share incentive scheme

The Group operates equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of restricted equity interest is recognized as an expense.

The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

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

Non-marketing performance and services conditions are included in the calculation of the number of the restricted equity interests that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

Where there is any modification of terms and conditions which increases the fair value of the equity instruments granted, the Group includes the incremental fair value granted in the measurement of the amount recognized for the services received over the remainder of the vesting period. The incremental fair value is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. An expense based on the incremental fair value is recognized over the period from the modification date to the date when the modified equity instruments vest in addition to any amount in respect of the original instrument, which should continue to be recognized over the remainder of the original vesting period. Furthermore, if the entity modifies the terms or conditions of the equity instruments granted in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the entity shall nevertheless continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

At the end of each period, the entity revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

3.27 Provisions

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

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

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

3.28 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of the Group's activities. Revenue is shown net of discounts and after eliminating sales within the Group companies.

(a) Sales of properties

Revenue is recognized when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset maybe transferred over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

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) Construction contracts

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

(c) Hotel operation income

Revenue from provision of hotel services is recognized in the accounting period in which the related services are rendered.

3.29 Interest income

Interest income is recognized using the effective interest method.

3.30 Commission income

Commission income from trading of construction materials is recognized in profit or loss on net basis when the related service is rendered.

3.31 Dividend income

Dividends are recognized as income when the right to receive payment is established.

3.32 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of assets are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

3.33 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3.34 Financial guarantee contracts

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under HKFRS 9 'Financial Instruments' and

- the amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the principles of HKFRS 15 'Revenue from Contracts with Customers'.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognized as part of the cost of the investment.

3.35 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year and period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

4 Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

4.1.1 Interest rate risk

The Group's interest rate risk arises mainly from long-term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group closely monitors trend of interest rate and its impact on the Group's interest rate risk exposure. The Group currently has not used any interest rate swap arrangements but will consider hedging interest rate risk should the need arise.

As at December 31, 2017, 2018 and 2019 and June 30, 2020, if interest rates on borrowings at floating rates had been 100 basis points higher or lower with all other variables held constant and without taking into account interest capitalization, interest charges for the years ended December 31, 2017, 2018 and 2019 and for the six months ended June 30, 2020 would increase/decrease by RMB11,313,000, RMB22,355,000, RMB41,965,000 and RMB23,338,000, respectively.

4.1.2 Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, contract assets, cash deposits with banks and financial assets at fair value through profit or loss. The carrying amounts of these assets represent the Group's maximum exposure to credit risk in relation to financial assets.

For the trade receivables arising from sales of properties, the Group managed the credit risk by fully receiving cash or properly arranging the purchasers' mortgage loans financing procedures before delivery of properties unless strong credit position of the customers could be established. The Group closely monitors the collection of progress payments from customers in accordance with payment schedule agreed with customers. The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments.

Meanwhile, the Group has the right to cancel the contracts once repayment from the customers is in default, it also has monitoring procedures to ensure that follow-up actions are taken to recover overdue balances. In addition, the Group regularly reviews the recoverable amount of each individual trade receivables to ensure that adequate impairment provisions are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spread over a number of counterparties and customers.

The Group has arranged bank financing for certain purchasers of the Group's property and provided guarantees to secure obligations of such purchasers for repayment. Detailed disclosure of such guarantees is made in Note 38. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand the Group to repay the outstanding principal of the loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the customer's deposit and resell the property to recover any amounts paid by the Group to the bank. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group also provided financial guarantees for the borrowings of certain related parties, which were raised mainly for the purpose to finance their property development projects. Detailed disclosure of such guarantees is made in Note 38. The Group reviews the financial performance of the related parties as well as the underlying property development projects at the end of each reporting period, and considers that the Group's credit risk is not material.

For other receivables and financial assets at fair value through profit or loss, the management of the Group has monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group categories trade and other receivables and financial assets at fair value through profit or loss as default when a debtor fails to make contractual payments. Where a debtor fails to make contractual payments, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Trade and other receivables and financial assets at fair value through profit or loss are written off where there is no reasonable expectation of recovery.

To manage credit risk of cash deposits with banks, deposits are mainly placed with licensing banks which are all high-credit-quality financial institutions.

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

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

Category	Group definition of category	Basis for recognition of expected credit loss provision
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Underperforming	Receivables for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are more than 90 days past due	Lifetime expected losses
Non-performing	Interest and/or principal repayments are more than 365 days past due	Lifetime expected losses
Write-off	Interest and/or principal repayments are more than 3 years past due and there is no reasonable expectation of recovery	Asset is written off

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

(i) Trade receivables and contract assets

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9 'Financial Instruments', which permits the use of the lifetime expected loss provision for all trade receivables both from third parties and related parties and contract assets.

In calculating the expected credit loss rate of the trade receivables, the Group has considered the historical credit loss experience to incorporate relevant, current and more forward-looking information for different class of trade receivables which grouped based on shared credit risk characteristics and the days past due. As there was no significant change of the characteristic the customer base, historical credit loss rate of customers and forward-looking information during the Track Record Period, the Group adopted the same expected credit loss rate throughout the Track Record Period. The loss allowance provision as at December 31, 2017, 2018 and 2019 and June 30, 2020 is determined as follows:

	Within 90 days	Over 90 days and within 180 days	Over 180 days and within 365 days	Over 365 days	Total
Trade receivables					
As at December 31, 2017					
Expected loss rate (%)	0.10%	2.00%	5.00%	10.00%	
Gross carrying amount (RMB'000)	88,900	55	17	29,156	118,128
Loss allowance provision (RMB'000)	89	1	1	2,915	3,006
Trade receivables					
As at December 31, 2018					
Expected loss rate (%)	0.10%	2.00%	5.00%	10.00%	
Gross carrying amount (RMB'000)	22,299	924	15,158	20,871	59,252
Loss allowance provision (RMB'000)	22	18	758	2,088	2,886
Trade receivables					
As at December 31, 2019					
Expected loss rate (%)	0.10%	2.00%	5.00%	10.00%	
Gross carrying amount (RMB'000)	16,674	9,627	1,223	18,043	45,567
Loss allowance provision (RMB'000)	17	193	61	1,804	2,075
Trade receivables					
As at June 30, 2020					
Expected loss rate (%)	0.10%	2.00%	5.00%	10.00%	
Gross carrying amount (RMB'000)	17,989	71	1,300	11,337	30,697
Loss allowance provision (RMB'000)	18	1	65	1,134	1,218

The contract assets relate to construction services have substantially the similar risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. Expected loss rate of contract assets is assessed to be 2.29%, 4.69%, 4.55% and 3.97% as at December 31, 2017, 2018 and 2019 and June 30, 2020 respectively.

The reversal/provision for loss allowances were administrative in nature and recognized in profit or loss in relation to the impaired trade receivables and contract assets. The Group made no write-off of trade receivable and contract assets during the Track Record Period.

Impairment losses on trade receivables and contract assets are presented as net reversal/(losses) of impairment on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(ii) Other receivables

Other financial assets at amortized cost include other receivables due from third parties, related parties and non-controlling interests. To measure the expected credit losses of other receivables, other receivables have been grouped based on shared credit risk characteristics and the days past due. As at each reporting period end date, other receivables due from related parties and non-controlling interests were performing and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The Group has assessed that the expected credit losses for these receivables are not material under the 12 months expected losses method. Thus no loss allowance provision was recognized in respect of these balances during the Track Record Period.

Management considered other receivables due from third parties to be low credit risk as they have a low risk of default and thus the impairment provision recognized during the Track Record Period was limited to 12 months expected losses. The reversal/provision for loss allowances were recognized in profit or loss in relation to the impaired other receivables.

The Group made no write-off of other receivables during the Track Record Period.

(iii) Financial assets at fair value through profit or loss

The entity is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investment.

(iv) Movement of loss allowance provision for financial and contract assets is summarized as follows:

	Trade receivables	Contract assets	Other receivables	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2017	401	182	68,776	69,359
Provision for loss allowance (reversed)/recognized	2,605	2,755	(14,931)	(9,571)
At December 31, 2017	3,006	2,937	53,845	59,788
At January 1, 2018	3,006	2,937	53,845	59,788
Provision for loss allowance (reversed)/recognized	(120)	5,510	10,739	16,129
Disposals of subsidiaries	—	—	(2,605)	(2,605)
At December 31, 2018	2,886	8,447	61,979	73,312
At January 1, 2019	2,886	8,447	61,979	73,312
Provision for loss allowance (reversed)/recognized	(811)	(5,841)	3,794	(2,858)
Disposals of subsidiaries	—	—	(30,517)	(30,517)
At December 31, 2019	2,075	2,606	35,256	39,937
At January 1, 2020	2,075	2,606	35,256	39,937
Provision for loss allowance (reversed)/recognized	(857)	2,401	(6,783)	(5,239)
At June 30, 2020	1,218	5,007	28,473	34,698

4.1.3 Liquidity risk

Management aims to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of available financing, including proceeds from pre-sale of properties, short-term and long-term borrowings and funding from shareholders to meet its acquisition and construction commitments.

The Group has a number of alternative plans to mitigate the potential impacts on anticipated cash flows should there be significant adverse changes in economic environment. These include adjusting project development timetable to adapt the changing local real estate market environment, implementing cost control measures, promotion of sales of completed properties, accelerating sales with more flexible pricing, seeking joint venture partners to jointly develop projects etc. The Group will pursue such options basing on its assessment of relevant future costs and benefits.

The table below analyzes the Group's financial liabilities maturity profile at the balance sheet date. The amounts disclosed thereon are the contractual undiscounted cash flows. Balances due within 12 months from the balance sheet date equal to their carrying amounts in the balance sheets, as the impact of discount should not be significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2017					
Lease liabilities	2,148	1,889	1,735	—	5,772
Borrowings	2,400,576	5,119,286	3,003,982	81,623	10,605,467
Trade and other payables excluding accrued payroll and other taxes payable	6,718,255	—	—	—	6,718,255
	9,120,979	5,121,175	3,005,717	81,623	17,329,494
Financial guarantees	1,423,115	—	—	—	1,423,115
As at December 31, 2018					
Lease liabilities	1,889	1,351	384	—	3,624
Borrowings	4,540,790	2,289,061	2,831,793	—	9,661,644
Trade and other payables excluding accrued payroll and other taxes payable	7,204,877	—	—	—	7,204,877
	11,747,556	2,290,412	2,832,177	—	16,870,145
Financial guarantees	3,845,036	—	—	—	3,845,036
As at December 31, 2019					
Lease liabilities	2,221	954	884	241	4,300
Borrowings	2,867,227	2,828,205	2,977,135	126,809	8,799,376
Trade and other payables excluding accrued payroll and other taxes payable	9,090,493	—	—	—	9,090,493
	11,959,941	2,829,159	2,978,019	127,050	17,894,169
Financial guarantees	14,086,462	—	—	—	14,086,462
As at June 30, 2020					
Lease liabilities	1,587	698	784	120	3,189
Borrowings	2,965,224	4,401,813	1,669,683	61,779	9,098,499
Trade and other payables excluding accrued payroll and other taxes payable	9,525,555	—	—	—	9,525,555
	12,492,366	4,402,511	1,670,467	61,899	18,627,243
Financial guarantees	17,126,596	—	—	—	17,126,596

4.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of any returns to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors its capital structure on a basis of gearing ratio. This ratio is calculated as net borrowings divided by total equity as shown in the consolidated balance sheet. Net borrowings are calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less total cash and bank deposits.

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Total borrowings (Note 34)	9,144,682	8,460,454	7,770,445	8,191,186
Less: cash and bank deposits	(2,102,786)	(2,714,659)	(4,095,171)	(3,229,544)
Net debt	7,041,896	5,745,795	3,675,274	4,961,642
Total equity	647,315	1,405,491	3,084,293	3,862,059
Gearing ratio (%)	1,088%	409%	119%	128%

4.3 Fair value estimation

(a) Financial assets carried at fair value

The Group's financial assets carried at fair value include financial assets at fair value through profit or loss. The different levels of the financial instruments carried at fair value, by valuation method, have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and expected rate of return.

All resulting fair value estimates for financial assets at fair value through profit or loss are included in level 3.

There were no transfers among levels 1, 2 and 3 for recurring fair value measurements during the Track Record Period.

The Group performs valuation, or necessary updates, at least once every six months. The Group adopts various techniques to determine the fair value of the Group's level 3 instruments. External valuation experts may also be involved when it is necessary.

As at December 31, 2017, 2018 and 2019 and June 30, 2020, the components of the level 3 instruments were investments in unlisted companies, which are not trade in any active market.

The fair values of investments in unlisted companies have been determined using applicable valuation techniques, which mainly include discounted cash flows approach. Major assumptions used in the valuation include historical results and estimates of the cost of equity. The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Significant unobservable inputs	Fair value changes			
	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
The cost of equity (%)	13.17%	13.23%	12.55%	12.46%
Impact of change to profit after income tax				
Increase by 5 percentage points (RMB'000)	(13,686)	(8,665)	(2,873)	(1,531)
Decrease by 5 percentage points (RMB'000)	15,742	9,534	3,048	1,612

(b) Investment properties

Investment properties of the Group were measured at fair value.

There were no transfers among levels 1, 2 and 3 for recurring fair value measurements during the Track Record Period.

The directors determine a property's value within a range of reasonable fair value estimates. Fair values of the Group's completed investment properties are derived using the income capitalization approach. This valuation method takes into account the net rental income of a property derived from its 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.

Fair values of the Group's investment properties under development are derived on the basis that they will be developed and completed in accordance with the latest development proposals provided by the Group. It is assumed that all consents, approvals and licenses from relevant government authorities for the development proposals have been obtained without onerous conditions or delays. In arriving at the fair values, the direct comparison approach is adopted by making reference to comparable sales transactions as available in the market and also taken into account the costs that will be expended to complete the developments to reflect the quality of the completed developments. The "market value as if completed" represents the estimate of the aggregate selling prices of the property assuming that it would be completed as at the valuation date.

All resulting fair value estimates for investment properties are included in level 3.

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

Property status	Fair value as at December 31, 2017	Fair value as at December 31, 2018	Fair value as at December 31, 2019	Fair value as at June 30, 2020
	RMB'000	RMB'000	RMB'000	RMB'000
Completed	1,259,780	815,510	1,403,070	1,474,380
Under development	203,800	597,500	147,470	151,920
	1,463,580	1,413,010	1,550,540	1,626,300

Properties status	Unobservable inputs	Range of unobservable inputs As at December 31, 2017	As at December 31, 2018	As at December 31, 2019	As at June 30, 2020
Completed	Capitalization rate (%)	3%~6%	3.5%~6%	3.5%~6%	3.5%~6%
	Monthly rental (RMB/ sq.m./month)	28~320	17~328	18~337	18~337
Under development	Expected profit margin (%)	15%	15%	15%	15%
	Accommodation value (RMB/sq.m.)	3,897~4,284	3,939~4,336	3,981~4,379	4,105~4,517

Relationship of unobservable inputs to fair value:

- The higher capitalization rate, the lower the fair value
- The higher monthly rental, the higher the fair value
- The higher the expected profit margin, the lower the fair value
- The higher the accommodation value, the higher the fair value

The Group's investment properties were valued at each reporting period end date and each transfer date by independent professionally qualified valuer, who holds a recognized relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the executive directors. Discussion of valuation processes and results are held amongst the executive directors, the valuation team and independent valuer during financial reporting process.

At each reporting period end, the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuation movements when compared to the prior period valuation report; and
- Holds discussions with the independent valuer.

5 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Revenue recognition for construction service contracts

In connection with the acquisition of land by the Group from certain local governments, the Group entered into land acquisition and resettlement housing development contract (the "Development Contact") with the local governments pursuant to which the Group was required to construct resettlement housing units on the land as part of the conditions for the acquisition of the land by the Group.

Given the considerations for the land price and Group's construction service specified in the Development Contract were not always set at market level, the Group estimated the fair value of the consideration of each construction service to be the sum of estimated construction costs plus a reasonable profit margin. The difference between the fair value of the consideration of the construction service and the consideration amount specified in the Development Contact was included in the cost of the land upon acquisition.

The Group recognizes construction service revenue according to the progress towards complete satisfaction of performance obligation of the individual contract work. The progress is determined by the Group's inputs to the satisfaction of performance obligations (for example, cost incurred) relative to the total expected inputs to the satisfaction of that performance obligation. Management's estimation of the cost incurred to date and the budgeted cost is primarily based on construction service budget and actual cost report prepared by internal quantity surveyors, where applicable. Corresponding revenue from contract work is also estimated by management based on the progress and budgeted revenue. The Group regularly reviews and revises the estimations of both construction service revenue and cost in the budget prepared for each construction service contract as the contract progresses.

(b) Fair value of investment properties

The fair value of the investment properties was determined by reference to valuations conducted on these properties by independent property valuers using property valuation techniques which involve certain assumptions under prevailing market conditions. Changes to these assumptions may result in changes in the fair value of the investment properties, which will lead to the change of profit for the year.

(c) Estimates for net realizable value of properties under development and completed properties held for sale

The Group assesses the carrying amounts of properties under development and completed properties held for sale according to their net realizable value based on the realizability of these properties. Net realizable value for these properties is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and, for property under development, the anticipated costs to completion.

(d) Current and deferred income tax

The Group is subject to corporate income taxes in the PRC. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxation.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognized when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

(e) PRC land appreciation taxes

The Group is subject to land appreciation taxes in the PRC. The Group has not fully finalized its PRC land appreciation taxes calculations and payments of certain development projects with local tax authorities in the PRC. Accordingly, significant judgment is required in determining the amount of the land appreciation and the related taxes. The Group recognized the land appreciation taxes based on management's best estimates according to their interpretation of the tax rules. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the related tax expenses and deferred tax provision in the period in which such taxes are finalized with local tax authorities.

6 Segment information

Management has determined the operating segments based on the reports reviewed by CODM.

The Group is principally engaged in property development business in the PRC. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions.

All of the Group's revenue are derived in the PRC during the Track Record Period and the Group's non-current assets were all located in the PRC. No geographical information is therefore presented.

7 Revenue

Revenue of the Group is analyzed as follows:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Sales of properties	3,403,180	5,230,625	7,772,380	2,424,910	1,583,861
Provision of construction services	534,765	204,008	218,621	64,812	127,500
Rental income	42,036	35,277	40,622	9,013	21,764
Provision of hotel services	19,205	—	34,782	6,430	11,636
Others	20,081	25,700	41,621	20,930	40,657
	4,019,267	5,495,610	8,108,026	2,526,095	1,785,418

Represented by:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue from contracts with customers					
Sales of properties					
—Recognized at a point in time	3,403,180	5,230,625	7,772,380	2,424,910	1,583,861
Provision of construction, hotel and other services					
—Recognized at a point in time	3,630	9,249	19,588	8,908	18,072
—Recognized over time	570,421	220,459	275,436	83,264	161,721
Revenue from other sources					
—Rental income	42,036	35,277	40,622	9,013	21,764
	4,019,267	5,495,610	8,108,026	2,526,095	1,785,418

Except for the Group's revenue from providing construction services to a local government amounting to RMB491,350,000 for the year ended December 31, 2017, there was no revenue derived from a single external customer accounting for 10% or more of the Group's revenues during the Track Record Period.

8 Expenses by nature

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of properties sold - including construction costs, land costs and capitalized interest expenses	2,357,456	3,541,757	5,500,833	1,446,714	1,226,189
Cost of construction services	508,027	193,808	207,690	61,571	121,429
Business taxes and other levies	146,007	77,740	75,174	27,643	20,024
Advertising costs	65,988	93,602	164,033	21,456	16,838
Employee benefit expenses (including directors' emoluments) (Note 9)	112,050	222,089	323,349	78,045	123,083
Entertainment expenses	22,381	28,057	33,206	11,833	12,461
Amortization of costs for obtaining contracts	26,294	56,444	102,014	13,282	11,031
Office and travelling expenses	25,334	22,165	35,325	15,067	11,064
Depreciation of property, plant and equipment	56,059	61,875	82,842	33,845	38,603
Property management expenses	27,450	43,139	63,297	20,549	17,855
Maintenance costs	8,707	9,433	9,339	2,135	3,665
Professional service expenses	30,588	50,091	59,532	25,410	9,515
Provision of write-down for properties under development and completed properties held for sale	40,693	155,962	131,120	43,284	—
Depreciation of right-of-use assets	1,847	2,453	2,418	1,052	1,117
Amortization of intangible assets	964	2,665	4,681	1,922	3,279
Listing expenses	956	11,472	16,232	5,736	8,888
Short-term lease payments	1,089	4,453	1,695	1,600	1,936
Other expenses	3,292	11,025	8,926	2,344	2,045
Total cost of sales, selling and marketing costs and administrative expenses	3,435,182	4,588,230	6,821,706	1,813,488	1,629,022

9 Employee benefit expenses

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Wages and salaries	141,602	245,768	369,398	103,601	143,560
Social insurance expenses (Note (a))	9,604	17,321	22,859	11,045	4,792
Housing benefits	5,950	9,866	14,990	6,347	6,922
Share-based compensation (Note 32(c))	—	34,085	22,724	8,521	14,202
Other employee benefits	15,226	21,447	29,135	10,610	6,714
	172,382	328,487	459,106	140,124	176,190
Less: capitalized in properties and investment properties under development	(60,332)	(106,398)	(135,757)	(62,079)	(53,107)
	112,050	222,089	323,349	78,045	123,083

(a) Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the employee salary to the scheme to fund the retirement benefits of the employees.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include 3, 3, 3, 3 and 3 directors respectively for the years ended December 31, 2017 and 2018 and 2019 and for the six months ended June 30, 2019 and 2020, whose emoluments are reflected in the analysis shown in Note 47. The emoluments payable to the remaining 2, 2, 2, 2 and 2 individuals during the Track Record Period are as follows:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Basic salaries, housing allowances, other allowances and benefits in kind	1,311	1,373	1,637	818	818
Share-based compensation	—	190	127	47	79
	1,311	1,563	1,764	865	897

The emoluments fell within the following bands:

	Number of individuals				
	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
				(unaudited)	
Emolument bands					
Nil—HK$1,000,000	2	2	2	2	2

10 Other income

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Commission income from trading of construction materials	12,229	17,079	27,444	7,318	15,793
Government grants	10,437	10,293	767	111	590
Others	5,199	5,904	10,941	5,061	7,719
	27,865	33,276	39,152	12,490	24,102

11 Other expenses

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Donations	662	22,395	26,665	15,117	778
Penalties	1,900	2,128	3,444	3,343	613
Others	3,589	3,790	5,466	3,879	950
	6,151	28,313	35,575	22,339	2,341

12 Other gains—net

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Gains on disposals of subsidiaries (Note 42)	1,759	99,077	59,286	19	—
Fair value gains of financial assets at fair value through profit or loss (Note 23)	14,582	23,380	24,217	15,665	7,141
Gain on bargain purchase on acquisitions of subsidiaries (Note 41)	—	169	—	—	—
Losses on de-registration of an associate	—	—	—	—	(2,099)
Net (losses)/gains on disposals of property, plant and equipment	(129)	66	2,642	21	(226)
Others	—	23	826	39	(47)
	16,212	122,715	86,971	15,744	4,769

13 Finance costs—net

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Finance costs:					
—Interest expenses on lease liabilities	503	439	622	143	236
—Interest expenses of bank and other borrowings	831,445	866,950	737,414	350,013	367,557
—Others	—	—	1,545	772	—
	831,948	867,389	739,581	350,928	367,793
—Less: interests capitalized	(796,281)	(828,578)	(691,115)	(334,049)	(345,985)
	35,667	38,811	48,466	16,879	21,808
Finance income:					
—Interest income from bank deposits	(12,788)	(12,105)	(25,539)	(10,684)	(15,116)
—Interest income from amounts due from an associate	—	(7,399)	—	—	—
	(12,788)	(19,504)	(25,539)	(10,684)	(15,116)
Finance costs—net	22,879	19,307	22,927	6,195	6,692

14 Subsidiaries

(a) Particulars of the principal subsidiaries of the Group as at December 31, 2017, 2018 and 2019 and June 30, 2020 are set out as below:

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at: As at December 31, 2017	2018	2019	As at June 30, 2020	As at the date of this report	Principal activities	Note
Directly held by the Company:									
Dynasty Management International Limited (大唐管理國際有限公司)	BVI, June 19, 2019	US$100	—	—	100%	100%	100%	Investment holding	i,xiii
Datang Investment Limited (大唐投資（香港）有限公司)	Hong Kong, January 30, 2019	HK$11	—	—	100%	100%	100%	Investment holding	i,xiii
Indirectly held by the Company:									
Dynasty Development International Limited (大唐發展國際有限公司)	Hong Kong, June 27, 2019	HK$100	—	—	100%	100%	100%	Investment holding	i,xiii
Xiamen Tangjia Business Management Co., Ltd (廈門唐嘉企業管理有限公司)	The PRC, May 9, 2019	US$30,000,000	—	—	100%	100%	100%	Investment holding	i,ii,xviii
Xiamen Datang Real Estate Group Co., Ltd (廈門大唐房地產集團有限公司)	The PRC, August 29, 1997	US$187,503,000	100%	100%	100%	100%	100%	Property development	i,ii,v,ix,xvii,xviii
Nanning Huadu Real Estate Co., Ltd (南寧華都房地產有限公司).	The PRC, April 24, 1995	RMB30,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiv,xvi,xix
Xi'an Tangmei Real Estate Co., Ltd. (西安唐美房地產有限公司)	The PRC, July 17, 2000	RMB12,000,000	100%	100%	100%	100%	100%	Property development	i,ii,vi,xii,xx
Xi'an Tangmen Real Estate Co., Ltd (西安唐門房地產有限公司).	The PRC, July 27, 2000	RMB10,000,000	100%	100%	100%	100%	100%	Property development	i,ii,vi,xii,xx
Guangxi Datang Real Estate Co., Ltd (廣西大唐房地產有限公司)	The PRC, September 3, 2000	RMB50,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiv,xvi,xix
Guiyang Detian Real Estate Development Co., Ltd. (貴陽德天房地產開發有限公司)	The PRC, May 30, 2001	RMB30,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiv
Shaanxi Datang Real Estate Co., Ltd. (陝西大唐房地產有限公司)	The PRC, April 2, 2002	RMB40,000,000	70%	70%	—	—	—	Property development	i,ii,vi,xii,xv
Xiamen Jingding Sports Culture Development Co., Ltd. (廈門京鼎體育文化發展有限公司)	The PRC, April 26, 2004	RMB311,998,081	100%	100%	100%	100%	100%	Sports facilities operation	i,ii,xiv,xvi,xviii

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at: As at December 31, 2017	2018	2019	As at June 30, 2020	As at the date of this report	Principal activities	Note
Zhangzhou Xindi Real Estate Co., Ltd (漳州信地房地產有限公司)	The PRC, December 16, 2005	RMB10,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiv
Guangxi Xindi Investment Co., Ltd. (廣西信地投資有限公司)	The PRC, October 28, 2009	RMB50,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiv,xvi,xix
Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司)	The PRC, January 18, 2010	RMB110,000,000	100%	100%	100%	100%	100%	Property development	i,ii,x,xxiii
Tianjin Xinghuafu Real Estate Co., Ltd. (天津星華府置業有限公司)	The PRC, August 24, 2010	RMB1,200,000,000	100%	100%	100%	100%	100%	Property development	i,ii,x,xxiii
Tianjin Xinghuashang Property Co., Ltd (天津星華商置業有限公司)	The PRC, August 24, 2010	RMB270,000,000	100%	100%	100%	100%	100%	Property development	i,ii,x,xxiii
Zhongling Sports Industrial (Changtai) Co., Ltd. (中翎體育產業(長泰)有限公司)	The PRC, January 21, 2011	RMB20,000,000	90%	90%	90%	90%	90%	Sports facilities operation	i,ii,v,ix,xv
Zhangzhou Datang Real Estate Co., Ltd. (漳州大唐房地產有限公司)	The PRC, February 17, 2012	RMB50,000,000	100%	100%	100%	100%	100%	Property development	i,ii,v,ix,xv
Nanchang Datang Real Estate Co., Ltd. (南昌大唐房地產有限公司)	The PRC, July 19, 2012	RMB20,000,000	70%	—	—	—	—	Property development	i,ii,xiii
Xiamen Dazu Real Estate Development Co., Ltd. (廈門市大族房地產開發有限責任公司)	The PRC, September 6, 2012	RMB10,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiii, xviii
Nanchang Tangmen Real Estate Co., Ltd. (南昌唐門房地產有限公司)	The PRC, February 6, 2013	RMB35,000,000	70%	—	—	—	—	Property development	i,ii,xiii
Zhangzhou Tangmen Real Estate Co., Ltd. (漳州唐門房地有限公司)	The PRC, July 31, 2013	RMB10,000,000	100%	100%	100%	100%	100%	Property development	i,ii,v, ix,xviii

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at: As at December 31, 2017	2018	2019	As at June 30, 2020	As at the date of this report	Principal activities	Note
Yingtan Datang Real Estate Co., Ltd. (鷹潭大唐房地產有限公司)	The PRC, November 15, 2013	RMB20,000,000	56%	—	—	—	—	Property development	i,ii,xiv
Guangxi Datang Shijia Investment Co., Ltd. (廣西大唐世家投資有限公司)	The PRC, December 4, 2013	RMB50,000,000	100%	100%	100%	100%	100%	Property development	i,ii,xiv, xvi,xix
Guangxi Fuxin Investment Co., Ltd. (廣西福信投資有限公司)	The PRC, January 6, 2014	RMB100,000,000	100%	—	—	—	—	Property development	i,ii, viii,xv,xvi
Zhangzhou Tangzhuang Real Estate Co., Ltd. (漳州唐莊房地產有限公司)	The PRC, January 29, 2014	RMB10,000,000	100%	100%	100%	100%	100%	Property development	i,ii,v, ix, xv,xviii
Jiangxi Zheda Zhongfu Science Park Development Co., Ltd. (江西浙大中福科技園發展有限公司)	The PRC, December 31, 2014	RMB50,000,000	55%	—	—	—	—	Property development	i,ii,xiv
Guangxi Tangzhuang Investment Co., Ltd. (廣西唐莊投資有限公司)	The PRC, November 19, 2014	RMB100,000,000	100%	100%	100%	100%	100%	Property development	i,ii,viii, xi,xix
Tianjin Datang Real Estate Development Co., Ltd. (天津大唐房地產開發有限公司)	The PRC, April 3, 2015	RMB30,000,000	100%	100%	100%	100%	100%	Property development	i,ii,x, xiv,xv,xix, xxiii
Guangxi Gefusite Commercial Management Co., Ltd. (廣西歌福斯特商業管理有限公司)	The PRC, May 8, 2015	RMB2,000,000	100%	100%	100%	100%	100%	Commercial property operation	i,ii,viii, xi,xix
Nanning Sanjie Liangxiang Investment Co., Ltd. (南寧市三街兩巷投資有限責任公司)	The PRC, June 30, 2015	RMB1,000,000	51%	51%	—	—	—	Property development	i,ii,xiv,xvi
Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司)	The PRC, July 30, 2015	RMB34,000,000	100%	100%	100%	100%	100%	Property development	i,ii,viii, xi,xix
Changtai Datang Real Estate Co., Ltd. (長泰大唐房地產有限公司)	The PRC, November 25, 2015	RMB2,000,000	100%	70%	70%	70%	70%	Property development	i,ii,v, ix,xv

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at					Principal activities	Note
			As at December 31,			As at June 30,	As at the date of this report		
			2017	2018	2019	2020			
Xiamen Tangling Trade Co., Ltd. (廈門市唐翎貿易有限公司)	The PRC, January 5, 2016	RMB31,580,000	100%	95%	100%	100%	100%	Wholesale of building materials	i,ii,v, ix,xviii
Xiamen Tangmen Real Estate Co., Ltd (廈門唐門房地產有限公司)	The PRC, January 13, 2016	RMB20,000,000	100%	100%	100%	100%	100%	Property development	i,ii,v, ix,xviii
Zhangzhou Tangsheng Real Estate Co., Ltd. (漳州唐盛房地產有限公司)	The PRC, June 21, 2016	RMB30,000,000	100%	100%	100%	100%	100%	Property development	i,ii,v, ix,xv
Guangxi Tangju Investment Co., Ltd. (廣西唐聚投資有限公司)	The PRC, July 25, 2016	RMB50,000,000	70%	70%	70%	70%	70%	Property development	i,ii,viii, xi,xix
Guangxi Tanggui Investment Co., Ltd. (廣西唐桂投資有限公司)	The PRC, October 9, 2016	RMB647,050,000	100%	85%	85%	85%	85%	Property development	i,ii,viii, xi,xix
Xiamen Tangshao Trade Co., Ltd. (廈門市唐劭貿易有限公司)	The PRC, November 3, 2016	RMB30,000,000	100%	100%	—	—	—	Wholesale of building materials	i,ii,xiv,xvi
Xiamen Datang Hotel Co., Ltd. (廈門大唐酒店有限公司.	The PRC, January 17, 2017	RMB3,000,000	100%	100%	100%	100%	100%	Hotel operation	i,ii,v, ix,xviii
Zhangzhou Tanghua Real Estate Co., Ltd. (漳州唐華房地產有限公司)	The PRC, March 3, 2017	RMB30,000,000	100%	100%	100%	100%	100%	Property development	i,ii,v, ix,xv
Guangxi Tangning Investment Co., Ltd. (廣西唐寧投資有限公司)	The PRC, March 15, 2017	RMB65,000,000	100%	85%	77%	77%	77%	Property development	i,ii,viii, xi,xxii
Xiamen Datang Commercial Management Co., Ltd. (廈門大唐商業管理有限公司)	The PRC, March 30, 2017	RMB1,000,000	100%	100%	100%	100%	100%	Commercial property operation	i,ii,v, ix,xviii
Guangxi Tangyu Investment Co., Ltd. (廣西唐宇投資有限公司)	The PRC, April 10, 2017	RMB50,000,000	100%	100%	100%	100%	100%	Property development	i,ii,viii, xi,xv, xxii
Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司)	The PRC, June 12, 2017	RMB50,000,000	67%	67%	67%	67%	67%	Property development	i,ii,v, ix,xv

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at					Principal activities	Note
			As at December 31,			As at June 30,	As at the date of this report		
			2017	2018	2019	2020			
Guangxi Tangrun Investment Co., Ltd. (廣西唐潤投資有限公司)	The PRC, December 31, 2017	RMB800,000,000	100%	100%	100%	100%	100%	Property development	i,ii,viii, xi,xix
Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司)	The PRC, November 13, 2017	RMB100,000,000	100%	40%	40%	40%	40%	Property development	i,ii, iii viii,xi,xix
Zhangzhou Tangxing Real Estate Development Co., Ltd. (漳州唐興房地產開發有限公司)	The PRC, November 20, 2017	RMB30,000,000	100%	60%	80%	80%	80%	Property development	i,ii,v, ix,xv
Zhangzhou Tangyi Real Estate Development Co., Ltd. (漳州唐毅房地產開發有限公司)	The PRC, April 8, 2018	RMB30,000,000	—	70%	64%	64%	64%	Property development	i,ii,ix,xv
Guangxi Tangxun Investment Co., Ltd. (廣西唐勛投資有限公司)	The PRC, July 6, 2018	RMB51,610,200	—	100%	97%	97%	97%	Property development	i,ii,xi,xix
Guangxi Tangrui Investment Co., Ltd. (廣西唐瑞投資有限公司)	The PRC, June 14, 2018	RMB2,000,000	—	100%	100%	100%	100%	Property development	i,ii,xi,xv
Guangxi Tangtong Investment Co., Ltd. (廣西唐通投資有限公司)	The PRC, August 24, 2018	RMB87,720,000	—	56%	56%	56%	56%	Property development	i,ii,xi,xix
Guangxi Tangsheng Decoration Co., Ltd. (廣西唐昇裝飾工程有限公司)	The PRC, May 8, 2018	RMB3,000,000	—	40%	40%	40%	40%	Building decoration	i,ii,iii,xi,xix
Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司)	The PRC, December 28, 2017	RMB10,000,000	50%	50%	50%	50%	50%	Property development	i,ii,iii,ix,xv
Quanzhou Tangmei Real Estate Co., Ltd. (泉州唐美房地產有限公司)	The PRC, January 24, 2018	RMB10,000,000	—	25%	25%	25%	25%	Property development	i,ii,iii,ix,xviii
Nanan Yuanchang Real Estate Co., Ltd. (南安源昌置業有限公司)	The PRC, January 16, 2018	RMB10,000,000	—	25%	25%	25%	25%	Property development	i,ii,iii,ix,xviii

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at: As at December 31, 2017	2018	2019	As at June 30, 2020	As at the date of this report	Principal activities	Note
Nanning Datang Congyue Hotel Co., Ltd. (南寧大唐叢悅酒店有限公司)	The PRC, June 4, 2018	RMB500,000	—	100%	100%	100%	100%	Hotel operation	i,ii,xi,xix
Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司)	The PRC, July 22, 2004	RMB50,000,000	—	100%	100%	100%	100%	Property development	i,ii,vii,xv
Guangxi Fuxin Real Estate Co., Ltd. (廣西福信置業有限公司)	The PRC, August 27, 2018	RMB10,000,000	—	100%	100%	100%	100%	Property development	i,ii,xi,xix
Xiamen Tangpeng business management service Co., Ltd. (廈門唐鵬企業管理服務有限公司)	The PRC, April 19, 2019	RMB600,000,000	—	—	51%	51%	51%	Management consulting	i,ii,xviii
Guangxi Lushida building decoration Co., Ltd. (廣西路飾達建築裝飾工程有限公司)	The PRC, April 16, 2019	RMB20,000,000	—	—	100%	100%	100%	Building decoration	i,ii,xiii
Guangxi Tangming Investment Co., Ltd. (廣西唐銘投資有限公司)	The PRC, June 20, 2019	RMB207,993,500	—	—	98%	78%	78%	Property development	i,ii,xxiv
Fuzhou Tangmei Real Estate Co., Ltd. (福州唐美房地產有限公司)	The PRC, May 30, 2019	RMB50,000,000	—	—	100%	100%	100%	Property development	i,ii,xviii
Xiamen Tangyi Real Estate Co., Ltd. (廈門唐毅房地產有限公司)	The PRC, June 28, 2019	RMB100,000,000	—	—	100%	100%	100%	Property development	i,ii,xviii
Guangxi Tanghui Investment Co., Ltd. (廣西唐暉投資有限公司)	The PRC, July 3, 2019	RMB100,000,000	—	—	100%	100%	100%	Property development	i,ii,xxiv
Liuzhou Tangmei Real Estate Co., Ltd. (柳州唐美房地產開發有限公司)	The PRC, July 17, 2019	RMB204,000,000	—	—	100%	100%	100%	Property development	i,ii,xxiv
Zhangzhou Tangrun Real Estate Co., Ltd. (漳州唐潤房地產開發有限公司)	The PRC, July 19, 2019	RMB100,000,000	—	—	100%	100%	100%	Property development	i,ii,xiii

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at — As at December 31, 2017	2018	2019	As at June 30, 2020	As at the date of this report	Principal activities	Note
Xiamen Tanghe Real Estate Co., Ltd. (廈門唐和房地產有限公司)	The PRC, July 22, 2019	RMB10,000,000	—	—	100%	100%	100%	Property development	i,ii,xviii
Yueyang Tangyun Real Estate Co., Ltd. (岳陽唐韵房地產開發有限公司)	The PRC, August 9, 2019	RMB50,000,000	—	—	100%	100%	100%	Property development	i,ii,xiii
Yueyang Tangsheng Real Estate Co., Ltd. (岳陽唐盛房地產開發有限公司)	The PRC, August 23, 2019	RMB50,000,000	—	—	100%	100%	100%	Property development	i,ii,xiii
Changtai Tangchuang Real Estate Co., Ltd. (長泰唐創房地產開發有限公司)	The PRC, September 17, 2019	RMB100,000,000	—	—	70%	70%	70%	Property development	i,ii,xiii
Zhangzhou Tangfeng Real Estate Co., Ltd. (漳州唐峰房地產開發有限公司)	The PRC, October 8, 2019	RMB100,000,000	—	—	100%	51%	51%	Property development	i,ii,xiii
Chongqing Tangmei Real Estate Co., Ltd. (重慶唐美房地產開發有限公司)	The PRC, October 9, 2019	RMB30,000,000	—	—	100%	100%	100%	Property development	i,ii,xxv
Guangxi Tangpeng Investment Co., Ltd. (廣西唐鵬投資有限公司)	The PRC, October 24, 2019	RMB200,000,000	—	—	25%	25%	25%	Property development	i,ii,iii,xxi
Zhangzhou Tangshun Real Estate Co., Ltd. (漳州唐順房地產開發有限公司)	The PRC, November 21, 2019	RMB50,000,000	—	—	100%	70%	70%	Property development	i,ii,xiii
Guangxi Tangchun Investment Co., Ltd. (廣西唐春投資有限公司)	The PRC, December 11, 2019	RMB20,000,000	—	—	100%	100%	100%	Property development	i,ii,xiii
Hebei Tangning Real Estate Co., Ltd. (河北唐寧房地產開發有限公司)	The PRC, April 15, 2020	RMB50,000,000	—	—	—	95%	95%	Property development	i,ii
Guangxi Beihai Tangrun Kuanggui Real Estate Co., Ltd. (廣西北海唐潤礦桂房地產有限公司)	The PRC, February 28, 2020	RMB80,000,000	—	—	—	90%	90%	Property development	i,ii

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at					Principal activities	Note
			As at December 31,			As at June 30, 2020	As at the date of this report		
			2017	2018	2019				
Liuzhou Datang Real Estate Co., Ltd. (柳州大唐房地產開發有限公司)	The PRC, May 19, 2020	RMB50,000,000	—	—	—	100%	100%	Property development	i,ii
Jiangsu Tangsheng Real Estate Co., Ltd. (江蘇唐盛房地產有限公司)	The PRC, February 19, 2020	RMB10,000,000	—	—	—	100%	100%	Property development	i,ii
Jiangsu Tangmei Real Estate Co., Ltd. (江蘇唐美房地產有限公司)	The PRC, March 31, 2020	RMB20,000,000	—	—	—	100%	100%	Property development	i,ii
Nantong Tangsheng Real Estate Co., Ltd. (南通唐盛房地產有限公司)	The PRC, April 7, 2020	RMB20,000,000	—	—	—	55%	55%	Property development	i,ii
Hangzhou Tangshun Business Management Co., Ltd (杭州唐順企業管理有限公司)	The PRC, April 1, 2020	RMB5,000,000	—	—	—	100%	100%	Management consulting	i,ii
Zhejiang Tangsheng Real Estate Co., Ltd. (浙江唐盛房地產有限公司)	The PRC, December 20, 2019	RMB50,000,000	—	—	100%	100%	100%	Property development	i,ii
Xiamen Tianzhida Real Estate Marketing Planning Co., Ltd. (廈門天之大房地產營銷策劃有限公司)	The PRC, June 16, 2020	RMB5,000,000	—	—	—	100%	100%	Marketing services	i,ii
Shanghai Tanglin Business Management Co., Ltd. (上海唐林企業管理有限公司)	The PRC, June 28,2020	RMB1,000,000	—	—	—	100%	100%	Management consulting	i,ii
Zhangzhou Longwen Tangguang Real Estate Co., Ltd. (漳州龍文唐光房地產開發有產公司)	The PRC, April 16, 2020	RMB800,000,000	—	—	—	50%	50%	Property development	i,ii,iii
Fujian Tangsheng Business Management Co., Ltd. (福建唐盛企業管理有限公司)	The PRC, June 24, 2020	RMB200,000,000	—	—	—	51%	51%	Management consulting	i,ii

Company name	Place and date of incorporation	Registered/ issued and paid-up capital	Attributable equity interest of the Group as at					Principal activities	Note
			As at December 31,			As at June 30,	As at the date of this report		
			2017	2018	2019	2020			
Yuyao Huachuan Real Estate Co., Ltd. (余姚華川置業有限公司)	The PRC, March 2, 2020	RMB10,000,000	—	—	—	51%	51%	Property development	i,ii
Sichuan Tangmei Real Estate Co., Ltd. (四川唐美房地產有限公司)	The PRC, June 19, 2020	RMB50,000,000	—	—	—	100%	100%	Property development	i,ii

(i) All subsidiaries are limited liability companies and operate in the place of incorporation.

(ii) The English name of the subsidiaries represents the best effort by the management of the Group in translating their Chinese names as they do not have an official English name.

(iii) As the Group has the ability to affect those returns through its majority voting position and existing right to direct the relevant activities including but not limited to budgeting, pricing and promotion strategies of these companies, the Group has control over these companies and thus accounted for as subsidiaries of the Group.

(iv) The financial statements of these companies for the year ended December 31, 2017 were audited by Tianjin Ruitai Certified Public Accountants Co., Ltd. (天津市瑞泰有限責任會計師事務所).

(v) The financial statements of these companies for the year ended December 31, 2017 were audited by Xiamen Yonghe Certified Public Accountants Co., Ltd. (廈門永和會計師事務所有限公司).

(vi) The financial statements of these companies for the year ended December 31, 2017 were audited by Shaanxi Yongchang Certified Public Accountants Co., Ltd. (陝西咏昌會計師事務所有限責任公司).

(vii) The financial statements of this company for the year ended December 31, 2018 were audited by Hunan Huasheng Yongxin Certified Public Accountants (湖南華盛永信會計師事務所).

(viii) The financial statements of these companies for the year ended December 31, 2017 were audited by Guangxi Fengyang Certified Public Accountants (廣西楓楊會計師事務所).

(ix) The financial statements of these companies for the year ended December 31, 2018 were audited by Xiamen Yonghe Certified Public Accountants Co., Ltd. (廈門永和會計師事務所有限公司).

(x) The financial statements of these companies for the year ended December 31, 2018 were audited by Tianjin Binhai Huoju Certified Public Accountants Co., Ltd. (天津濱海火炬會計師事務所有限公司).

(xi) The financial statements of these companies for the year ended December 31, 2018 were audited by Guangxi Fengyang Certified Public Accountants (廣西楓楊會計師事務所).

(xii) The financial statements of this company for the year ended December 31, 2018 were audited by Shaanxi Yongchang Certified Public Accountants Co., Ltd. (陝西咏昌會計師事務所有限責任公司).

(xiii) No audited financial statements have been prepared for these companies.

(xiv) No audited financial statements for the year ended December 31, 2017 have been prepared for this company.

(xv) No audited financial statements have been prepared for all the subsidiaries for the year ended December 31, 2019.

(xvi) No audited financial statements have been prepared for all the subsidiaries for the year ended December 31, 2018.

(xvii) The financial statements of this company for the year ended December 31, 2019 were audited by PricewaterhouseCoopers Zhong Tian LLP Shenzhen Branch (普華永道中天會計師事務所(特殊普通合夥)深圳分所).

(xviii) The financial statements of these companies for the year ended December 31, 2019 were audited by Xiamen Yinhao Certified Public Accountants Co., Ltd. (廈門銀皓會計師事務所有限公司).

(xix) The financial statements of these companies for the year ended December 31, 2019 were audited by Guangxi Fengyang Certified Public Accountants (廣西楓楊會計師事務所).

(xx) The financial statements of these companies for the year ended December 31, 2019 were audited by Shaanxi Yongchang Certified Public Accountants Co., Ltd. (陝西詠昌會計師事務所有限責任公司).

(xxi) The financial statements of this company for the year ended December 31, 2019 were audited by Guangxi Yongda Certified Public Accountants (廣西永達會計師事務所).

(xxii) The audited financial statements of these companies for the year ended December 31, 2019 were audited by Guangxi Xianglong Certified Public Accountants (廣西祥龍會計師事務所).

(xxiii) The audited financial statements of these companies for the year ended December 31, 2019 were audited by Tianjin Binhaihuojuhuo Certified Public Accountants (天津濱海火炬火會計事務所).

(xxiv) The financial statements of these companies for the year ended December 31, 2019 were audited by Guangxi Fangzhong Certified Public Accountants Co., Ltd. (廣西方中會計師事務所有限公司).

(xxv) The financial statements of these companies for the year ended December 31, 2019 were audited by Yongtuo LLP Chongqing Branch (永拓會計師事務所（特殊普通合夥）重慶分所).

(b) Certain equity interests in the following subsidiaries were pledged for the Group's financing arrangements:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
Guangxi Datang Real Estate Co., Ltd.	36%	36%	36%	—
Guangxi Datang Shijia Investment Co., Ltd.	—	100%	100%	100%
Guangxi Tanggui Investment Co., Ltd.	100%	100%	85%	85%
Guangxi Tangmei Investment Co., Ltd.	53%	53%	100%	100%
Guangxi Tangning Investment Co., Ltd.	77%	77%	77%	—
Guangxi Tangsheng Investment Co., Ltd.	—	30%	—	—
Guangxi Tangzhuang Investment Co., Ltd.	100%	100%	100%	100%
Guangxi Xindi Investment Co., Ltd.	100%	100%	100%	100%
Hunan Xingrong Investment Co., Ltd.	—	95%	100%	100%
Nanan Yuanchang Real Estate Co., Ltd.	—	100%	—	—
Nanning Huadu Real Estate Co., Ltd.	—	—	100%	—
Quanzhou Tangcheng Real Estate Co., Ltd.	—	80%	—	—
Zhangzhou Tangfeng Real Estate Co., Ltd.	—	—	—	100%
Zhangzhou Tangshun Real Estate Co., Ltd.	—	—	—	100%
Zhangzhou Longwen Tangguang Real Estate Co., Ltd.	—	—	—	100%
Nantong Tangsheng Real Estate Co., Ltd.	—	—	—	100%
Quanzhou Tangmei Real Estate Co., Ltd.	—	100%	—	—
Xiamen Jingding Sports Culture Development Co., Ltd.	100%	100%	100%	100%
Xiamen Dazu Real Estate Development Co., Ltd.	100%	100%	100%	100%
Xiamen Tangmen Real Estate Co., Ltd.	—	100%	100%	100%
Tianjin Datang Real Estate Development Co., Ltd.	60%	60%	—	—
Tianjin Haihui Real Estate Development Co., Ltd.	100%	100%	100%	100%
Tianjin Xinghuafu Real Estate Co., Ltd.	100%	100%	—	—
Tianjin Xinghuashang Property Co., Ltd.	100%	100%	—	—
Zhangzhou Datang Real Estate Co., Ltd.	100%	100%	—	—
Zhangzhou Tangcheng Real Estate Co., Ltd.	100%	100%	100%	100%
Zhangzhou Tanghua Real Estate Co., Ltd.	—	—	10%	10%
Zhangzhou Tangmen Real Estate Co., Ltd.	—	100%	—	—
Zhangzhou Tangsheng Real Estate Co., Ltd.	81%	81%	41%	41%
Zhangzhou Tangzhuang Real Estate Co., Ltd.	100%	100%	100%	100%
Zhangzhou Xindi Real Estate Co., Ltd.	100%	100%	100%	—
Guangxi Tanghui Investment Co., Ltd.	—	—	100%	100%

(c) Certain equity interests of certain subsidiaries of the Group as set out below were legally held in the name of financial institutions as the collateral for the funds provided to the Group, of which the Group is obligated to repurchase at predetermined prices within certain periods.

	As at December 31,			As at June 30,
	2017	2018	2019	2020
Tianjin Datang Real Estate Development Co., Ltd.	40%	40%	—	—
Guangxi Tangmei Investment Co., Ltd.	47%	47%	—	—
Xiamen Dazu Real Estate Development Co., Ltd.	49%	—	—	—
Zhangzhou Tangsheng Real Estate Co., Ltd.	49%	—	—	—
Hunan Xingrong Investment Co., Ltd.	5%	5%	—	—
Quanzhou Tangcheng Real Estate Co., Ltd.	—	20%	—	—
Guangxi Tangju Investment Co., Ltd.	—	—	15%	15%
Zhangzhou Tanghua Real Estate Co., Ltd.	—	—	90%	90%

15 Investments accounted for using the equity method

(a) Investment in joint ventures

(i) The movement of investments in joint ventures is as follows:

	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Opening balances	35,193	209,396	347,896	625,118
Transfer from investment in associates	79,800	—	—	—
Other additions	52,000	223,339	206,773	444,847
Disposals	—	(77,473)	—	—
Share of results	42,403	(7,366)	70,449	(3,850)
Closing balances	209,396	347,896	625,118	1,066,115

(ii) There were no significant commitments relating to the Group's interests in the joint ventures.

(iii) The directors of the Company consider that none of the joint ventures was significant to the Group and thus the individual financial information of the joint ventures was not disclosed.

(iv) The summarized financial information of the individually immaterial joint ventures on an aggregate basis is as follows:

	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amounts in the consolidated balance sheets	209,396	347,896	625,118	1,066,115
Share of results	42,403	(7,366)	70,449	(3,850)
Share of total comprehensive income/(loss)	42,403	(7,366)	70,449	(3,850)

(v) The Group's joint ventures are principally engaged in property development business. During the Track Record Period, the projects of certain joint ventures were under development, net losses were incurred and the Group recognized share of losses of the joint ventures. The Group has performed assessment on impairment of the investments in joint ventures taking into account the pre-sales of the joint ventures, the current and future market condition for sales of properties and the budgeted development cost and expenses, no impairment on the investments in joint ventures is considered necessary.

(b) Investment in associates

(i) The movement of investments in associates is as follows:

	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Opening balances	112,661	35,595	137,469	881,880
Additions	—	111,800	806,000	406,237
Transfer to investment in joint ventures	(79,800)	—	—	—
De-registration	—	—	—	(10,981)
Share of results	2,734	(9,926)	(61,589)	(27,984)
Closing balances	35,595	137,469	881,880	1,249,152

(ii) There were no significant commitments relating to the Group's interests in the associates.

(iii) The directors of the Company consider that none of the associates was significant to the Group and thus the individual financial information of the associates was not disclosed.

(iv) The summarized financial information of the individually immaterial associates on an aggregate basis is as follows:

	Year ended December 31,			Six months ended June 30
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amounts in the consolidated balance sheets	35,595	137,469	881,880	1,249,152
Share of results	2,734	(9,926)	(61,589)	(27,984)
Share of total comprehensive income/(loss)	2,734	(9,926)	(61,589)	(27,984)

(v) The Group's associates are principally engaged in property development business. During the Track Record Period, the projects of certain associates were under development, net losses were incurred and the Group recognized share of losses of the associates. The Group has performed assessment on impairment of the investments in associates taking into account the pre-sales of the associates, the current and future market condition for sales of properties and the budgeted development cost and expenses, no impairment on the investments in associates is considered necessary.

16 Income tax expenses

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Current income tax					
—PRC corporate income tax	204,389	293,642	320,465	189,307	16,112
—PRC land appreciation tax ("LAT")	199,303	258,880	550,314	215,370	41,910
Deferred income tax (Note 36)					
—PRC corporate income tax	(63,119)	(57,083)	(90,328)	(52,054)	33,426
	340,573	495,439	780,451	352,623	91,448

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate applicable to profits of the entities of the Group as follows:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Profit before income tax	753,734	1,083,602	1,407,864	722,031	181,419
Adjust for: share of results of joint ventures and associates reported net of tax	(45,137)	17,292	(8,860)	17,773	31,834
	708,597	1,100,894	1,399,004	739,804	213,253
Tax calculated at tax rates applicable to profits in the respective entities of the Group	177,149	275,224	349,751	184,951	53,313
Tax effects of:					
—Expenses not deductible for tax purposes	13,254	25,625	17,547	5,194	5,894
—LAT deductible for income tax purposes	(49,826)	(64,720)	(137,578)	(53,843)	(10,478)
—Tax losses for which no deferred income tax asset was recognized	693	430	417	951	809
Corporate income tax	141,270	236,559	230,137	137,253	49,538
LAT	199,303	258,880	550,314	215,370	41,910
	340,573	495,439	780,451	352,623	91,448

(a) PRC corporate income tax

The income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to entities of the Group located in Mainland China is 25% according to the Corporate Income Tax Law of the PRC (the "CIT Law").

(b) LAT

Income from the sale or transfer of land, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

(c) Overseas and Hong Kong income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law and, is exempted from Cayman Islands income tax. The Company's subsidiaries in Hong Kong are subject to corporate income tax at the rate of 16.5%.

(d) PRC dividend withholding income tax

Pursuant to the Detailed Implementation Regulations for Implementation of the Corporate Income Tax Law issued on December 6, 2007, dividends distributed from the profits generated by the PRC companies after January 1, 2008 to their foreign investors shall be subject to a withholding income tax of 10%. The Group has not accrued any withholding income tax for the undistributed earnings of its PRC subsidiaries as the Group does not have a plan to distribute these earnings in the foreseeable future.

17 Earnings per share

(a) Basic

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
				(unaudited)	
Profit attributable to owners of the Company (RMB'000)	424,056	683,632	710,256	399,068	72,987
Weighted average number of ordinary shares in issue	749,244	749,244	788,403	749,244	1,000,000
Earnings per share—Basic (RMB)	566	912	901	533	73

For the purpose of calculating the weighted average number of ordinary shares in issue:

(i) the subdivision of the Company's share capital (Note 31(c)) and the following shares issued during the Reorganization are treated as if they had been in effect and issued on January 1, 2017:

- 100 shares (subdivided) issued on December 14, 2018, the date of incorporation of the Company;
- 100 shares (subdivided) issued on April 30, 2019 to Dynasty Cook as the consideration for acquiring of the 100% equity interests in Xiamen Datang; and
- 727,073 shares issued to Dynasty Cook on November 5, 2019.

(ii) of the 50,606 ordinary shares of the Company issued on November 5, 2019 to a company controlled by the Ultimate Controlling Shareholder for further share incentive plan (Note 31(d)), 28,635 shares were treated as being issued on November 5, 2019 at fair value and 21,971 shares were treated as if they were bonus shares that had been in issue since January 1, 2017.

(iii) other ordinary shares are included at the date of issue.

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Restricted Shares granted to employees under the Group's share incentive scheme (Note 32(c)) are considered to be potential ordinary shares. For the Restricted Shares, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding Restricted Shares. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the Restricted Shares.

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
				(unaudited)	
Profit attributable to owners of the Company (RMB'000)	424,056	683,632	710,256	399,068	72,987
Weighted average number of ordinary shares in issue	749,244	749,244	788,403	749,244	1,000,000
Adjustments for Restricted Shares	–	25,977	61,299	44,088	65,610
Weighted average number of ordinary shares for diluted earnings per share	749,244	775,221	849,702	793,332	1,065,610
Diluted earnings per share (RMB)	566	882	836	503	68

18 Property, plant and equipment

	Buildings and building improvements	Transportation equipment	Office and machinery equipment	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2017					
Opening net book amount	518,259	10,812	5,269	—	534,340
Additions	9,849	3,434	3,072	31,969	48,324
Transfer from completed properties held for sale	10,814	—	—	—	10,814
Disposals	(180)	(623)	(13)	—	(816)
Disposals of subsidiaries	(3,249)	(4,408)	(331)	—	(7,988)
Depreciation charge	(51,207)	(2,938)	(1,914)	—	(56,059)
Closing net book amount	484,286	6,277	6,083	31,969	528,615
As at December 31, 2017					
Cost	588,875	20,903	13,587	31,969	655,334
Accumulated depreciation	(104,589)	(14,626)	(7,504)	—	(126,719)
Net book amount	484,286	6,277	6,083	31,969	528,615
Year ended December 31, 2018					
Opening net book amount	484,286	6,277	6,083	31,969	528,615
Additions	172,541	1,806	9,775	93,197	277,319
Disposals	(3,393)	(71)	(1,111)	—	(4,575)
Acquisitions of subsidiaries (Note 41)	—	—	606	—	606
Disposals of subsidiaries	(20,529)	(857)	(43)	—	(21,429)
Transfer	29,735	—	—	(29,735)	—
Depreciation charge	(56,810)	(2,768)	(2,297)	—	(61,875)
Closing net book amount	605,830	4,387	13,013	95,431	718,661

	Buildings and building improvements	Transportation equipment	Office and machinery equipment	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2018					
Cost	767,229	21,781	22,814	95,431	907,255
Accumulated depreciation	(161,399)	(17,394)	(9,801)	—	(188,594)
Net book amount	605,830	4,387	13,013	95,431	718,661
Year ended December 31, 2019					
Opening net book amount	605,830	4,387	13,013	95,431	718,661
Additions	45,813	1,424	5,305	76,134	128,676
Transfer from completed properties held for sale	10,147	—	—	—	10,147
Transfer	120,792	—	20,587	(141,379)	—
Disposals of subsidiaries	—	(79)	(36)	—	(115)
Other disposals	(13,418)	—	(245)	(15,163)	(28,826)
Depreciation charge	(76,371)	(1,541)	(4,930)	—	(82,842)
Closing net book amount	692,793	4,191	33,694	15,023	745,701
As at December 31, 2019					
Cost	849,101	13,512	58,494	15,023	936,130
Accumulated depreciation	(156,308)	(9,321)	(24,800)	—	(190,429)
Net book amount	692,793	4,191	33,694	15,023	745,701
Six months ended June 30, 2020					
Opening net book amount	692,793	4,191	33,694	15,023	745,701
Additions	5,392	443	4,682	19,086	29,603
Disposals	(461)	(48)	(211)	—	(720)
Depreciation charge	(34,600)	(711)	(3,292)	—	(38,603)
Closing net book amount	663,124	3,875	34,873	34,109	735,981
As at June 30, 2020					
Cost	854,032	13,907	62,965	34,109	965,013
Accumulated depreciation	(190,908)	(10,032)	(28,092)	—	(229,032)
Net book amount	663,124	3,875	34,873	34,109	735,981

Depreciation expenses were charged to the following categories in the consolidated statement of comprehensive income:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of sales	456	718	7,133	545	1,097
Selling and marketing costs	27,776	33,296	37,123	19,971	17,053
Administrative expenses	27,827	27,861	38,586	13,329	20,453
	56,059	61,875	82,842	33,845	38,603

Pledge of property, plant and equipment for the Group's borrowings is disclosed in Note 34.

19 Investment properties

	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At fair value				
Opening net book amount	1,135,594	1,463,580	1,413,010	1,550,540
Transfer from properties under development and completed properties held for sale				
—Cost	8,215	35,572	—	43,498
—Revaluation gains	2,234	16,524	—	27,402
Other additions	240,252	314,986	95,325	482
Fair value change	97,660	84,748	42,205	4,378
Disposals of subsidiaries	—	(502,400)	—	—
Other disposals	(20,375)	—	—	—
Closing amount	1,463,580	1,413,010	1,550,540	1,626,300

(i) Amounts recognized in profit or loss for investment properties

	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Rental income	42,036	35,277	40,622	21,764
Direct operating expenses from property that generated rental income	(12,254)	(11,381)	(12,189)	(13,373)
Total fair value gain	99,894	101,272	42,205	31,780
	129,676	125,168	70,638	40,171

(ii) Pledge investment properties for the Group's borrowings is disclosed in Note 34.

20 Intangible assets

	Computer software
	RMB'000
Year ended December 31, 2017	
Opening net book amount	1,592
Additions	3,841
Disposals of subsidiaries	(24)
Amortization	(964)
Closing net book amount	4,445
As at December 31, 2017	
Cost	6,884
Accumulated amortization	(2,439)
Net book amount	4,445
Year ended December 31, 2018	
Opening net book amount	4,445
Additions	8,578
Disposals	(291)
Amortization	(2,665)
Closing net book amount	10,067
As at December 31, 2018	
Cost	15,171
Accumulated amortization	(5,104)
Net book amount	10,067
Year ended December 31, 2019	
Opening net book amount	10,067
Additions	11,934
Amortization	(4,681)
Closing net book amount	17,320
As at December 31, 2019	
Cost	27,105
Accumulated amortization	(9,785)
Net book amount	17,320
Six months ended June 30, 2020	
Opening net book amount	17,320
Additions	2,679
Amortization	(3,279)
Closing net book amount	16,720
As at June 30, 2020	
Cost	29,784
Accumulated amortization	(13,064)
Net book amount	16,720

Amortization of intangible assets has been charged to profit or loss as follows:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of sales	59	87	462	141	119
Selling and marketing costs	72	599	503	271	197
Administrative expenses	833	1,979	3,716	1,510	2,963
	964	2,665	4,681	1,922	3,279

21 Right-of-use assets

	Properties	Land	Total
	RMB'000	RMB'000	RMB'000
Year ended December 31, 2017			
Opening net book amount	4,703	34,344	39,047
Depreciation	(937)	(910)	(1,847)
Closing net book amount	3,766	33,434	37,200
Year ended December 31, 2018			
Opening net book amount	3,766	33,434	37,200
Depreciation	(1,522)	(931)	(2,453)
Closing net book amount	2,244	32,503	34,747
Year ended December 31, 2019			
Opening net book amount	2,244	32,503	34,747
Addition	1,612	—	1,612
Depreciation	(1,482)	(936)	(2,418)
Closing net book amount	2,374	31,567	33,941
Six months ended June 30, 2020			
Opening net book amount	2,374	31,567	33,941
Depreciation	(662)	(455)	(1,117)
Closing net book amount	1,712	31,112	32,824

Pledge of land for the Group's borrowings is disclosed in Note 34.

Depreciation of right-of-use assets has been charged to profit or loss as follows:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of sales	185	245	242	105	112
Selling and marketing costs	469	761	716	307	331
Administrative expenses	1,193	1,447	1,460	640	674
	1,847	2,453	2,418	1,052	1,117

22 Financial instruments by category

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at amortized cost:				
Trade and other receivables excluding prepayments	2,002,500	1,844,648	2,983,926	3,931,251
Cash and bank deposits	2,102,786	2,714,659	4,095,171	3,229,544
	4,105,286	4,559,307	7,079,097	7,160,795
Financial assets at fair value:				
Financial assets at fair value through profit or loss	153,209	176,589	200,806	207,947
Financial liabilities at amortized costs				
Borrowings	9,144,682	8,460,454	7,770,445	8,191,186
Trade and other payables excluding accrued payroll and other taxes payable	6,718,255	7,204,877	9,090,493	9,525,555
Lease liabilities	4,876	3,167	3,121	2,246
	15,867,813	15,668,498	16,864,059	17,718,987

23 Financial assets at fair value through profit or loss

	Year ended December 31,			Six months ended June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of the year/period	145,964	153,209	176,589	200,806
Additions (i)	—	—	—	110,741
Change in fair value	14,582	23,380	24,217	7,141
Disposal of a subsidiary	(7,337)	—	—	—
Disposals (i)	—	—	—	(110,741)
At the end of the year/period (ii)	153,209	176,589	200,806	207,947

(i) During the six months ended June 30, 2020, the Group purchased and disposed of wealth management products amounting to RMB110,741,000 with no fair value gains or losses recorded.

(ii) The financial assets represented unlisted debt securities in the PRC which were investments made in a property development company with variable returns linked to the financial performance of the investee company.

24 Properties under development

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Properties under development expected to be completed:				
—Within normal operating cycle included under current assets	15,515,005	20,091,719	21,343,530	23,769,331
—Beyond normal operating cycle included under non-current assets	59,329	14,140	14,140	14,140
	15,574,334	20,105,859	21,357,670	23,783,471
Properties under development comprise:				
—Construction costs	3,624,282	7,361,302	8,656,659	9,678,390
—Capitalized interests	876,767	1,456,014	1,497,288	1,726,466
—Land	11,096,816	11,443,321	11,482,441	12,657,333
Less: write-down provision	(23,531)	(154,778)	(278,718)	(278,718)
	15,574,334	20,105,859	21,357,670	23,783,471
Representing				
—At cost	13,930,055	18,240,726	19,629,842	22,031,922
—At net realizable value	1,644,279	1,865,133	1,727,828	1,751,549
	15,574,334	20,105,859	21,357,670	23,783,471

Properties under development of the Group are all located in the PRC. The relevant land are on leases of 40 to 70 years.

At December 31, 2017 and 2018 and 2019 and June 30, 2020, properties under development amounting to RMB14,154,935,000, RMB17,055,847,000, RMB19,963,875,000 and RMB21,353,641,000 were expected to be completed and delivered beyond one year respectively.

The capitalization rates of borrowings were 8.76%, 8.99%, 8.22% and 8.27% for the years ended December 31, 2017, 2018 and 2019 and for the six months ended June 30, 2020, respectively.

Pledge of properties under development for the Group's borrowings is disclosed in Note 34.

25 Completed properties held for sale

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Completed properties held for sale	2,325,992	1,714,852	1,983,311	1,913,866
Less: write-down provision	(71,527)	(52,867)	(56,660)	(56,660)
	2,254,465	1,661,985	1,926,651	1,857,206
Representing				
—At cost	1,747,506	1,378,948	1,634,978	1,546,270
—At net realizable value	506,959	283,037	291,673	310,936
	2,254,465	1,661,985	1,926,651	1,857,206

The completed properties held for sale are all located in the PRC.

Pledge of completed properties held for sale for the Group's borrowings is disclosed in Note 34.

26 Contract assets and contract costs

(a) Details of contract assets and contract costs are as follows:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Contract assets related to construction services (i)	128,148	179,947	57,228	126,190
Costs for obtaining contracts (ii)	134,471	202,098	223,712	232,193
Total contract assets and contract costs	262,619	382,045	280,940	358,383
Less: allowance for impairment	(2,937)	(8,447)	(2,606)	(5,007)
	259,682	373,598	278,334	353,376

(i) Contract assets consist of unbilled amount resulting from construction services when revenue recognized exceeds the amount billed to the customer. Change of contract assets is primarily related to unbilled amount. The amounts were stated net of loss allowance provision (Note 4.1.2(i)).

(ii) Management expects the incremental costs, primarily represent sale commission and stamp duty paid/payable, as a result of obtaining the property sale contracts, are recoverable. The Group has capitalized the amounts and amortized them to profit or loss when the related revenue is recognized. For the years ended December 31, 2017 and 2018 and 2019 and for the six months ended June 30, 2020, the amount of amortization were RMB26,294,000, RMB56,444,000, RMB102,014,000 and RMB11,031,000 respectively and there was no impairment loss recognized in relation to the costs capitalized.

27 Contract liabilities

(a) The Group has recognized the following liabilities related to contracts with customers:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities related to sales of properties	7,724,191	11,463,478	13,187,888	15,337,609
Contract liabilities related to construction	183,836	14,916	85,489	87,503
Contract liabilities	7,908,027	11,478,394	13,273,377	15,425,112

The Group receives payments from customers based on the billing schedule as established in sale contracts. Payments are usually received in advance of the performance under the contracts which are mainly for sales of properties. The increase in contract liabilities during the Track Record Period was mainly attributable to the increase in the Group's contract sales.

(b) The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Sales of properties	3,070,060	4,545,387	6,994,994	2,276,800	1,249,524
Construction services	62,228	183,836	14,916	14,916	85,489
	3,132,288	4,729,223	7,009,910	2,291,716	1,335,013

(c) Unsatisfied contracts

Related to sales of properties:	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Expected to be recognized within one year	5,045,834	6,864,403	8,329,486	9,172,620
Expected to be recognized after one year	5,589,867	8,295,914	12,463,210	14,033,916
	10,635,701	15,160,317	20,792,696	23,206,536

Related to construction services:	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Expected to be recognized within one year	213,413	210,627	174,357	67,018
Expected to be recognized after one year	276,472	75,250	87,178	75,948
	489,885	285,877	261,536	142,966

28 Trade and other receivables

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables (a)				
—Related parties (Note 43(b))	55	60	487	11,345
—Third parties	118,073	59,192	45,080	19,352
	118,128	59,252	45,567	30,697
Less: allowance for impairment	(3,006)	(2,886)	(2,075)	(1,218)
	115,122	56,366	43,492	29,479
Other receivables				
—Due from related parties (Note 43(b))	1,188,000	908,715	1,819,170	1,752,262
—Due from non-controlling interests	127,101	127,919	702,225	1,071,020
—Due from third parties	14,514	7,756	8,010	65,924
—Deposits for land auction	435,641	380,280	210,210	640,975
—Construction deposits	38,463	52,422	73,121	215,174
—Due from governments for amounts paid on behalf	54,798	136,798	100,628	129,828
—Arising from disposals of subsidiaries	5,300	113,331	5,100	—
—Others	77,406	123,040	57,226	55,062
	1,941,223	1,850,261	2,975,690	3,930,245
Less: allowance for impairment	(53,845)	(61,979)	(35,256)	(28,473)
	1,887,378	1,788,282	2,940,434	3,901,772
Prepayments				
—To related parties (Note 43(b))	393	286	—	—
—For acquisition of land	47,478	47,478	47,478	47,478
—For construction costs and raw materials	16,766	46,483	23,920	64,999
—For turnover and other taxes	205,627	595,269	886,742	932,989
—For others	274	3,567	7,237	9,160
	270,538	693,083	965,377	1,054,626
	2,273,038	2,537,731	3,949,303	4,985,877

(a) Trade receivables are mainly arisen from sales of properties and provision of construction services. Trade receivables in respect of sale of properties and provision of construction services are settled in accordance with the terms stipulated in the sales contracts.

The aging analysis of trade receivables based on invoice date was as follows:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Within 90 days	88,900	22,299	16,674	17,989
Over 90 days and within 180 days	55	924	9,627	71
Over 180 days and within 365 days	17	15,158	1,223	1,300
Over 365 days	29,156	20,871	18,043	11,337
	118,128	59,252	45,567	30,697

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. Impairment losses are recognized in profit or loss within losses of impairment on financial and contract assets. Subsequent recoveries of amounts previously written off are credited against the same line item. See Note 4.1.2 for information about impairment losses.

(b) The Group's trade receivables were all denominated in RMB, unsecured, repayable in accordance with terms stipulated in the sales contracts and interests-free.

The Group's other receivables due from related parties, due from non-controlling interests, due from third parties, due from governments for amounts paid on behalf, arising from disposals of subsidiaries and due from others were all denominated in RMB, unsecured, repayable on demand and interests-free except for the loans provided to an associate of RMB182,059,000 in 2018 included in other receivables due from related parties (Note 43(b)). Such loans provided to an associate were repayable within one year end bore interests at rate of 12% per annum.

(c) Due to the short-term nature of the current receivables, their carrying amount is considered to be close to their fair value.

29 Prepaid income tax

Prepaid income tax represented amounts prepaid to tax bureau on corporate income tax and LAT for pre-sales of properties.

30 Cash and bank deposits

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank deposits (a)	2,102,786	2,714,659	4,095,171	3,229,544
Less: Restricted cash (b)	(633,105)	(845,962)	(1,878,260)	(2,099,179)
Term deposits (c)	(1,078)	(2,655)	(2,750)	(558)
Cash and cash equivalent	1,468,603	1,866,042	2,214,161	1,129,807

(a) Cash and bank deposits were mainly denominated in RMB and maintained in the PRC. The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

(b) The Group's restricted cash comprised of the following:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Deposits pledged for borrowings	65,113	53,488	155,396	152,904
Supervision accounts for construction of pre-sold properties	546,508	699,262	1,277,868	1,828,842
Guarantee deposits for construction	9,838	58,724	253,043	84,959
Supervision accounts for mortgage guarantee	11,646	34,488	191,953	32,474
	633,105	845,962	1,878,260	2,099,179

(c) These bank deposits were with original maturity of over three months. The effective interest rate of these deposits as at December 31, 2017 and 2018 and 2019 and June 30, 2020 were 2.13%, 2.07%, 1.60% and 1.50% per annum, respectively.

31 Share capital and share premium

	Number of ordinary shares of US$0.01 each	Equivalent nominal value of ordinary share	Share premium
		RMB'000	RMB'000
Issued:			
Balance as at January 1, December 31, 2017 and January 1, 2018	—	—	—
Ordinary share issued and allotted upon incorporation	1	—	—
Balance as at December 31, 2018	1	—	—
Balance as at January 1, 2019	1	—	—
New ordinary share issued (b)	1	—	—
Effect from subdivision (c)	198	—	—
New ordinary share issued upon the completion of subdivision (c)	727,073	51	—
New ordinary share issued pursuant to share incentive plan (d)	272,727	19	508,442
Balance as at December 31, 2019, January 1, 2020 and June 30, 2020	1,000,000	70	508,442

(a) On December 14, 2018, the date of incorporation, the authorized share capital of the Company was US$50,000 divided into 50,000 ordinary shares of US$1.00 each, among which 1 fully-paid share was issued to the initial subscriber, an independent third party, at par value and such share was transferred to Dynasty Cook, the parent company of Xiamen Datang, at par value on the same day.

(b) On April 15, 2019, Dynasty Cook transferred its entire equity interest in Xiamen Datang to the Company which was settled by the Company issuing 1 share to Dynasty Cook.

(c) Pursuant to the written resolutions passed by the sole shareholder of the Company on November 5, 2019, the authorized share capital of the Company was subdivided into 5,000,000 shares with a par value of US$0.01 each. Upon completion of such subdivision, 200 Shares were allotted to Dynasty Cook and the Company remained directly wholly-owned by Dynasty Cook. On November 5, 2019, the Company further issued 727,073 shares to Dynasty Cook at par value.

(d) Pursuant to the Group's share incentive plans (Note 32(c)), on November 5, 2019, a total of 50,606 shares and 222,121 shares of the Company were issued to companies controlled by the Ultimate Controlling Shareholder and by certain directors and senior management of the Company at a consideration equivalent to RMB94,348,000 (US$13,405,000) and RMB414,113,000 (US$58,835,000), respectively. The exceed of the considerations over their equivalent nominal value of shares issued, amounting to approximately RMB508,442,000, was credited to the share premium account.

(e) As at the date of this report, the issued share capital of the Company was approximately RMB70,000 (US$10,000), representing 1,000,000 shares, of US$0.01 each.

32 Other reserves

	Capital reserve	Statutory reserve	Share-based compensation reserve	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2017	77,942	49,540	—	(7,411)	120,071
Acquisitions of additional interests in subsidiaries (Note 40(a))	—	—	—	(1,548)	(1,548)
Appropriation of statutory reserves	—	87,988	—	—	87,988
As at December 31, 2017	77,942	137,528	—	(8,959)	206,511
As at January 1, 2018	77,942	137,528	—	(8,959)	206,511
Employee share schemes—value of employee services (c)	—	—	34,085	—	34,085
Capital injection from shareholders of the Company (a)	32,307	—	—	—	32,307
Appropriation of statutory reserves	—	111,862	—	—	111,862
As at December 31, 2018	110,249	249,390	34,085	(8,959)	384,765
As at January 1, 2019	110,249	249,390	34,085	(8,959)	384,765
Employee share schemes—value of employee services (c)	—	—	22,724	—	22,724
Capital injection from shareholders of the Company (a)	265,548	—	—	—	265,548
Disposals of interests in a subsidiary without loss of control (Note 40(b))	—	—	—	645	645
Acquisitions of additional interests in subsidiaries (Note 40(a))	—	—	—	(24,509)	(24,509)
Appropriation of statutory reserves	—	109,272	—	—	109,272
As at December 31, 2019	375,797	358,662	56,809	(32,823)	758,445
As at January 1, 2020	375,797	358,662	56,809	(32,823)	758,445
Employee share schemes—value of employee services (c)	—	—	14,202	—	14,202
Contribution from a fellow subsidiary (d)	—	—	—	22,606	22,606
As at June 30, 2020	375,797	358,662	71,011	(10,217)	795,253
(Unaudited)					
As at January 1, 2019	110,249	249,390	34,085	(8,959)	384,765
Issue of share for reorganization (Note 31)	—	—	—	—	—
Capital injection from shareholders of the Company	265,548	—	—	—	265,548
Employee share schemes—value of employee services (c)	—	—	8,521	—	8,521
As at June 30, 2019 (unaudited)	375,797	249,390	42,606	(8,959)	658,834

(a) Capital reserve

Capital reserve amounting to RMB77,942,000 as at January 1, 2017 represented the paid-in capital of Xiamen Datang. During the year ended December 31, 2018, Dynasty Cook injected capital in cash amounting to RMB32,307,000 in total to the Group. During the year ended December 31, 2019, Dynasty Cook further injected capital in cash amounting to RMB265,548,000 in total to the Group.

(b) Statutory reserve

Group's entities in PRC are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used, upon approval by the relevant authority, to offset losses carried forward from previous years or to increase capital of the respective companies.

(c) Share-based compensation plan

In January 2018, the Group set up a share incentive scheme for the purpose of retaining talent, promoting the long-term sustainable development of the Group. Under the share incentive scheme, certain directors and senior management (the "Grantees") have a right to subscribe the equity interests of Dynasty Cook, the Company's parent company, or the Company at a predetermined subscription price (the "Restricted Shares"). These Restricted Shares are limited to be transferred or used in pledge within 4 years after the date of the subscription of the Restricted Shares (the "Restricted Period"). If a Grantee ceases to be employed by the Group within the Restricted Period, the Grantees has to sell the Restricted Shares to designated persons at its original subscription price.

This share incentive scheme is accounted for as an equity-settled share-based compensation plan under HKFRS 2 "Share Based Payment".

The fair value of Restricted Shares at the grant date, were primarily determined by reference to the fair value of the equity interest of Xiamen Datang, the principal holding company of the Group's operating subsidiaries.

Under the share incentive scheme (as amended and supplemented in 2018), the total Restricted Shares of the Company to be issued to the Grantees represented 27.27% of the Company's share capital. On November 5, 2019, the Grantees subscribed and the Company issued 222,121 shares under this scheme at a total consideration of US$58,835,000 (equivalent to RMB414,113,000).

As at December 31, 2018 and 2019 and June 30, 2019 and 2020, the Group estimates that all of the Grantees will stay within the Group throughout the Restricted Period for the determination of the amount of share-based compensation expenses.

For the years ended December 31, 2018 and 2019 and six months ended June 30, 2019 and 2020, expenses arising from share-based payment transactions were RMB34,085,000, RMB22,724,000, RMB8,521,000, and RMB14,202,000, respectively.

(d) Contributions from a fellow subsidiary

On June 30, 2020, Dynasty Cook, a fellow subsidiary, which is also the former parent company of Xiamen Datang, entered into an agreement with Xiamen Datang, pursuant to which a dividend payable to Dynasty Cook amounting to RMB12,619,000, which was declared by Xiamen Datang in 2015, was waived and therefore recognized in other reserves.

On June 30, 2020, Xiamen Wanlian Real Estate Company Limited, an associate of the Group with 40% and 60% equity interest held by Xiamen Datang and Dynasty Cook, a fellow subsidiary, was liquidated. At the same date, Dynasty Cook and Xiamen Datang entered into an agreement pursuant to which Dynasty Cook contributed its share of Wanlian Real Estate Company Limited's surplus cash amounting to RMB13,316,000 to Xiamen Datang, the post-tax amount of RMB9,987,000 was therefore recognized in other reserves.

33 Trade and other payables

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables (Note (a))				
—Related parties (Note 43(b))	14,118	14,249	24,903	20,795
—Third parties	2,552,959	2,750,602	2,950,751	2,563,622
	2,567,077	2,764,851	2,975,654	2,584,417
Amounts due to related parties (Note 43(b))	2,569,668	1,920,391	2,976,205	4,144,826
Amounts due to non-controlling interests (Note (b)	1,183,961	1,491,551	2,266,778	1,951,352
Amounts due to third parties (Note (b))	51,000	186,000	185,985	185,985
Dividend payable	12,619	12,619	12,619	—
Construction guarantee deposits received	119,677	191,636	196,737	270,139
Notes payable	45,644	107,360	73,048	40,233
Accrued payroll	51,676	84,420	132,231	20,709
Other taxes payables	961,254	1,023,579	1,487,262	1,575,835
Interest payables	31,561	19,413	41,366	49,531
Consideration payable for acquisition of a subsidiary (Note 41)	—	119,914	—	—
Consideration payable for acquisition of a joint venture	—	156,839	16,800	—
Others	137,048	234,303	345,301	299,072
	7,731,185	8,312,876	10,709,986	11,122,099

(a) The aging analysis of the trade payables based on invoice date is as follows:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Within 90 days	2,302,458	1,030,403	2,404,619	992,540
Over 90 days and within 180 days	41,048	745,772	51,036	912,493
Over 180 days and within 365 days	50,009	25,871	191,134	206,491
Over 365 days	173,562	962,805	328,865	472,893
	2,567,077	2,764,851	2,975,654	2,584,417

(b) Amounts due to non-controlling interests and third parties are unsecured, repayable on demand, denominated in RMB and interests-free.

34 Borrowings

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current				
Bank borrowings—secured/guaranteed	1,311,264	2,575,500	4,381,845	4,852,086
Other borrowings—secured/guaranteed (Note (a))	7,211,030	5,445,214	2,417,550	2,369,550
	8,522,294	8,020,714	6,799,395	7,221,636
Less: current portion of non-current borrowings	(1,025,234)	(3,359,500)	(1,330,713)	(1,446,813)
	7,497,060	4,661,214	5,468,682	5,774,823
Current				
Bank borrowings—secured/guaranteed	40,000	119,700	19,000	100,000
Other borrowings—secured/guaranteed (Note (a))	582,388	320,040	952,050	869,550
Current portion of non-current borrowings	1,025,234	3,359,500	1,330,713	1,446,813
	1,647,622	3,799,240	2,301,763	2,416,363
Total borrowings	9,144,682	8,460,454	7,770,445	8,191,186

(a) Certain subsidiaries in the PRC have entered into fund arrangements with trust companies, securities companies and assets management companies, pursuant to which these financial institutions raised funds and provided the proceeds, directly or through entrusted banks, to the Group. Certain equity interests of subsidiaries were held in the name of the financial institutions as collateral of which the Group is obligated to repurchase at predetermined prices (Note 14(c)). These borrowings bear fixed or floating interest rates and have fixed repayment terms.

(b) Bank borrowings were secured by the following assets with book value of:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Land cost included in properties under development and completed properties held for sale	6,765,518	7,487,208	10,316,160	13,792,225
Investment properties	337,930	341,270	1,009,610	976,280
Property, plant and equipment	89,342	135,778	135,778	128,264
Restricted cash	65,113	53,488	155,396	152,904
Right-of-use assets	11,854	11,227	11,227	10,757
	7,269,757	8,028,971	11,628,171	15,060,430

(c) As at December 31, 2017 and 2018 and 2019 and June 30, 2020, the Group's bank and other borrowings of RMB8,110,964,000, RMB6,204,484,000, RMB3,437,945,000 and RMB2,785,250,000 respectively, were guaranteed by Fuxin Group Co., Ltd, or Mr. Wu Di, a director of the Company, or jointly guaranteed by Fuxin Group Co., Ltd and Mr. Wu Di. As at June 30, 2020, the guarantees solely and jointly provided by Mr. Wu Di amounting to RMB2,376,250,000 will be continuing after the Listing and the directors of the Company expected that the guarantees solely and jointly provided by Fuxin Group Co., Ltd amounting to RMB2,385,250,000 would be released prior to the Listing.

(d) The Group's borrowings were repayable as follows:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	1,647,622	3,799,240	2,301,763	2,416,363
Between 1 and 2 years	4,683,300	2,001,338	2,820,932	4,152,948
Between 2 and 5 years	2,743,760	2,659,876	2,527,750	1,561,875
Over 5 years	70,000	—	120,000	60,000
	9,144,682	8,460,454	7,770,445	8,191,186

(e) The exposure of borrowings to interest-rate changes and the contractual repricing dates or maturity date whichever is earlier are as follows:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At variable rate borrowings	1,131,264	2,235,500	4,196,544	4,667,585
Repricing dates:				
Within 6 months	953,188	1,783,440	641,500	1,335,500
Between 6 and 12 months	474,500	1,805,800	1,550,263	718,863
Between 1 and 5 years	6,585,730	2,635,714	1,382,138	1,469,238
	9,144,682	8,460,454	7,770,445	8,191,186

(f) The weighted average effective interest rates were as follows:

	As at December 31,			As at June 30,
	2017	2018	2019	2020
Bank borrowings (%)	5.78%	6.76%	6.82%	6.36%
Other borrowings (%)	9.50%	9.53%	9.83%	11.05%
All borrowings (%)	8.76%	8.99%	8.22%	8.27%

(g) The fair value of borrowings approximate their carrying amount, as the impact of discounting is not significant.

(h) All of the Group's borrowings are denominated in RMB.

35 Lease Liabilities

(a) Amounts recognized in the consolidated balance sheets

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Lease of office properties for operation				
—Current	1,709	1,605	1,749	1,194
—Non-current	3,167	1,562	1,372	1,052
	4,876	3,167	3,121	2,246

(b) Amounts presented in the consolidated statements of cash flows

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cash outflow for lease payments	1,215	2,148	2,281	945	1,111

(c) A maturity analysis of lease liabilities is shown in the table below:

	As at December 31,			As at June 30, 2020
	2017	2018	2019	
	RMB'000	RMB'000	RMB'000	RMB'000
Minimum lease payments due				
—Within 1 year	2,148	1,889	2,221	1,587
—Between 1 and 2 years	1,889	1,351	954	698
—Between 2 and 5 years	1,735	384	884	784
—Later than 5 years	—	—	241	120
	5,772	3,624	4,300	3,189
Less: future finance charges	(896)	(457)	(1,179)	(943)
Present value of lease liabilities	4,876	3,167	3,121	2,246

The Group leases various properties to operate its businesses and the liabilities of these lease were measured at net present value of the future lease payments during the lease terms. The lease contracts do not include renewal option or termination option and no extension options are included in such property leases across the Group.

36 Deferred income tax assets and liabilities

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	As at December 31,			As at June 30, 2020
	2017	2018	2019	
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets:				
—Deferred tax asset to be recovered after more than 12 months	467,206	492,298	562,279	591,467
—Deferred tax asset to be recovered within 12 months	17,716	21,050	94,626	77,158
	484,922	513,348	656,905	668,625
Deferred tax liabilities:				
—Deferred tax liability to be recovered after more than 12 months	(683,071)	(1,117,655)	(1,122,209)	(1,164,255)
—Deferred tax liability to be recovered within 12 months	(2,936)	(22,344)	(81,690)	(84,790)
	(686,007)	(1,139,999)	(1,203,899)	(1,249,045)

Deferred income tax assets:

The movement in deferred income tax assets and liabilities during the Track Record Period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Impairment of financial assets and contract assets	Write-down of properties under development and completed properties held for sale	Tax losses	Accrued LAT	Recognition of construction revenue over time	Amortization of right-of-use assets	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2017	19,747	43,410	194,737	15,260	15,557	221	288,932
(Charged)/credited to profit or loss	(2,294)	(22,044)	164,784	33,186	30,402	57	204,091
Disposals of subsidiaries	(15)	—	(6,705)	(1,381)	—	—	(8,101)
As at December 31, 2017/January 1, 2018	17,438	21,366	352,816	47,065	45,959	278	484,922
Credited/(charged) to profit or loss	4,395	28,147	30,119	35,166	(42,230)	(47)	55,550
Acquisitions of subsidiaries (Note 41)	—	—	6,067	—	—	—	6,067
Disposals of subsidiaries	(1,014)	—	(11,568)	(20,609)	—	—	(33,191)
As at December 31, 2018/January 1, 2019	20,819	49,513	377,434	61,622	3,729	231	513,348
Credited/(charged) to profit or loss	(692)	31,933	10,610	116,150	(3,729)	(44)	154,228
Disposals of subsidiaries	(7,652)	—	(2,883)	(136)	—	—	(10,671)
As at December 31, 2019/January 1, 2020	12,475	81,446	385,161	177,636	—	187	656,905
(Charged)/credited to profit or loss	(1,310)	—	65,027	(51,944)	—	(53)	11,720
As at June 30, 2020	11,165	81,446	450,188	125,692	—	134	668,625

Deferred income tax liabilities:

	Recognition of construction revenue over time	Revaluation resulted from business combinations	Revaluation of investment properties	Capitalization of interests expenses	Capitalization of costs for obtaining contracts	Revaluation of financial assets at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2017	—	(435,057)	(80,533)	(13,405)	(18,375)	(2,442)	(549,812)
(Charged)/credited to profit or loss	(73,953)	1,767	(27,648)	(22,249)	(15,243)	(3,646)	(140,972)
Disposals of subsidiaries	—	—	4,777	—	—	—	4,777
As at December 31, 2017/January 1, 2018	(73,953)	(433,290)	(103,404)	(35,654)	(33,618)	(6,088)	(686,007)
(Charged)/credited to profit or loss	(5,302)	19,408	23,758	(13,580)	(16,906)	(5,845)	1,533
Acquisitions of subsidiaries (Note 41)	—	(457,067)	—	—	—	—	(457,067)
Disposals of subsidiaries	—	—	—	1,542	—	—	1,542
As at December 31, 2018/January 1, 2019	(79,255)	(870,949)	(79,646)	(47,692)	(50,524)	(11,933)	(1,139,999)
(Charged)/credited to profit or loss	(74,073)	59,344	(16,010)	(21,703)	(5,404)	(6,054)	(63,900)
As at December 31, 2019/January 1, 2020	(153,328)	(811,605)	(95,656)	(69,395)	(55,928)	(17,987)	(1,203,899)
(Charged)/credited profit or loss	(2,074)	3,101	(13,788)	(21,445)	(9,155)	(1,785)	(45,146)
As at June 30, 2020	(155,402)	(808,504)	(109,444)	(90,840)	(65,083)	(19,772)	(1,249,045)

As at December 31, 2017 and 2018 and 2019 and June 30, 2020, the Group did not recognize deferred income tax assets of RMB693,000, RMB430,000, RMB417,000 and RMB809,000 in respect of tax losses of RMB2,772,000 , RMB1,720,000 , RMB1,668,000 and RMB3,236,000 , respectively. Tax losses of Group companies operated in the PRC could be carried forward for a maximum of five years.

37 Cash generated from/(used in) operations

(a) The reconciliation of profit before income tax to cash generated from/(used in) operation

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Profit before income tax	753,734	1,083,602	1,407,864	722,031	181,419
Adjustments for:					
—Depreciation of property, plant and equipment (Note 18)	56,059	61,875	82,842	33,845	38,603
—Amortization of intangible assets (Note 20)	964	2,665	4,681	1,922	3,279
—Depreciation of right-of-use assets (Note 21)	1,847	2,453	2,418	1,052	1,117
—(Reversal)/provision of impairment losses for financial and contract assets, net	(9,571)	16,129	(2,858)	311	(5,239)
—Share-based compensation	—	34,085	22,724	8,521	14,202
—Provision of write-down for properties under development and completed properties held for sale	40,693	155,962	131,120	43,284	—
—Losses/(gains) on disposals of property, plant and equipment	129	(66)	(2,642)	(21)	226
—Fair value gains on investment properties (Note 19)	(99,894)	(101,272)	(42,205)	(27,808)	(31,780)
—Gains on acquisitions of subsidiaries not under common control (Note 41)	—	(169)	—	—	—
—Fair value gains on financial assets at fair value through profit or loss (Note 23)	(14,582)	(23,380)	(24,217)	(15,665)	(7,141)
—Share of results of investments in joint ventures and associates (Note 15)	(45,137)	17,292	(8,860)	17,773	31,834
—Loss from de-registration of an associate	—	—	—	—	2,099
—Finance costs, net (Note 13)	22,879	19,307	22,927	6,195	6,692
—Gains on disposals of subsidiaries (Note 42)	(1,759)	(99,077)	(59,286)	(19)	—
Changes in working capital:					
—Properties under development and completed properties held for sale	(6,351,367)	(831,819)	(966,395)	281,017	(2,054,622)
—Trade and other receivables	1,711,226	(716,953)	(892,976)	(634,800)	(726,446)
—Trade and other payables	1,637,918	542,990	3,956,289	500,850	1,777,752
—Contract assets and contract costs	(157,591)	(113,916)	95,264	39,051	(75,042)
—Contract liabilities	2,428,047	3,552,955	1,794,983	3,178,355	2,151,735
—Restricted cash	18,610	(224,482)	(930,390)	(525,020)	(223,411)
	(7,795)	3,378,181	4,591,283	3,630,874	1,085,277

(b) The reconciliation of liabilities arising from financing activities is as follows:

	Borrowings	Amounts due to related parties and third parties	Lease liabilities	Dividend payable	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2017	5,452,942	3,279,479	5,588	66,619	8,804,628
Cash flows					
—Inflow from/(outflow in) financing activities	3,691,740	(805,133)	(1,215)	(54,000)	2,831,392
Non-cash movements					
—Disposals of subsidiaries	—	(150,000)	—	—	(150,000)
—Interest expenses	—		503	—	503
At December 31, 2017	9,144,682	2,324,346	4,876	12,619	11,486,523
As at January 1, 2018	9,144,682	2,324,346	4,876	12,619	11,486,523
Cash flows					
—Outflow in financing activities	(553,029)	(494,189)	(2,148)	—	(1,049,366)
Non-cash movements					
—Acquisitions of subsidiaries	390,000	—	—	—	390,000
—Disposals of subsidiaries	(521,199)	(453,289)	—	—	(974,488)
—Interest expenses	—	—	439	—	439
At December 31, 2018	8,460,454	1,376,868	3,167	12,619	9,853,108
As at January 1, 2019	8,460,454	1,376,868	3,167	12,619	9,853,108
Cash flows					
—Outflow in financing activities	(690,009)	(1,287,213)	(2,281)	—	(1,979,503)
Non-cash movements					
—Interest expenses	—	—	2,235	—	2,235
As at December 31, 2019	7,770,445	89,655	3,121	12,619	7,875,840
(Unaudited)					
As at January 1, 2019	8,460,454	1,376,868	3,167	12,619	9,853,108
Cash flows					
—Outflow in financing activities	(862,053)	(496,150)	(945)	—	(1,359,148)
Non-cash movements					
— Interest expenses	—	—	142	—	142
As at June 30, 2019 (unaudited)	7,598,401	880,718	2,364	12,619	8,494,102
As at January 1, 2020	7,770,445	89,655	3,121	12,619	7,875,840
Cash flows					
— Inflow from/(outflow in) in financing activities	420,741	(90,432)	(1,111)	—	329,198
Non-cash movements					
— Interest expenses	—	—	236	—	236
— Wavier of dividend payable	—	—	—	(12,619)	(12,619)
As at June 30, 2020	8,191,186	(777)	2,246	—	8,192,655

(c) Non-cash financing transactions:

Major non-cash financing activities during the six-months period ended June 30, 2020 were disclosed in Note 32(d).

(d) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Net book amount disposed of (Note 18)	816	4,575	28,826	1,415	720
(Loss)/gains on disposals (Note 12)	(129)	66	2,642	21	(226)
	687	4,641	31,468	1,436	494

38 Financial guarantees

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Guarantees in respect of mortgage facilities for purchasers (Note (a))	841,115	2,018,296	10,451,822	10,651,006
Guarantees provided for the borrowings of joint ventures (Note (b))	—	660,000	253,000	973,000
Guarantees provided for the borrowings of associates (Note (b))	540,000	1,166,740	3,156,640	5,277,590
Guarantees provided for the borrowings of other related parties (Note (b))	42,000	—	225,000	225,000
	1,423,115	3,845,036	14,086,462	17,126,596

(a) The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. Such guarantees terminate upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within an average period of two to three years upon the completion of guarantee registration; or (ii) the satisfaction of mortgaged loan by the purchasers.

(b) Amounts represented the maximum exposure of the guarantees provided for the borrowings of related parties. The directors of the Company expected that the guarantees provided to joint ventures and associates will be on-going while the guarantees provided to other related parties amounting to RMB225,000,000 as at June 30, 2020 would be released prior to the Listing.

(c) The directors of the Company have assessed that the fair values of guarantees provide to purchasers, joint ventures, associates and other related parties as at initial recognition and each year/period end of the Track Record Period were insignificant.

39 Commitments

Commitments for capital expenditures

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Contracted but not provided for				
—Property, plant and equipment	126,516	99,613	43,829	28,614
—Investment properties	77,371	74,499	51,242	43,233
	203,887	174,112	95,071	71,847

40 Transactions with non-controlling interests

(a) Acquisitions of additional interests in subsidiaries

During the years ended December 31, 2017 and 2019, the Group acquired additional equity interests in certain subsidiaries from the relevant non-controlling interests at cash consideration of RMB163,544,000 and RMB27,000,000 respectively. The differences between the carrying amounts of non-controlling interests acquired and consideration paid are set out below.

	Year ended December 31,	
	2017	2019
	RMB'000	RMB'000
Total carrying amount of non-controlling interests acquired	161,996	2,491
Less: total consideration paid to non-controlling interests	(163,544)	(27,000)
Total difference recognized within equity	(1,548)	(24,509)

(b) Disposals of interests in subsidiaries without change of control

During the year ended December 31, 2018 and 2019 and six months ended June 30, 2020, the Group disposed of certain equity interests in subsidiaries to third parties for a total cash consideration of RMB14,600,000, RMB1,746,000 and RMB73,500,000 respectively. The differences between the carrying amounts of equity interest disposed of and consideration received are set out below.

	Year ended December 31,		Six months ended June 30,
	2018	2019	2020
	RMB'000	RMB'000	RMB'000
Total carrying amount of equity interests disposed	(14,600)	(1,101)	(73,500)
Less: total consideration received from non-controlling interests	14,600	1,746	73,500
Total difference recognized within equity	—	645	—

41 Business combination

Business combination not under common control

During the year ended December 31, 2018, the Group acquired controlling interests of a property development company in the PRC to increase its land bank, optimize its regional layout and diversify its business.

The total assets and liabilities recognized as a result of the acquisition are as follows:

	Year ended December 31, 2018
	RMB'000
—Cash paid during the year ended December 31, 2018	561,784
—Deposits paid in the year ended December 31, 2017	581,698
—Cash consideration settled in the year ended December 31, 2019	119,914
Total consideration	1,263,396
Recognized amounts of identifiable assets acquired and liabilities assumed	
Cash and bank deposits	421,406
Property, plant and equipment	606
Deferred income tax assets	6,067
Properties under development	1,556,000
Completed properties held for sale	916,100
Trade and other receivables	25,373
Borrowings	(390,000)
Trade and other payables	(797,508)
Contract liabilities	(17,412)
Deferred income tax liabilities	(457,067)
Total identifiable net assets	1,263,565
Identifiable net assets acquired	1,263,565
Gain on bargain purchase	(169)
Cash outflow, net of cash acquired	
—Cash consideration paid	561,784
—Cash and cash equivalents of the subsidiary acquired	(421,406)
Net cash outflow on the acquisition during the year	140,378

Gains arising from negative goodwill was mainly due to the fact that the seller had the intention to exit from its investments in the acquired businesses due to various operational reasons to resolve liquidity issues or bring in industry expertise.

The acquisition was completed on January 1, 2018. The acquired business contributed revenue of RMB59,076,000 and net loss of RMB15,115,000 to the Group for the period from the acquisition date to December 31, 2018.

These amounts have been calculated using the subsidiary's results before the acquisition date and adjusting them for:

- differences in the accounting policies between the Group and the subsidiary, and
- the additional depreciation and amortization that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from January 1, 2018, together with the consequential tax effects.
- Acquisition-related costs of RMB557,000 have been charged to administrative expenses in the consolidated statements of comprehensive income for the year ended December 31, 2018.

No contingent liability has been recognized for the business combination.

For the non-controlling interests in the Group, the Group elected to recognize the non-controlling interests at its proportionate share of the acquired net identifiable assets. See Note 3.2.1 for the Group's accounting policies for business combinations.

42 Disposals of subsidiaries

The Group disposed of certain interests in a number of subsidiaries. Summaries of the disposals are as follows:

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Disposals consideration					
—Cash consideration received	56,000	252,539	66,416	30,000	—
—Cash considerations deferred	—	210,831	—	—	—
	56,000	463,370	66,416	30,000	—
Deferred cash considerations received	—	—	108,231	36,077	5,100
Less:					
—Total net assets of subsidiaries disposed of	53,652	374,772	35,375	29,981	—
—Non-controlling interests disposed of	589	(10,479)	(28,245)	—	—
Gains on disposals	1,759	99,077	59,286	19	—
Cash proceeds from disposals, net of cash disposed of					
—Cash consideration received	56,000	252,539	66,416	30,000	—
—Deferred cash considerations received	—	—	108,231	36,077	5,100
—Less: cash and cash equivalents in the subsidiaries disposed of	(2,660)	(159,743)	(28,837)	(20,074)	—
—Net cash inflow on disposals	53,340	92,796	145,810	46,003	5,100

43 Related party transactions

Apart from those related party transactions disclosed elsewhere in the Historical Financial Information, the following transactions were carried out with related parties.

(a) Transactions with related parties

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
(i) Entities controlled by the Ultimate Controlling Shareholder					
Rental income	4,177	6,469	6,851	3,455	1,652
Purchases of materials and services	51,385	67,250	58,977	24,297	25,438
Contribution of surplus cash at de-registration of an associate (Note 32)	—	—	—	—	9,987
Waiver of dividend payable (Note 32)	—	—	—	—	12,619

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
(ii) Key management of the Company					
Transfer equity interests in a project company	—	—	36,416	—	—
Sale of properties	—	—	—	—	1,416
(iii) Joint ventures					
Sales of materials	386	2,860	4,306	3,880	1,710
Provide project management services	—	—	1,892	—	535
(iv) Associates					
Loans provided to an associate	—	182,059	—	—	—
Interest income	—	7,399	—	—	—
Provide project management services	—	—	5,582	3,796	25,589

The prices for the above transactions were determined in accordance with the terms of the underlying agreements.

(b) Balances with related parties

	As at December 31,			As at June 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
(i) Joint ventures				
Trade receivables	—	—	326	127
Amounts due from related parties				
—Non-trade	214,769	67,576	510,407	161,344
Amounts due to related parties				
—Non-trade	111,669	271,474	545,832	868,846
(ii) Associates				
Trade receivables	—	—	119	11,160
Amounts due from related parties				
—Non-trade	205,272	651,675	1,307,307	1,590,297
Amounts due to related parties				
—Non-trade	118,220	272,688	2,339,611	3,275,650
(iii) Entities controlled by the Ultimate Controlling Shareholder				
Trade receivables	55	60	42	58
Amounts due from related parties				
—Non-trade	750,485	189,464	1,456	621
Prepayments	393	286	—	—
Trade payables	14,118	14,249	24,903	20,795
Amounts due to related parties				
—Non-trade	2,339,481	1,376,039	90,592	160
(iv) Entities controlled by certain directors and/or their close family members				
Amounts due from related parties				
—Non-trade	17,474	—	—	—
Amounts due to related parties				
—Non-trade	298	190	170	170

Amounts due from/to related parties are unsecured, repayable on demand, denominated in RMB and interests-free except for the loans provided to an associate of RMB182,059,000 in 2018 which were interest-bearing (Note 28(b)). The directors of the Company expected to settle in full the non-trade amounts due from/to entities controlled by the Ultimate Controlling Shareholder and entities controlled by certain directors and/or their close family members prior to the Listing. The non-trade related balances due from/to joint ventures and associates will be on-going as those transactions which cause these balances are in relation to the business operations of the relevant entities, and are and continue to be recurring during the ordinary course of the Group's investing business. The joint development of property projects with third-party property developers is one of the Group's strategies of expanding its development activities and geographical coverage. The directors therefore do not expect these balances will be fully settled prior to the Listing.

(c) Key management compensation

Compensations for key management including directors as disclosed in Note 47 is set out below.

	Year ended December 31,			Six months ended June 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Salary and benefits	6,471	6,671	8,533	4,264	4,053
Housing allowance and contribution to retirement benefit schemes	162	203	215	136	126
Share-based compensation	—	34,085	22,724	8,521	14,202
	6,633	40,959	31,472	12,921	18,381

44 Dividend

No dividend has been declared and paid by the Company since its incorporation.

Dividends of RMB66,619,000 previously declared by certain subsidiaries now comprising the Group remained outstanding as at January 1, 2017. These subsidiaries paid RMB54,000,000 to their then shareholders and non-controlling interests during the year ended December 31, 2017, and the remaining balance of RMB12,619,000 was waived (Note 32(d)).

45 Events after the balance sheet date

The Company's shareholders passed a written resolution on November 20, 2020 that:

(a) the authorized share capital of the Company was increased from US$50,000 to US$50,000,000 by the creation of an additional 4,995,000,000 shares of a par value of US$0.01 each; and

(b) conditional on the share premium account of the Company having sufficient balance, or otherwise being credited as a result of a global offering, the directors were authorized to capitalize US$9,990,000 standing to the credit of the share premium account of the Company by applying such sum to pay up in full at par a total of 999,000,000 shares for allotment and issue to the existing shareholders in proportion to their respective shareholdings.

46 Notes to balance sheets

(a) Investment in subsidiaries

	As at December 31,		As at June 30,
	2018	2019	2020
	RMB'000	RMB'000	RMB'000
Investment, at cost:			
—Deemed contribution	—	1,753,281	1,753,281
—Capital injection to a subsidiary	—	774,060	774,060
—Share-based compensation	—	18,936	33,138
	—	2,546,277	2,560,479

Details of the subsidiaries are set out in Note 1.2.

(b) Prepayments represented prepaid listing expenses.

(c) Other reserves and accumulated losses.

	Other reserves	Accumulated losses
	RMB'000	RMB'000
At December 14, 2018 (date of incorporation), December 31, 2018 and January 1, 2019	—	—
Deemed contribution (note i)	1,753,281	—
Capital contribution from shareholders (Note 32(a))	265,548	—
Share-based compensation	18,936	—
Loss for the year	—	(28,660)
At December 31, 2019	2,037,765	(28,660)
At January 1, 2020	2,037,765	(28,660)
Share-based compensation	14,202	—
Loss for the period	—	(8,888)
At June 30, 2020	2,051,967	(37,548)

(i) Deemed contribution represented the excess of the aggregate net asset value of Xiamen Datang Group acquired by the Company over the nominal amount of share issued by the Company as the consideration as at April 30, 2019 pursuant to the Reorganization described in Note 1.2(c).

(d) Amounts due to a subsidiary

As at December 31, 2019 and June 30, 2020, amounts due to a subsidiary were all denominated in RMB. They are unsecured, interest-free and repayable on demand. Their carrying amounts approximated fair value at December 31, 2019 and June 30, 2020.

(e) Other payables

As at December 31, 2019 and June 30, 2020, other payables were denominated in RMB, unsecured, interest-free and repayable on demand. Their carrying amounts approximated fair value at December 31, 2019 and June 30, 2020.

47 Benefits and interests of directors

(a) Directors' and chief executive's emoluments

The directors received emoluments from the Group for the year ended December 31, 2017 as follows:

Name	Fees	Salary and benefit	Housing allowance and contribution to retirement benefit scheme	Share-based compensation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
WU Di	—	834	22	—	856
HAO Shengchun	—	1,034	22	—	1,056
TANG Guozhong	—	1,034	22	—	1,056
ZHANG Jianhua	—	628	—	—	628
	—	3,530	66	—	3,596

The directors received emoluments from the Group for the year ended December 31, 2018 as follows:

Name	Fees	Salary and benefit	Housing allowance and contribution to retirement benefit scheme	Share-based compensation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
WU Di	—	851	25	33,231	34,107
HAO Shengchun	—	1,069	25	95	1,189
TANG Guozhong	—	975	25	95	1,095
ZHANG Jianhua	—	664	—	95	759
	—	3,559	75	33,516	37,150

The directors received emoluments from the Group for the year ended December 31, 2019 as follows:

Name	Fees	Salary and benefit	Housing allowance and contribution to retirement benefit scheme	Share-based compensation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
WU Di	—	1,021	27	22,154	23,202
HAO Shengchun	—	1,203	27	63	1,293
TANG Guozhong	—	1,161	27	63	1,251
ZHANG Jianhua	—	695	—	63	758
	—	4,080	81	22,343	26,504

The directors received emoluments from the Group for the six months ended June 30, 2019 as follows:

Name	Fees	Salary and benefit	Housing allowance and contribution to retirement benefit scheme	Share-based compensation	Total
	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)
Executive directors					
WU Di	—	508	15	8,308	8,831
HAO Shengchun	—	599	15	24	638
TANG Guozhong	—	578	15	24	617
ZHANG Jianhua	—	369	—	24	393
	—	2,054	45	8,380	10,479

The directors received emoluments from the Group for the six months ended June 30, 2020 as follows:

Name	Fees	Salary and benefit	Housing allowance and contribution to retirement benefit scheme	Share-based compensation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
WU Di	—	508	15	13,846	14,369
HAO Shengchun	—	599	15	40	654
TANG Guozhong	—	578	15	40	633
ZHANG Jianhua	—	369	—	40	409
	—	2,054	45	13,966	16,065

Mr. WU Di was appointed as the Executive Director of the Company on December 14, 2018.

Mr. HAO Shengchun, Mr. TANG Guozhong and Mr. ZHANG Jianhua were appointed as the Executive Director of the Company on November 11, 2019.

Mr. QU Wenzhou, Ms. XIN Zhu and Mr. TAM Chi Choi were appointed as the Independent Non-executive Directors of the Company on November 20, 2020. They did not receive any emolument during the Track Record Period.

(b) Directors' retirement benefits

During the Track Record Period, there were no additional retirement benefit received by the directors except for the attribution to a retirement benefit scheme as disclosed in Note (a) above.

(c) Directors' termination benefits

During the Track Record Period, no payments to the directors of the Company as compensation for the early termination of the appointment.

(d) Consideration provided to third parties for making available directors' services

No consideration was provided to or receivable by third parties for making available directors' services subsisted at the end of or at any time during the Track Record Period.

(e) Information about loans, quasi-loans and other dealings in favor of directors, controlled bodied corporate by and connected entities with such directors

Except for the balances disclosed in Note 43(b), no loans, quasi-loans and other dealings in favor of directors, controlled bodied corporate by and connected entities with such directors subsisted at the end of or at any time during the Track Record Period.

(f) Directors' material interests in transactions, arrangements or contracts

Except for the transactions disclosed in Note 43(a)(ii), no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had interests, whether directly or indirectly, subsisted at the end of December 31, 2017 and 2018 and December 31, 2019 and June 30, 2020 or at any time during the Track Record Period.

III. Subsequent financial statements

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to June 30, 2020 and up to the date of this report. No dividend or distribution has been declared or made by the Company or any of the companies now comprising the Group in respect of any period subsequent to June 30, 2020.

The information set out in this Appendix does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out in Appendix I to this prospectus, and is included herein for illustrative purposes only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountant's Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purposes only, and is set out below to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to the owners of the Company as of June 30, 2020 as if the Global Offering had taken place on June 30, 2020.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the net tangible assets of the Group had the Global Offering been completed as at June 30, 2020 or at any future dates following the Global Offering.

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at June 30, 2020	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at June 30, 2020	Unaudited pro forma adjusted consolidated net tangible assets per Share	
	(Note 1) RMB'000	(Note 2) RMB'000	RMB'000	(Note 3) RMB	(Note 4) HK$
Based on an Offer Price of HK$3.24 per Share after a Downward Offer Price Adjustment of approximately 10%	2,970,257	888,570	3,858,827	2.89	3.41
Based on an Offer Price of HK$3.60 per Share	2,970,257	988,882	3,959,139	2.97	3.50
Based on an Offer Price of HK$4.60 per Share	2,970,257	1,267,529	4,237,786	3.18	3.75

Notes:

(1) The audited consolidated net tangible assets of the Group attributable to the owners of the Company as at June 30, 2020 is extracted from the Accountant's Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to the owners of the Company as at June 30, 2020 of approximately RMB2,986,977,000, with adjustment for intangible assets as at June 30, 2020 of approximately RMB16,720,000.

(2) The estimated net proceeds from the Global Offering are based on the indicative Offer Price of HK$3.60 and HK$4.60 per share, being the low and high end of the indicative Offer Price range, and also based on an Offer Price of HK$3.24 per Offer Share after making a Downward Offer Price Adjustment of approximately 10%, respectively, after deduction of the underwriting fees and other related expenses (excluding listing expenses of approximately RMB37,548,000 which have been accounted for in the consolidated statements of comprehensive income of the Group prior to June 30, 2020) paid/payable by the Company, and takes no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option, any options which may be granted under the Share Option Scheme or any Shares which may be issued or repurchased by the Company pursuant to the general mandates given to the Directors for issue and allotment of Shares as described in the section headed "Share Capital" in this prospectus.

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraph and on the basis that 1,333,400,000 Shares were in issue, assuming that the Global Offering and Capitalization Issue have been completed on June 30, 2020 but takes no account of any Shares which may be allotted and issued pursuant to the exercise of the options which may be granted under the Share Option Scheme and any Shares which may be issued or repurchased by the Company pursuant to the general mandates given to the Directors for issue and allotment of Shares as described in the section headed "Share Capital" in this prospectus.

(4) For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets, the balances stated in Renminbi are converted into Hong Kong dollars at a rate of RMB1.0000 to HK$1.1786, as set out in "Information about this Prospectus and the Global Offering" to this prospectus. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(5) No adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to June 30, 2020.

B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

pwc 羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Datang Group Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Datang Group Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Director") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at June 30, 2020 and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages II-1 to II-2 of the Company's prospectus dated November 27, 2020, in connection with the proposed global offering of the shares of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed global offering on the Group's financial position as at June 30, 2020 as if the proposed global offering had taken place at June 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 information for the period ended June 30, 2020, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited 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 7, *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("AG 7"), issued by the Hong Kong Institute of Certified Public Accountants ("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 behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA 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.

PricewaterhouseCoopers, 22/F, Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited 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 Unaudited 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 accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited 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 Unaudited 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 Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or 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 proposed global offering at June 30, 2020 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited 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 unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

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

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) or standards and practices of any professional body in any other overseas jurisdiction and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong
November 27, 2020

The following is the text of a letter, summary of values and valuation certificates 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 August 31, 2020 of the selected property interests held by Datang Group Holdings Limited.

JLL 仲量聯行

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
7/F One Taikoo Place 979 King's Road Hong Kong
tel +852 2846 5000 fax +852 2169 6001
License No: C-030171

November 27, 2020

The Board of Directors
Datang Group Holdings Limited
Tower B, Dynasty Center
No.2001, Lvling Street
Siming District
Xiamen
Fujian Province
China

Dear Sirs,

In accordance with your instructions to value the selected property interests held by Datang Group Holdings Limited (the "**Company**") and its subsidiaries, joint ventures and associated companies (hereinafter together referred to as the "**Group**") 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 on the market values of the property interests as at August 31, 2020 (the "**valuation date**").

The selected property interests form part of property activities that each property has a carrying amount of 1% or more of the Group's total assets and therefore the valuation report of these property interests are required to be included in this Prospectus.

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 was 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 portions of the property interests in Group I which are held and occupied by the Group, property interests in Group II which are held for sale by the Group, portions of the property interests in Group III which are held for investment by the Group 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 pre-supposes that evidence of relevant transactions in the market can be extrapolated to similar properties, subject to allowances for variable factors.

We have valued the hotel components in Group I which are held and occupied by the Group by the Discounted Cash Flow ("DCF") Analysis, which derives the market value by discounting the future net cash flow of the property to its present value by using an appropriate discount rate that reflects the rate of return required by a third party investor for similar type of properties. We have prepared a 10-year cash flow forecast with reference to the current and anticipated market condition. The discount rate reflects the inherence risk associated with investment in the hotel and is consistent with the projected cash flow.

For the purpose of our valuation, real estate developments for sale are those the Construction Work Completion and Inspection Certificates/Tables/Reports 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 have been obtained, this also includes those property interests which the State-owned Land Use Rights Grant Contract have been signed, but the State-owned Land Use Rights Certificates have not been issued.

We have valued portions of the property interests in Group III which are held for investment by the Group by 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 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 portions of the property interests in Group III which are construction in progress held for investment by the Group and property interests in Group IV which are currently under development by the Group, 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, real estate developments under development are those for which the Construction Works Commencement Permit(s) has (have) been issued while the Construction Works Certified Report(s) or Certificate(s) of Completion 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 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 interests 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 value.

In valuing the property interests, 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 published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group 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 adviser—Jingtian & Gongcheng, concerning the validity of the property interests in the PRC.

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 and that no unexpected cost and delay will be incurred during construction. 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 August 2019 and August 2020 by about 10 technical staffs including Mr. Michael Yu, Mr. Legend Zhan, Mr. Jayden Gu, Mr. Ross Tan, Ms. Raina Zheng and etc. They are Chartered Surveyors/China Certified Real Estate Appraisers/China Qualified Land Valuers/China Certified Public Valuers or have more than 3 years' experience in the valuation of properties in the PRC.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group 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.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

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 the March 11, 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 remain 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.

Our summary of values and valuation certificates are 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 OF VALUES

Abbreviation:

Group I: Properties held and occupied by the Group in the PRC
Group II: Properties held for sale by the Group in the PRC
Group III: Properties held for investment by the Group in the PRC
Group IV: Properties held under development 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
"—" or N/A: Not applicable or not available

In this summary of values, the values have been rounded to hundred thousand.

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
1.	Portions of Tong'an Dynasty Royalty located at the eastern side of Chengnan Road and the northern side of Huancheng South Road Tong'an District Xiamen City Fujian Province The PRC (廈門·同安大唐世家)	—	27,900,000	80,300,000	—	—	—	**108,200,000**	100.00%	**108,200,000**
2.	Tong'an Shuiyunjian located at the eastern side of Tingxi Avenue Tong'an District Xiamen City Fujian Province The PRC (廈門·同安水雲間)	—	—	—	876,600,000	—	—	**876,600,000**	100.00%	**876,600,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
3.	Xiamen Dynasty Center located at the northern side of Lvling Road Siming District Xiamen City Fujian Province The PRC (廈門·大唐中心)	619,800,000	—	444,900,000	—	—	—	**1,064,700,000**	100.00%	**1,064,700,000**
4.	Tong'an Dynasty Hotel located at the western side of Tong'an Chengnan Avenue Tong'an District Xiamen City Fujian Province The PRC (廈門·同安大唐酒店)	—	—	—	—	105,000,000	—	**105,000,000**	100.00%	**105,000,000**
5.	Portions of Dynasty Business Center No.570 Jiahe Road Huli District Xiamen City Fujian Province The PRC (廈門·大唐商務中心)	—	—	62,500,000	—	—	—	**62,500,000**	100.00%	**62,500,000**
6.	Various commercial units of Xiamen Dynasty Royalty Phase 6 No.660-664 Xinglong Road Huli District Xiamen City Fujian Province The PRC (廈門·大唐世家六期)	—	—	15,500,000	—	—	—	**15,500,000**	100.00%	**15,500,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
7.	Spring Impression located at the western side of Dong'er Huan Road and the eastern side of Hebing North Road An'xi County Quanzhou City Fujian Province The PRC (泉州· 印象春天小區)	—	—	—	419,200,000	—	—	**419,200,000**	45.00%	**188,600,000**
8.	Portions of Yuanchang Longting Huafu located at the southern side of Nanquan Express and the northern side of S308 Road Nan'an County Quanzhou City Fujian Province The PRC (泉州· 源昌隆庭華府)	—	511,700,000	—	—	—	—	**511,700,000**	25.00%	**127,900,000**
9.	Portions of Nan'an Dynasty Royalty located at the western side of Jinxia Road Shanmei and Changfu Village Xiamei Town Nanan County Quanzhou City Fujian Province The PRC (泉州· 南安大唐世家)	—	390,400,000	—	—	—	—	**390,400,000**	25.00%	**97,600,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
10.	Portions of Luojiang Dynasty Royalty located at the eastern side of Yangguang North Road and the northern side of Hengtai Road Luojiang District Quanzhou City Fujian Province The PRC (泉州·洛江大唐世家)	—	705,300,000	—	19,800,000	—	—	**725,100,000**	50.00%	**362,600,000**
11.	Jinjiang Dynasty Royalty located at the western side of Xincheng Road and the northern side of Beihuan Road Jinjiang City Quanzhou City Fujian Province The PRC (泉州·晉江大唐世家)	—	—	—	690,700,000	—	—	**690,700,000**	55.00%	**379,900,000**
12.	Jiaomei Dynasty Royalty located at the eastern side of Jiaomei Avenue and the northern side of National Road No.324 Jiaomei Town Zhangzhou City Fujian Province The PRC (漳州·角美大唐世家)	—	—	—	1,817,800,000	—	—	**1,817,800,000**	67.00%	**1,217,900,000**
13.	Dynasty Happy Lane located at the western side of Zhanghua Road and the southern side of Jinting Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州·大唐幸福里)	—	—	—	724,100,000	—	—	**724,100,000**	64.18%	**464,700,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
14.	Yunxiao Dynasty Impression located at the intersection of Jiangjun Avenue and Dingxi Road Pumei Town Zhangzhou City Fujian Province The PRC (漳州· 雲霄大唐印象)	—	—	—	476,600,000	—	—	**476,600,000**	80.00%	**381,300,000**
15.	Portions of Mingmen Impression located at the western side of Datongbei Road and the northern side of Tengfei Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州· 名門印象)	—	624,600,000	71,000,000	—	—	—	**695,600,000**	100.00%	**695,600,000**
16.	Portions of Tianlai Town Phase I located at Houfang Village Changtai Tourism Zone Changtai County Zhangzhou City Fujian Province The PRC (漳州· 天籟小鎮一期)	—	—	—	—	111,400,000	—	**111,400,000**	70.00%	**78,000,000**
17.	Jiangshan Tianjing located at the northern side of Luojishan Road and the western side of Nanbei Sixth Road Taiwanese Investment Zone Zhangzhou City Fujian Province The PRC (漳州· 江山天境)	—	—	—	902,700,000	—	—	**902,700,000**	30.00%	**270,800,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
18.	Zhangzhou Dynasty Chunfengli located at the southern side of Shengli West Road and the western side of Jinfeng South Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州· 大唐春風里)	—	—	—	287,100,000	—	—	**287,100,000**	51.00%	**146,400,000**
19.	Dynasty Chunfengli Phase II located at the western side of Jinfeng South Road and the northern side of Ruijing Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州· 大唐春風里二期)	—	—	—	492,500,000	—	—	**492,500,000**	60.00%	**295,500,000**
20.	Tianlai Town Phase II located at Houfang Village Changtai Tourism Zone Changtai County Zhangzhou City Fujian Province The PRC (漳州· 天籟小鎮二期)	—	—	—	—	118,100,000	—	**118,100,000**	70.00%	**82,700,000**
21.	Dynasty Jinxiu Royalty located at the eastern side of Shengwang Avenue and the northern side of planned Beidou Road Longwen District Zhangzhou City Fujian Province The PRC (漳州· 大唐錦繡世家)	—	—	—	308,100,000	—	—	**308,100,000**	70.00%	**215,700,000**

No.	Property	Market value in existing state as at the valuation date *RMB* Group I:	Market value in existing state as at the valuation date *RMB* Group II:	Market value in existing state as at the valuation date *RMB* Group III:	Market value in existing state as at the valuation date *RMB* Group IV:	Market value in existing state as at the valuation date *RMB* Group V:	Market value in existing state as at the valuation date *RMB* Group VI:	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
22.	Yango Dynasty Feili Impression located at the western side of Lanqiao Road and the southern side of North Ring Road Longwen District Zhangzhou City Fujian Province The PRC (漳州·陽光城大唐翡麗印象)	—	—	—	595,400,000	624,800,000	—	**1,220,200,000**	50.00%	**610,100,000**
23.	Xiuyu Dynasty Royalty located at the eastern side of Xiushan Road and the southern side of Qingtang Avenue Xiuyu District Putian City Fujian Province The PRC (莆田·秀嶼大唐世家)	—	—	—	554,300,000	—	—	**554,300,000**	35.00%	**194,000,000**
24.	Putian Yuhu Project located at the northern side of Shangji Street Licheng District Putian City Fujian Province The PRC (莆田· 莆田玉湖項目)	—	—	—	—	—	No commercial value	**Nil**	100.00%	**Nil**
25.	Dynasty Shuxiang Yazhu located at the northern side of Xiyuangong Road and the eastern side of Fuzhou City Expressway Fuzhou City Fujian Province The PRC (福州· 書香雅築)	—	—	—	896,300,000	—	—	**896,300,000**	100.00%	**896,300,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
26.	Longjiang Jiujin Pavilion located at the eastern side of Fuzheng Road and the northern side of Chuangye Avenue Fuzhou City Fujian Province The PRC (福州· 龍江玖錦閣)	—	—	—	1,701,300,000	—	—	**1,701,300,000**	33.00%	**561,400,000**
27.	Pukou Dynasty Royalty located at the northern side of Qishan Avenue and the eastern side of Puxing Road Fuzhou City Fujian Province The PRC (福州· 浦口大唐世家)	—	—	—	—	—	No commercial value	**Nil**	90.00%	**Nil**
28.	Nanning Dynasty Tianyue located at the northern side of Anyuan East Road and the southern side of Luxianling Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐天悅)	—	—	—	587,200,000	—	—	**587,200,000**	55.55%	**326,200,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
29.	Portions of Nanning Dynasty Tiancheng Phases I & II located at the northern side of Mingxiu East Road and the eastern side of Beihu North Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐天城一期和二期)	—	26,200,000	573,600,000	—	—	—	**599,800,000**	100.00%	**599,800,000**
30.	Nanning Dynasty Tiancheng Phase III located at the northern side of Mingxiu East Road and the western side of Beihu North Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐天城三期)	—	—	32,600,000	847,900,000	—	—	**880,500,000**	100.00%	**880,500,000**
31.	Anji Dynasty Royalty located at the western side of Anji Road and the northern side of Xiuxiang Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 安吉大唐世家)	—	—	—	639,800,000	—	—	**639,800,000**	70.00%	**447,900,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
32.	Xingning Dynasty Youth located at the southern side of Nanwu Road Xingning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·興寧大唐果)	—	—	—	530,500,000	—	—	**530,500,000**	76.92%	**408,100,000**
33.	Portions of Nanning Dynasty Shengshi Phases I & II located at the southern side of Xinyong Road and the eastern side of Longgang Avenue Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐盛世一期和二期)	—	194,500,000	—	268,300,000	—	—	**462,800,000**	100.00%	**462,800,000**
34.	Nanning Dynasty Shengshi Phase III located at the southern side of Xinyong Road and the eastern side of Longgang Avenue Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐盛世三期)	—	—	—	1,837,100,000	—	—	**1,837,100,000**	100.00%	**1,837,100,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
35.	Portions of Longgang Dynasty Royalty located at the western side of Longgang Avenue and the northern side of Yongda North Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·龍崗大唐世家)	—	112,300,000	34,200,000	—	—	—	**146,500,000**	100.00%	**146,500,000**
36.	Wuxiang Dynasty Youth located at the western side of Fengchao Road and the northern side of Liangxing Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·五象大唐果)	—	—	—	491,700,000	—	—	**491,700,000**	96.88%	**476,400,000**
37.	Portions of Dynasty International Center located at the eastern side of Feilong Road and the northern side of Pange Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐國際中心)	109,300,000	56,200,000	205,500,000	—	—	—	**371,000,000**	100.00%	**371,000,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
38.	Portions of Dynasty Zhenguan located at the eastern side of Tongguling Road and the northern side of Fengling South Road Qingxiu District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐臻觀)	—	31,200,000	—	2,281,100,000	—	—	**2,312,300,000**	85.00%	**1,965,500,000**
39.	Portions of Xingning Dynasty Impression located at the northern side of Hongqiao Road Xingning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 興寧大唐印象)	—	2,742,700,000	—	52,100,000	—	—	**2,794,800,000**	40.00%	**1,117,900,000**
40.	Portions of Nanning Headquarters No.1 No.21 Pingle Avenue Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 總部一號)	—	—	26,200,000	—	—	—	**26,200,000**	100.00%	**26,200,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
41.	Jinjiu Royalty located at the eastern side of Dongfeng Road and the southern side of Shunning Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 金玖世家)	—	—	—	1,832,900,000	—	—	**1,832,900,000**	25.00%	**458,200,000**
42.	Portions of Jinyue Qingshan located at the western side of Qingshan Road and the northern side of Yinghua Road Qingxiu District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 錦悅青山)	—	633,300,000	—	583,300,000	—	—	**1,216,600,000**	49.43%	**601,400,000**
43.	Wuxiang Lanting Mansion located at the eastern side of Nahuang Avenue and the southern side of Yudong Avenue Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 五象瀾庭府)	—	—	—	3,780,900,000	—	—	**3,780,900,000**	33.00%	**1,247,700,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
44.	Shenghu Yuejing located at the eastern side of Longgang Avenue and the southern side of Yancun Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·盛湖悦景)	—	—	—	1,890,600,000	—	—	**1,890,600,000**	26.00%	**491,600,000**
45.	Tanfu Impression located at the intersection of Liangqing Avenue and Qinglin Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 檀府印象)	—	—	—	3,868,100,000	—	—	**3,868,100,000**	30.00%	**1,160,400,000**
46.	Yunxitai located at the western side of Dongguoling Main Road and the southern side of Yanzhou Road Xingning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 雲璽台)	—	—	—	281,800,000	—	—	**281,800,000**	25.00%	**70,500,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
47.	Yango Dynasty Royalty located at the eastern side of Pingle Avenue and the southern side of Nafeng Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 陽光城大唐世家)	—	—	—	594,100,000	—	—	**594,100,000**	49.00%	**291,100,000**
48.	Yango Dynasty Tanjing located at the western side of Tanze Road and the northern side of Xialin Road Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 陽光城大唐檀境)	—	—	—	433,700,000	2,910,500,000	—	**3,344,200,000**	41.00%	**1,371,100,000**
49.	Dynasty Shengshi Xuhui Mansion located at the southern side of Xinde Road and the eastern side of Longxiang Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐盛世旭輝府)	—	—	—	—	—	No commercial value	**Nil**	100.00%	**Nil**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
50.	Shengshi Chunjiang located at the southern side of Hejiang Road and the western side of Hehe Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·盛世春江)	—	—	—	—	—	No commercial value	**Nil**	49.00%	**Nil**
51.	Dynasty Biyuan West Garden located at the western side of Hetang Road and the northern side of Gaoyang Road Liudong New District Liuzhou City Guangxi Zhuang Autonomous Region The PRC (柳州·大唐碧園西園)	—	—	—	577,100,000	—	—	**577,100,000**	78.46%	**452,800,000**
52.	Dynasty Biyuan East Garden located at the eastern side of Xueda Road and the southern side of Shuguang Avenue Liuzhou City Guangxi Zhuang Autonomous Region The PRC (柳州·大唐碧園東園)	—	—	—	470,600,000	—	—	**470,600,000**	100.00%	**470,600,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
53.	Liuzhou Dynasty Residence located at the western side of Dujing Road and the northern side of Xijiang Road Liuzhou City Guangxi Zhuang Autonomous Region The PRC (柳州· 大唐觀邸)	—	—	—	516,300,000	168,800,000	—	**685,100,000**	51.00%	**349,400,000**
54.	Guigang Dynasty Royalty located at the southern side of Guizhou Road and the eastern side of Jintian Road Gangbei District Guigang City The Guangxi Zhuang Autonomous Region The PRC (貴港· 大唐世家)	—	—	—	335,000,000	—	—	**335,000,000**	100.00%	**335,000,000**
55.	Portions of Tang Yayuan located at the northern side of Hongyuan Road and the western side of Xiangyun Road Dongli District Tianjin City The PRC (天津· 唐雅苑)	—	31,900,000	—	—	—	—	**31,900,000**	100.00%	**31,900,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
56.	Portions of Bisong Garden located at the southern side of Hongyuan Road and the western side of Xiangyun Road Dongli District Tianjin City The PRC (天津 · 比松花園)	—	78,300,000	—	—	—	—	**78,300,000**	100.00%	**78,300,000**
57.	Vision Commercial Square located at the northern side of Hongshun East Road and the eastern side of Yuhe Road Dongli District Tianjin City The PRC (天津 · 左岸商業廣場)	—	—	42,000,000	522,700,000	—	—	**564,700,000**	100.00%	**564,700,000**
58.	Tang Jinyuan located at the northern side of Hongyuan Road and the eastern side of Xiangyun Road Dongli District Tianjin City The PRC (天津 · 唐槿苑)	—	—	—	612,300,000	—	—	**612,300,000**	100.00%	**612,300,000**
59.	Portions of Guanya Garden located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津 · 觀雅庭院)	—	50,500,000	—	—	—	—	**50,500,000**	100.00%	**50,500,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
60.	Tangsheng Yayuan located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津· 唐晟雅苑)	—	—	—	1,560,900,000	—	—	**1,560,900,000**	100.00%	**1,560,900,000**
61.	Tangxi Yayuan located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津· 唐璽雅苑)	—	—	—	300,000,000	—	—	**300,000,000**	100.00%	**300,000,000**
62.	Tangyun Yayuan located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津· 唐韻雅苑)	—	—	—	548,300,000	99,400,000	—	**647,700,000**	100.00%	**647,700,000**
63.	Portions of Changsha Repulse Bay located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙· 淺水灣)	—	852,700,000	—	19,700,000	—	—	**872,400,000**	100.00%	**872,400,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
64.	Changsha Dynasty Impression (Yufu) located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙· 大唐印象(御府))	—	—	—	926,500,000	—	—	**926,500,000**	100.00%	**926,500,000**
65.	Changsha Dynasty Impression (Yuxi) located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙· 大唐印象(御璽))	—	—	—	1,125,600,000	—	—	**1,125,600,000**	100.00%	**1,125,600,000**
66.	Changsha Dynasty Impression (Yuyuan) located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙· 大唐印象(御園))	—	—	—	196,100,000	24,800,000	—	**220,900,000**	100.00%	**220,900,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
67.	Hantang Royalty located at the southern side of Jinzhou Avenue Wangcheng District Changsha City Hunan Province The PRC (長沙·漢唐世家)	—	—	—	—	—	No commercial value	**Nil**	49.00%	**Nil**
68.	Yueyang Dynasty Royalty Phases I & II & III located at the eastern side of Changfeng Road Yueyang County Yueyang City Hunan Province The PRC (岳陽·大唐世家一二和三期)	—	—	—	269,100,000	112,000,000	—	**381,100,000**	100.00%	**381,100,000**
69.	Yueyang Dynasty Royalty Phases IV & V located at the eastern side of Changfeng Road Yueyang County Yueyang City Hunan Province The PRC (岳陽·大唐世家四五期)	—	—	—	—	—	No commercial value	**Nil**	100.00%	**Nil**
70.	Xi'an Dynasty Youth (West District) located at the northern side of Jingwei Tenth Road Gaoling District Xi'an City Shaanxi Province The PRC (西安·大唐果(西區))	—	—	—	—	85,700,000	—	**85,700,000**	100.00%	**85,700,000**

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		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
71.	Xi'an Dynasty Youth (East District) located at the northern side of Jingwei Tenth Road Gaoling District Xi'an City Shaanxi Province The PRC (西安· 大唐果(東區))	—	—	—	—	78,600,000	—	**78,600,000**	100.00%	**78,600,000**
72.	Portions of Detian International New Town located at the eastern side of Huanghe Road and the northern side of Panjiang Road Xiaohe District Guiyang City Guizhou Province The PRC (貴陽· 德天國際新城)	—	66,000,000	39,200,000	—	—	—	**105,200,000**	100.00%	**105,200,000**
73.	Hanlin Tianchen located at the southern side of Daxuecheng South Road and the eastern side of Chongqing Circular Highway Shapingba District Chongqing City The PRC (重慶· 翰粼天辰)	—	—	—	992,500,000	—	—	**992,500,000**	30.00%	**297,800,000**
74.	Jiuzhu Tianchen located at the northern side of Tongkang Road Beibei District Chongqing City The PRC (重慶· 玖著天宸)	—	—	—	1,419,300,000	—	—	**1,419,300,000**	33.00%	**468,400,000**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
75.	Jinke Town located at the northern side of Baita Road and the southern side of Daxue Road Yibin City Sichuan Province The PRC (宜賓· 金科城)	—	—	—	808,500,000	415,800,000	—	**1,224,300,000**	40.00%	**489,700,000**
76.	Dynasty Zhongnan Yuehu located at the eastern side of Huangpujiang Road and the southern side of Xianggang Road Haimen District Nantong City Jiangsu Province The PRC (南通· 大唐中南閱湖)	—	—	—	374,500,000	—	—	**374,500,000**	55.00%	**206,000,000**
77.	Dynasty Zhongnan Shangyuecheng located at the southern side of Wujin West Avenue Wujin District Changzhou City Jiangsu Province The PRC (常州· 大唐中南上悅城)	—	—	—	—	678,000,000	—	**678,000,000**	51.00%	**345,800,000**
78.	Lanyue Yayuan located at the northern side of Gangcheng Avenue and the eastern side of Xin'gou Road Wuxi City Jiangsu Province The PRC (無錫· 蘭樾雅院)	—	—	—	—	—	No commercial value	**Nil**	100.00%	**Nil**

No.	Property	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	Market value in existing state as at the valuation date *RMB*	The total market value in existing state as at the valuation date *RMB*	Interest attributable to the Group	The Market value attributable to the Group as at the valuation date *RMB*
		Group I:	**Group II:**	**Group III:**	**Group IV:**	**Group V:**	**Group VI:**			
79.	Chenyue Royalty located at the eastern side of Huancheng East Road and the northern side of Huanzhen North Road Ningbo City Zhejiang Province The PRC (寧波· 辰悅世家)	—	—	—	232,400,000	—	—	**232,400,000**	51.00%	**118,500,000**
80.	Jinxia Road 30 Mu Residential Parcel located at the northern side of Jinxia Road Ningbo City Zhejiang Province The PRC (寧波· 錦霞路30畝住宅地塊)	—	—	—	—	—	No commercial value	**Nil**	100.00%	**Nil**
81.	Nanguan Impression located at the western side of Yinshan Road and the northern side of Second Ring Road Huangyan District Taizhou City Zhejiang Province The PRC (台州· 南官印象)	—	—	—	—	—	No commercial value	**Nil**	81.00%	**Nil**
	Total:	**729,100,000**	**7,135,700,000**	**1,627,500,000**	**43,371,000,000**	**5,532,900,000**	—	**58,396,200,000**	—	**35,433,700,000**

Note:

For Property nos. 24, 27, 49, 50, 67, 69, 78, 80 and 81, as at the valuation date, these properties had not been assigned to the Group and thus the title of the properties had not been vested in the Group, the relevant land use rights certificates had not been obtained. Therefore, we have attributed no commercial value to the property.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
1.	Portions of Tong'an Dynasty Royalty located at the eastern side of Chengnan Road and the northern side of Huancheng South Road Tong'an District Xiamen City Fujian Province The PRC (廈門· 同安大唐世家)	Tong'an Dynasty Royalty (the "Project") is located at the eastern side of Chengnan Road and the northern side of Huancheng South Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 35,516.20 sq.m. which had been developed into a residential and commercial development. The Project was completed in May 2016, and its unsold portion (the "unsold units") was partly held for sale and partly held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 20,918.92 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, portions of the property were vacant and the remaining portion of the property was rented to various third parties.	108,200,000 (100.00% interest attributable to the Group: RMB108,200,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract dated September 5, 2002, the land use rights of 3 parcels of land with a total site area of approximately 89,789.00 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Xiamen Tangmen Real Estate Co., Ltd. (廈門唐門房地產有限公司, "Xiamen Tangmen", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB3,989,525.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350212201105039, permission towards the land planning of the aforesaid parcels with a total site area of approximately 89,788.45 sq.m. (inclusive of the Project) has been granted to Xiamen Tangmen.

3. Pursuant to a State-owned Land Use Rights Certificate—Xia Di Fang Zheng Di Tong No. 00002356, the land use rights of the Project with a site area of approximately 35,516.20 sq.m. have been granted to Xiamen Tangmen for terms of 70 years for residential use and 40 years for commercial use.

4. Pursuant to 4 Construction Work Planning Permits—(2005) Xia Gui Tong Jian She Di No. 003 and (2007) Xia Gui Tong Jian She Di Nos. 103, 140 and 172 in favor of Xiamen Tangmen, the Project has been approved for construction.

5. Pursuant to 4 Construction Work Commencement Permits—Nos. 350212200506280201, 350212200712240201, 350212200912160101 and 350212200709060101 in favor of Xiamen Tangmen, permissions by the relevant local authority were given to commence the construction of the Project.

6. Pursuant to 4 Pre-sale Permits—Xia Fang Yu Shou Zheng Di Nos. 20060043, 20070090, 20080015 and 20100002 in favor of Xiamen Tangmen, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 119,946.82 sq.m.) to purchasers.
7. Pursuant to 5 Construction Work Completion and Inspection Tables in favor of Xiamen Tangmen, the construction of the Project with a total gross floor area of approximately 124,242.11 sq.m. has been completed and passed the inspection acceptance.
8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Commercial	2,014.27	
	Car parking spaces	3,340.49	85
	Sub-total:	**5,354.76**	**85**
Group III—held for investment by the Group	Commercial	15,564.16	
	Sub-total:	**15,564.16**	**N/A**
	Total:	**20,918.92**	**85**

9. Pursuant to 6 Tenancy Agreements, portions of the property with a total gross floor area of approximately 15,446.21 sq.m. are leased to 6 tenants with the expiry dates between October 8, 2023 and August 14, 2031, and the monthly rents receivable as at the valuation date ranged from RMB14.5 to RMB37.6 per sq.m., exclusive of management fees, water and electricity charges.
10. Our valuation has been made on the following basis and analysis:
    a. For portions of the property in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,000 to RMB9,000 per sq.m. for commercial units on the first floor and RMB150,000 to 170,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;
    b. For the remaining portion of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

       The unit rent of these comparable commercial units on the first floor range from RMB28 to RMB41 per sq.m. per month; and

       Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 3.7% to 4.2% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 4.0% for the commercial units as the capitalization rate in the valuation.
11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
    a. Xiamen Tangmen is in possession of the land use rights of the property, which are protected under the PRC law;
    b. Xiamen Tangmen is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property; and

c. Portions of the property are subject to a mortgage. Xiamen Tangmen is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	27,900,000
Group III—held for investment by the Group	80,300,000
Total:	**108,200,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
2.	Tong'an Shuiyunjian located at the eastern side of Tingxi Avenue Tong'an District Xiamen City Fujian Province The PRC (廈門· 同安水雲間)	Tong'an Shuiyunjian (the "Project") is located at the eastern side of Tingxi Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 15,000.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 84,816.30 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB279,200,000, of which approximately RMB235,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 1, 2071 for residential use and July 1, 2041 for commercial use.	As at the valuation date, the property was under construction.	876,600,000 (100.00% interest attributable to the Group: RMB876,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—(2001) Tong Di He Zi No. 003 dated December 30, 2000 and a Supplementary Contract, the land use rights of 2 parcels of land with a total site area of approximately 123,465.00 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Xiamen Dazu Real Estate Development Co., Ltd. (廈門市大族房地產開發有限責任公司, "Xiamen Dazu", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use from the land delivery date. The land premium was RMB3,086,625.

2. Pursuant to a Construction Land Planning Permit—(2005) Xia Gui Si Tong Yong Di No. 0173, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 121,656.00 sq.m. (inclusive of the Project) has been granted to Xiamen Dazu.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2018) Xia Men Shi Bu Dong Chan Quan Di No. 0079381-2, the land use rights of the aforesaid land parcels with a total site area of approximately 121,656.46 sq.m. (inclusive of the land use rights of the Project) have been granted to Xiamen Dazu for terms expiring on July 1, 2071 for residential use and July 1, 2041 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350212201702047 in favor of Xiamen Dazu, the Project with a gross floor area of approximately 84,915.21 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350200201712280101 in favor of Xiamen Dazu, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 84,915.21 sq.m.

6. Pursuant to 3 Pre-sale Permits—Yu Shou Xu Ke Zheng Di Nos. 20180040, 20180069 and 20180093 in favor of Xiamen Dazu, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 46,182.61 sq.m. to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	56,002.76	
	Ancillary	1,917.35	
	Basement (inclusive of car parking spaces)	26,896.19	716
	Total:	**84,816.30**	**716**

8. As advised by the Group, various residential units with a total gross floor area of approximately 24,593.79 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB398,347,194. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB972,500,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB15,000 to RMB17,500 per sq.m. for residential units and RMB90,000 to RMB110,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Xiamen Dazu is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Xiamen Dazu has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Xiamen Dazu has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. The property is subject to a mortgage. Xiamen Dazu is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
3.	Xiamen Dynasty Center located at the northern side of Lvling Road Siming District Xiamen City Fujian Province The PRC (廈門· 大唐中心)	Xiamen Dynasty Center (the "Project") is located at the northern side of Lvling Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies several parcels of land with a total site area of approximately 93,166.04 sq.m., which is being developed into a sports facilities and commercial development. Its unsold portion (the "unsold units") was completed in June 2010 and was partly held for investment and partly self-occupied as at the valuation date. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 27,917.71 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole Project with a total planned gross floor area of approximately 160,153.40 sq.m. The classification, usage and gross floor area details of the property are set out in note 2. The land use rights of the property have been granted for terms expiring on October 14, 2054 for sports facilities use and museum use and October 14, 2044 for commercial use.	As at the valuation date, portions of the property were vacant, portions of the property were rented to various third parties, portions of the property were bare land and the remaining portion of the property was self-occupied.	1,064,700,000 (100.00% interest attributable to the Group: RMB1,064,700,000

Notes:

1. Pursuant to 11 Real Estate Title Certificates, the land use rights of the Project with a total site area of approximately 93,166.04 sq.m. have been granted to Xiamen Jingding Sports Culture Development Co., Ltd (廈門京鼎體育文化發展有限公司, "Xiamen Jingding", a wholly-owned subsidiary of the Company) for terms expiring on October 14, 2054 for sports facilities use and museum use and October 14, 2044 for commercial use. The buildings of the property are owned by Xiamen Jingding with a total gross floor area of approximately 132,235.69 sq.m.

2. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group I—held and occupied by the Group	Sports facility	38,304.36	
	Commercial	23,175.25	
	Hotel	32,624.80	
	Sub-total	**94,104.41**	**N/A**
Group III—held for investment by the Group (completed)	Sports facility	541.00	
	Commercial	37,590.28	
	Sub-total	**38,131.28**	**N/A**
Group III—held for investment by the Group (bare land)	Commercial	12,910.73	
	Hotel	15,006.98	
	Sub-total:	**27,917.71**	**N/A**
	Total:	**160,153.40**	**N/A**

3. Pursuant to 17 Tenancy Agreements, portions of the property with a total gross floor area of approximately 24,037.88 sq.m. are leased to 17 tenants with the expiry dates between November 24, 2020 and November 30, 2027, and the monthly rents receivable as at the valuation date ranged from RMB18.2 to RMB154.7 per sq.m., exclusive of management fees, water and electricity charges.

4. Our valuation has been made on the following basis and analysis:

   a. For the commercial and sports facility portions of the property in Group I and the completed portion in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units and sports facilities of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

      The unit rent of these comparable commercial units on the first floor range from RMB2.5 to RMB5.2 per sq.m. per day and the unit rent of these comparable sports facilities range from RMB0.95 to RMB1.4 per sq.m;

      Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 4.8% to 6.2%, for sports facilities, the stabilized market yield ranged from 4.7% to 6.3% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.3% for the commercial units and 6.0% for sports facilities as the capitalization rate in the valuation;

   b. For the bare land portion of the property in Group III, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB3,900 to RMB4,600 per sq.m. for commercial and hotel use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered; and

c. In valuing the hotel portion of the property in Group I, our adopted key assumptions are summarized as follows:

i.	Average daily room rate ("ADR")	RMB470 for year 1
ii.	Occupancy rate for year 1	60.0%
iii.	Stabilized occupancy rate	70.0%
iv.	Capitalization rate	5.5%

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

a. Xiamen Jingding is in possession of the land use rights of the property, which are protected under the PRC law;

b. Xiamen Jingding is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property; and

c. Portions of the property are subject to a mortgage. Xiamen Jingding is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	N/A
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	N/A
c.	Real Estate Title Certificate	Yes
d.	Construction Land Planning Permit	N/A
e.	Construction Work Planning Permit	N/A
f.	Construction Work Commencement Permit	N/A
g.	Pre-sale Permit	N/A
h.	Construction Work Completion and Inspection Certificate/Table/Report	N/A

7. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group I—held and occupied by the Group	619,800,000
Group III—held for investment by the Group	444,900,000
Total:	**1,064,700,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
4.	Tong'an Dynasty Hotel located at the western side of Tong'an Chengnan Avenue Tong'an District Xiamen City Fujian Province The PRC (廈門· 同安大唐酒店)	Tong'an Dynasty Hotel (the "Project") is located at the western side of Tong'an Chengnan Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 16,850.39 sq.m., which will be developed into a hotel development with a total planned gross floor area of approximately 64,320.00 sq.m. and a plot ratio accountable gross floor area of approximately 48,000.00 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted a term expiring on May 3, 2057 for hotel use.	As at the valuation date, the property was bare land.	105,000,000 (100.00% interest attributable to the Group: RMB105,000,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—(2002) Tong Di He Zi (Gua) No. 004 dated October 16, 2002 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 16,850.39 sq.m. were contracted to be granted to Xiamen Tangmen Real Estate Co., Ltd. (廈門唐門房地產有限公司, "Xiamen Tangmen", a wholly-owned subsidiary of the Company) for a term of 40 years for hotel use commencing from the land delivery date. The land premium was RMB12,000,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350212201809908, permission towards the land planning of the Project with a site area of approximately 16,850.39 sq.m. has been granted to Xiamen Tangmen.
3. Pursuant to a Real Estate Title Certificate (for land)—Min (2017) Xia Men Shi Bu Dong Chan Quan Di No. 0051740, the land use rights of the Project with a site area of approximately 16,850.39 sq.m. have been granted to Xiamen Tangmen for a term expiring on May 3, 2057 for hotel use.
4. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group V—held for future development by the Group	Hotel	36,000.00	
	Commercial	12,000.00	
	Basement (inclusive of car parking spaces)	16,320.00	320
	Total:	**64,320.00**	**320**

5. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB1,900 to RMB2,300 per sq.m. for hotel use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Xiamen Tangmen is in possession of the land use rights of the property, which are protected under the PRC law; and

   b. The property is subject to a mortgage. Xiamen Tangmen is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

8. For the purpose of this report, the property is classified into the group as "Group V—held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
5.	Portions of Dynasty Business Center No.570 Jiahe Road Huli District Xiamen City Fujian Province The PRC (廈門·大唐商務中心)	Dynasty Business Center (the "Project") is located at No.570 Jiahe Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project had been developed into an office and commercial development and was completed in the late 1990s. Its unsold portion (the "unsold units") was held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units with a total gross floor area of approximately 6,958.41 sq.m. The classification, usage and gross floor area details of the property are set out in note 2. The land use rights of the property have been granted for a term expiring on May 17, 2045 for office use.	As at the valuation date, the property was rented to a third party.	62,500,000 (100.00% interest attributable to the Group: RMB62,500,000)

Notes:

1. Pursuant to 39 Real Estate Title Certificates, the land use rights of the Project have been granted to Xiamen Datang Real Estate Group Development Co., Ltd. (廈門大唐房地產集團有限公司, "Xiamen Datang", a wholly-owned subsidiary of the Company) for a term expiring on May 17, 2045 for office use. The property is owned by Xiamen Datang with a total gross floor area of approximately 6,958.41 sq.m.

2. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)
Group III—held for investment by the Group	Office	6,958.41

3. Pursuant to a Tenancy Agreement, the property with a gross floor area of approximately 6,958.41 sq.m. is leased to a tenant with the expiry date on May 31, 2023, and the monthly rent receivable as at the valuation date was RMB43.2 per sq.m., exclusive of management fees, water and electricity charges.

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have considered the actual rents in the existing tenancy agreement (if any) and also compared with similar developments which are located in the similar areas as the office units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   The unit rent of these comparable office units range from RMB48 to RMB62 per sq.m. per month; and

   Based on our market research in the surrounding area of the property, for office portions, the stabilized market yield ranged from 4.8% to 5.2% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.0% for the office units in the valuation.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Xiamen Datang is in possession of the building ownership rights of the property, which are protected under the PRC law; and

   b. The property is subject to a mortgage. Xiamen Datang is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	N/A
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	N/A
c.	Real Estate Title Certificate	Yes
d.	Construction Land Planning Permit	N/A
e.	Construction Work Planning Permit	N/A
f.	Construction Work Commencement Permit	N/A
g.	Pre-sale Permit	N/A
h.	Construction Work Completion and Inspection Certificate/Table/Report	N/A

7. For the purpose of this report, the property is classified into the group as "Group III—held for investment by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
6.	Various commercial units of Xiamen Dynasty Royalty Phase 6 No.660-664 Xinglong Road Huli District Xiamen City Fujian Province The PRC (廈門·大唐世家六期)	Xiamen Dynasty Royalty Phase 6 (the "Project") is located at No.660-664 Xinglong Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project had been developed into a residential and commercial development and was completed in the mid 2000s. Its unsold portion (the "unsold units") was held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 4,694.13 sq.m. The classification, usage and gross floor area details of the property are set out in note 2. The land use rights of the property have been granted for a term expiring on February 28, 2040 for commercial use.	As at the valuation date, the property was rented to a third party.	15,500,000 (100.00% interest attributable to the Group: RMB15,500,000)

Notes:

1. Pursuant to 2 Real Estate Title Certificates, the land use rights of the Project have been granted to Xiamen Datang Real Estate Group Development Co., Ltd. (廈門大唐房地產集團有限公司, "Xiamen Datang", a wholly-owned subsidiary of the Company) for a term expiring on February 28, 2040 for commercial use. The property is owned by Xiamen Datang with a total gross floor area of 4,694.13 sq.m.

2. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)
Group III—held for investment by the Group	Commercial	4,694.13

3. Pursuant to a Tenancy Agreement, the property with a gross floor area of approximately 4,694.13 sq.m. is leased to a tenant with the expiry date on July 31, 2032, and the monthly rents receivable as at the valuation date was RMB9.5 per sq.m., exclusive of management fees, water and electricity charges.

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   The unit rent of these comparable commercial units on the first floor range from RMB38 to RMB50 per sq.m. per month; and

Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 4.2% to 4.7% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 4.5% for the commercial units in the valuation.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Xiamen Datang is in possession of the building ownership rights of the property, which are protected under the PRC law; and

   b. Xiamen Datang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	N/A
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	N/A
c.	Real Estate Title Certificate	Yes
d.	Construction Land Planning Permit	N/A
e.	Construction Work Planning Permit	N/A
f.	Construction Work Commencement Permit	N/A
g.	Pre-sale Permit	N/A
h.	Construction Work Completion and Inspection Certificate/Table/Report	N/A

7. For the purpose of this report, the property is classified into the group as "Group III—held for investment by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
7.	Spring Impression located at the western side of Dong'er Huan Road and the eastern side of Hebing North Road An'xi County Quanzhou City Fujian Province The PRC (泉州· 印象春天小區)	Spring Impression (the "Project") is located at the western side of Dong'er Huan Road and the eastern side of Hebing North Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 29,252.80 sq.m. which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in February 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 114,125.63 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB323,000,000, of which approximately RMB71,100,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on October 9, 2089 for residential use.	As at the valuation date, the property was under construction.	419,200,000 (45.00% interest attributable to the Group: RMB188,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35052420190730 Pai 021 dated August 7, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 29,252.80 sq.m. were contracted to be granted to Anxi Tangrui Real Estate Development Co., Ltd. (安溪唐瑞房地產開發有限公司, "Anxi Tangrui", a 45.00%-owned joint venture of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB311,000,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350524201908009, permission towards the land planning of the Project with a site area of approximately 29,252.80 sq.m. has been granted to Anxi Tangrui.
3. Pursuant to a Real Estate Title Certificate (for land)—Min (2019) Di No. 0011539, the land use rights of the Project with a site area of approximately 29,252.80 sq.m. have been granted to Anxi Tangrui for a term expiring on October 9, 2089 for residential use.
4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350524201910018 in favor Anxi Tangrui, the Project with a gross floor area of approximately 114,447.05 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350524201911140101 in favor of Anxi Tangrui, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 114,447.05 sq.m.

6. Pursuant to 2 Pre-sale Permits—(An) Yu Shou (2002) Nos. 5 and 20 in favor of Anxi Tangrui, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 53,662.78 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	80,076.48	
	Commercial	3,623.00	
	Ancillary	6,297.25	
	Basement (inclusive of car parking spaces)	24,128.90	493
	Total:	**114,125.63**	**493**

8. As advised by the Group, various residential units with a total gross floor area of approximately 27,408.11 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB226,246,689. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB766,700,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB8,000 to RMB9,000 per sq.m. for residential units, RMB13,000 to RMB18,000 per sq.m. for commercial units on the first floor and RMB100,000 to RMB120,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Anxi Tangrui is in possession of the land use rights of the property, which are protected under the PRC law; Anxi Tangrui is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Anxi Tangrui has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Anxi Tangrui has the rights to legally pre-sale such portion according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as “Group IV—held under development by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
8.	Portions of Yuanchang Longting Huafu located at the southern side of Nanquan Express and the northern side of S308 Road Nan'an County Quanzhou City Fujian Province The PRC (泉州· 源昌隆庭華府)	Yuanchang Longting Huafu (the "Project") is located at the southern side of Nanquan Express and the northern side of S308 Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 24,203.00 sq.m. which had been developed into a residential and commercial development. The Project was completed in June 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 68,012.96 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for terms expiring on January 15, 2088 for residential use and January 15, 2058 for commercial use.	As at the valuation date, the property was vacant.	511,700,000 (25.00% interest attributable to the Group: RMB127,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35058320180105P010 dated January 23, 2018 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 24,203.00 sq.m. were contracted to be granted to Nan'an Yuanchang Properties Co., Ltd. (南安源昌置業有限公司, "Nan'an Yuanchang", a 25.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB111,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350583201800006, permission towards the land planning of the Project with a site area of approximately 24,203.00 sq.m. has been granted to Nan'an Yuanchang.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2018) Nan An Shi Bu Dong Chan Quan Di No. 1100032, the land use rights of the Project with a site area of approximately 24,203.00 sq.m. have been granted to Nan'an Yuanchang for terms expiring on January 15, 2088 for residential use and January 15, 2058 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350583201800018 in favor of Nan'an Yuanchang, the Project with a gross floor area of approximately 81,880.21 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350583201804030201 in favor of Nan'an Yuanchang, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 81,880.21 sq.m.

6. Pursuant to 2 Pre-sale Permits—Nan Yu Shou (2018) Nos. 18 and 42 in favor of Nan'an Yuanchang, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 68,012.96 sq.m.) to purchasers.

7. Pursuant to a Construction Work Completion and Inspection Table in favor of Nan'an Yuanchang, the construction of the Project with a gross floor area of approximately 81,879.00 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	59,902.83	
	Commercial	2,188.85	
	Car parking spaces	5,921.28	423
	Total:	**68,012.96**	**423**

9. As advised by the Group, various residential and commercial units with a total gross floor area of approximately 52,969.84 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB406,033,569. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

10. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,500 to RMB8,500 per sq.m. for residential units, RMB13,000 to RMB18,000 per sq.m. for commercial units on the first floor and RMB60,000 to RMB80,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Nan'an Yuanchang is in possession of the land use rights of the property, which are protected under the PRC law; Nan'an Yuanchang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Nan'an Yuanchang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

13. For the purpose of this report, the property is classified into the group as "Group II—held for sale by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
9.	Portions of Nan'an Dynasty Royalty located at the western side of Jinxia Road Shanmei and Changfu Village Xiamei Town Nanan County Quanzhou City Fujian Province The PRC (泉州· 南安大唐世家)	Nan'an Dynasty Royalty (the "Project") is located at the western side of Jinxia Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 2 parcels of land with a total site area of approximately 19,806.00 sq.m., which had been developed into a residential and commercial development. The Project was completed in August 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 54,258.41 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for terms expiring on January 15, 2088 for residential use and January 15, 2058 for commercial use.	As at the valuation date, the property was vacant.	390,400,000 (25.00% interest attributable to the Group: RMB97,600,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nos. 35058320180105P012 and 35058320180105P011 dated February 1, 2018 and 2 Supplementary Contracts, the land use rights of the Project with a total site area of approximately 19,806.00 sq.m. were contracted to be granted to Quanzhou Tangmei Real Estate Co., Ltd. (泉州唐美房地產有限公司,"Quanzhou Tangmei", a 25.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB92,000,000.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Di Nos. 350583201800008 and 350583201800009, permissions towards the land planning of the Project with a total site area of approximately 19,806.00 sq.m. have been granted to Quanzhou Tangmei.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Min (2018) Nan An Shi Bu Dong Chan Quan Di Nos. 1100033 and 1100034, the land use rights of the Project with a total site area of approximately 19,806.00 sq.m. have been granted to Quanzhou Tangmei for terms expiring on January 15, 2088 for residential use and January 15, 2058 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350583201800017 in favor of Quanzhou Tangmei, the Project with a gross floor area of approximately 66,153.76 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350583201804030101 in favor of Quanzhou Tangmei, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 66,153.76 sq.m.

6. Pursuant to 2 Pre-sale Permits—Nan Yu Shou (2018) No. 28 and Nan Yu Shou (2019) No. 20 in favor of Quanzhou Tangmei, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 54,258.41 sq.m.) to purchasers.

7. Pursuant to a Construction Work Completion and Inspection Table in favor of Quanzhou Tangmei, the construction of the Project with a gross floor area of approximately 66,049.11 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	49,016.25	
	Commercial	1,551.44	
	Car parking spaces	3,690.72	271
	Total:	**54,258.41**	**271**

9. As advised by the Group, various residential and commercial units with a total gross floor area of approximately 39,845.58 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB287,232,357. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,000 to RMB7,300 per sq.m. for residential units, RMB12,000 to RMB15,000 per sq.m. for commercial units on the first floor and RMB65,000 to RMB75,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Quanzhou Tangmei is in possession of the land use rights of the property, which are protected under the PRC law; Quanzhou Tangmei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Quanzhou Tangmei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

13. For the purpose of this report, the property is classified into the group as "Group II – held for sale by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
10.	Portions of Luojiang Dynasty Royalty located at the eastern side of Yangguang North Road and the northern side of Hengtai Road Luojiang District Quanzhou City Fujian Province The PRC (泉州· 洛江大唐世家)	Luojiang Dynasty Royalty (the "Project") is located at the eastern side of Yangguang North Road and the northern side of Hengtai Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 56,484.00 sq.m., which is being developed into a residential and commercial development. Portions of the Project were completed in July 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in December 2020. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 1,423.86 sq.m. As at the valuation date, the property comprised the unsold units and the CIP of the Project with a total planned gross floor area of approximately 74,128.48 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB4,400,000, of which approximately RMB3,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on January 10, 2088 for residential use and January 10, 2058 for commercial use.	As at the valuation date, the unsold units of the property were vacant and the remaining portion of the property was under construction.	725,100,000 (50.00% interest attributable to the Group: RMB362,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35050420171213P001 dated December 26, 2017 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 56,484.00 sq.m. were contracted to be granted to Quanzhou Tangcheng Real Estate Co., Ltd. (泉州唐城房地產有限公司, "Quanzhou Tangcheng", a 50.00%-owned subsidiary of the Company) for terms

of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB460,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350504201820002, permission towards the land planning of the Project with a site area of approximately 56,484.00 sq.m. has been granted to Quanzhou Tangcheng.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2018) Luo Jiang Qu Bu Dong Chan Quan Di No. 0000522, the land use rights of the Project with a site area of approximately 56,484.00 sq.m. have been granted to Quanzhou Tangcheng for terms expiring on January 10, 2088 for residential use and January 10, 2058 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350504201830004 in favor of Quanzhou Tangcheng, the Project with a gross floor area of approximately 186,558.89 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350504201805251501 in favor of Quanzhou Tangcheng, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 186,558.89 sq.m.

6. Pursuant to 4 Pre-sale Permits—(Quan Luo Zhu) Yu Shou (2018) Di Nos. 3, 7, 9 and (Quan Luo Zhu) Yu Shou (2019) Di No. 1 in favor of Quanzhou Tangcheng, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 150,331.78 sq.m.) to purchasers.

7. Pursuant to 2 Construction Work Completion and Inspection Tables in favor of Quanzhou Tangcheng, the construction of portions of the Project with a total gross floor area of approximately 185,112.12 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	48,526.78	
	Commercial	13,986.33	
	Car parking spaces	10,191.51	801
	Sub-total:	**72,704.62**	**801**
Group IV—held under development by the Group	Commercial	1,411.68	
	Ancillary	12.18	
	Sub-total:	**1,423.86**	**N/A**
	Total:	**74,128.48**	**801**

9. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 51,792.56 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB432,454,138. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. The market value of the CIP the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB22,600,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property.

The unit price of these comparable properties ranges from RMB7,000 to RMB9,000 per sq.m. for residential units, RMB11,000 to RMB17,000 per sq.m. for commercial units on the first floor and RMB100,000 to RMB130,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Quanzhou Tangcheng is in possession of the land use rights of the property, which are protected under the PRC law; Quanzhou Tangcheng is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Quanzhou Tangcheng has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Quanzhou Tangcheng has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date (*RMB*)**
Group II—held for sale by the Group	705,300,000
Group IV—held under development by the Group	19,800,000
Total:	**725,100,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
11.	Jinjiang Dynasty Royalty located at the western side of Xincheng Road and the northern side of Beihuan Road Jinjiang City Quanzhou City Fujian Province The PRC (泉州· 晉江大唐世家)	Jinjiang Dynasty Royalty (the "Project") is located at the western side of Xincheng Road and the northern side of Beihuan Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 30,773.00 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in October 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 119,077.47 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB309,700,000, of which approximately RMB243,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on June 9, 2088 for residential use and June 9, 2058 for commercial use.	As at the valuation date, the property was under construction.	690,700,000 (55.00% interest attributable to the Group: RMB379,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35058220180418P031 dated April 18, 2018 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 30,773.00 sq.m. were contracted to be granted to Quanzhou Tangjin Real Estate Co., Ltd. (泉州唐晉房地產有限公司, "Quanzhou Tangjin", a 55.00%-owned joint venture of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB339,000,000.

2. Pursuant to a Construction Land Planning Permit—Jin Gui Zi No. 2011106, permission towards the land planning of the Project with a site area of approximately 30,773.00 sq.m. has been granted to Quanzhou Tangjin.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2018) Jin Jiang Shi Bu Dong Chan Quan Di No. 0032205, the land use rights of the Project with a site area of approximately 30,773.00 sq.m. have been granted to Quanzhou Tangjin for terms expiring on June 9, 2088 for residential use and June 9, 2058 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jin Gui Zi Di No. 3010867 in favor of Quanzhou Tangjin, the Project with a gross floor area of approximately 119,079.85 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350582201808300101 in favor of Quanzhou Tangjin, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 119,079.85 sq.m.

6. Pursuant to 8 Pre-sale Permits—(Jin) Fang Yu Shou (2018) Di Nos. 93 and 97, (Jin) Fang Yu Shou (2019) Di Nos. 27, 33, 40, 50, 67 and 98 in favor of Quanzhou Tangjin, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 109,629.83 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	89,271.15	
	Commercial	1,706.86	
	Ancillary	2,958.33	
	Basement (inclusive of car parking spaces)	25,141.13	586
	Total:	**119,077.47**	**586**

8. As advised by the Group, various residential and commercial units with a total gross floor area of approximately 75,971.23 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB622,812,004. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB798,500,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,500 to RMB8,700 per sq.m. for residential units, RMB14,000 to RMB17,000 per sq.m. for commercial units on the first floor and RMB70,000 to RMB90,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Quanzhou Tangjin is in possession of the land use rights of the property, which are protected under the PRC law; Quanzhou Tangjin is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Quanzhou Tangjin has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Quanzhou Tangjin has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
12.	Jiaomei Dynasty Royalty located at the eastern side of Jiaomei Avenue and the northern side of National Road No. 324 Jiaomei Town Zhangzhou City Fujian Province The PRC (漳州· 角美大唐世家)	Jiaomei Dynasty Royalty (the "Project") is located at the eastern side of Jiaomei Avenue and the northern side of National Road No. 324. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 41,558.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in April 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 174,541.14 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB433,100,000, of which approximately RMB287,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on July 5, 2087 for residential use.	As at the valuation date, the property was under construction.	1,817,800,000 (67.00% interest attributable to the Group: RMB1,217,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 36310720170523P01 dated May 23, 2017 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 41,898.00 sq.m. were contracted to be granted to Zhangzhou Tangcheng Real Estate Co., Ltd. (漳州唐成房地產有限公司, "Zhangzhou Tangcheng", a 67.00%-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB1,500,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 3506002017R3011, permission towards the land planning of the Project with a site area of approximately 41,898.00 sq.m. has been granted to Zhangzhou Tangcheng.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2017) Zhang Zhou Tai Shang Tou Zi Qu Bu Dong Chan Quan Di No. 0013697, the land use rights of the Project with a site area of approximately 41,558.00 sq.m. have been granted to Zhangzhou Tangcheng for a term expiring on July 5, 2087 for residential use.

4. Pursuant to 2 Construction Work Planning Permits—Jian Zi Di Nos. 3506002017G3029 and 3506002017G3030 in favor of Zhangzhou Tangcheng, the Project with a total gross floor area of approximately 175,293.58 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 35061201712290101 and 35060120171229020l in favor of Zhangzhou Tangcheng, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 175,293.58 sq.m.

6. Pursuant to 4 Pre-sale Permits—(2018) Tai Fang Yu Shou Zheng Di Nos. 003 and 005 and (2019) Tai Fang Yu Shou Zheng Di Nos.007 and 012, in favor of Zhangzhou Tangcheng, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 94,276.84 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	104,829.69	
	Commercial	811.50	
	Talent Housing	14,707.49	
	Ancillary	5,128.23	
	Basement (inclusive of car parking spaces)	49,064.23	1,107
	Total:	**174,541.14**	**1,107**

8. As advised by the Group, various residential units with a total gross floor area of approximately 22,547.66 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB388,184,971. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Zhangzhou Tangcheng should build talent housing with a total gross floor area of approximately 14,707.49 sq.m, which should be provided to designated persons at zero consideration.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB2,022,400,000.

11. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB16,500 to RMB19,500 per sq.m. for residential units, RMB24,000 to RMB26,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB135,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tangcheng is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Zhangzhou Tangcheng has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou Tangcheng has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. The property is subject to a mortgage. Zhangzhou Tangcheng is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
13.	Dynasty Happy Lane located at the western side of Zhanghua Road and the southern side of Jinting Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州·大唐幸福里)	Dynasty Happy Lane (the "Project") is located at the western side of Zhanghua Road and the southern side of Jinting Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 75,974.55 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 176,128.04 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB500,400,000, of which approximately RMB350,700,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on April 22, 2088 for residential use and April 22, 2058 for commercial use.	As at the valuation date, the property was under construction.	724,100,000 (64.18% interest attributable to the Group: RMB464,700,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35060020180130P005 dated February 13, 2018 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 75,974.55 sq.m. were contracted to be granted to Zhangzhou Tangyi Real Estate Development Co., Ltd. (漳州唐毅房地產開發有限公司, "Zhangzhou Tangyi", a 64.18%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB190,000,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350600201800003, permission towards the land planning of the Project with a site area of approximately 75,974.55 sq.m. has been granted to Zhangzhou Tangyi.
3. Pursuant to a Real Estate Title Certificate (for land)—Min (2018) Xiang Cheng Qu Bu Dong Chan Quan Di No. 0001131, the land use rights of the Project with a site area of approximately 75,974.55 sq.m. have been granted to Zhangzhou Tangyi for terms expiring on April 22, 2088 for residential use and April 22, 2058 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3506002018GJ003 in favor of Zhangzhou Tangyi, the Project with a gross floor area of approximately 177,986.37 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350602201806120101 in favor of Zhangzhou Tangyi, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 177,986.37 sq.m.

6. Pursuant to 23 Pre-sale Permits in favor of Zhangzhou Tangyi, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 154,245.60 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	122,417.86	
	Commercial	6,547.32	
	Ancillary	10,830.14	
	Basement (inclusive of car parking spaces)	36,332.72	854
	Total:	**176,128.04**	**854**

8. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 133,333.18 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB882,871,725. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB949,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,000 to RMB7,000 per sq.m. for residential use, RMB10,000 to RMB16,000 per sq.m. for commercial units on the first floor and RMB80,000 to RMB100,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tangyi is in possession of the land use rights of the property, which are protected under the PRC law; Zhangzhou Tangyi is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Zhangzhou Tangyi has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou Tangyi has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
14.	Yunxiao Dynasty Impression located at the intersection of Jiangjun Avenue and Dingxi Road Pumei Town Zhangzhou City Fujian Province The PRC (漳州·雲霄大唐印象)	Yunxiao Dynasty Impression (the "Project") is located at the intersection of Jiangjun Avenue and Dingxi Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 19,301.73 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in September 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 75,127.46 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB211,000,000, of which approximately RMB133,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on December 26, 2087 for residential use and December 26, 2057 for commercial use.	As at the valuation date, the property was under construction.	476,600,000 (80.00% interest attributable to the Group: RMB381,300,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35062220171012P001 dated October 23, 2017 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 19,301.73 sq.m. were contracted to be granted to Zhangzhou Tangxing Real Estate Development Co., Ltd. (漳州唐興房地產開發有限公司, "Zhangzhou Tangxing", an 80.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB186,800,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350622201710036, permission towards the land planning of the Project with a site area of approximately 19,301.73 sq.m. has been granted to Zhangzhou Tangxing.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2018) Yun Xiao Xian Bu Dong Chan Quan Di No. 0000082, the land use rights of the Project with a site area of approximately 19,301.73 sq.m. have been

granted to Zhangzhou Tangxing for terms expiring on December 26, 2087 for residential use and December 26, 2057 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3506222018100016 in favor of Zhangzhou Tangxing, the Project with a gross floor area of approximately 76,022.95 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350622201804200101 in favor of Zhangzhou Tangxing, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 76,022.95 sq.m.

6. Pursuant to 6 Pre-sale Permits—(2018) Yun Fang Yu Shou Zheng Di Nos. 006 to 009 and 012 and (2019) Yun Fang Yu Shou Zheng Di No. 013 in favor of Zhangzhou Tangxing, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 68,756.44 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	50,683.52	
	Commercial	5,894.18	
	Ancillary	2,250.45	
	Basement (inclusive of car parking spaces)	16,299.31	381
	Total:	**75,127.46**	**381**

8. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 59,683.19 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB598,465,367. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB629,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,000 to RMB10,000 per sq.m. for residential units, RMB16,000 to RMB19,000 per sq.m. for commercial units on the first floor and RMB90,000 to RMB110,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tangxing is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Zhangzhou Tangxing has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou Tangxing has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. Portions of the property are subject to a mortgage. Zhangzhou Tangxing is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as “Group IV—held under development by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
15.	Portions of Mingmen Impression located at the western side of Datongbei Road and the northern side of Tengfei Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州· 名門印象)	Mingmen Impression (the "Project") is located at the western side of Datongbei Road and the northern side of Tengfei Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 53,338.49 sq.m., which had been developed into a residential and commercial development. The Project was completed in December 2019 and its unsold portion of that (the "unsold units") was partly held for sale and partly held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 62,911.12 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for terms expiring on April 30, 2087 for residential use and April 30, 2057 for commercial use.	As at the valuation date, portions of the property were vacant and the remaining portion of the property was rented to various third parties.	695,600,000 (100.00% interest attributable to the Group: RMB695,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35060020161115P003 dated December 22, 2016 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 53,338.49 sq.m. were contracted to be granted to Zhangzhou Tangsheng Real Estate Co., Ltd. (漳州唐盛房地產有限公司, "Zhangzhou Tangsheng", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB 1,331,976,750.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No.350600201700023, permission towards the land planning of the Project with a site area of approximately 53,338.49 sq.m. has been granted to Zhangzhou Tangsheng.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2017) Zhang Zhou Shi Bu Dong Chan Quan Di No. 0023285, the land use rights of the Project with a site area of approximately 53,338.49 sq.m. have been granted to Zhangzhou Tangsheng for terms expiring on April 30, 2087 for residential use and April 30, 2057 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No.3506002017G0031 in favor of Zhangzhou Tangsheng, the Project with a gross floor area of approximately 211,200.18 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos.350600201707070101 and 350600201709150101 in favor of Zhangzhou Tangsheng, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 211,200.18 sq.m.

6. Pursuant to 13 Pre-sale Permits in favor of Zhangzhou Tangsheng, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 184,796.05 sq.m.) to purchasers.

7. Pursuant to a Construction Work Completion and Inspection Table in favor of Zhangzhou Tangsheng, the construction of the Project with a gross floor area of approximately 211,200.18 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	18,809.66	
	Commercial	2,323.40	
	Car parking spaces	38,451.96	1,128
	Sub-total:	**59,585.02**	**1,128**
Group III—held for investment by the Group	Commercial	3,326.10	
	Sub-total:	**3,326.10**	**N/A**
	Total:	**62,911.12**	**1,128**

9. Pursuant to 3 Tenancy Agreements, portions of the property with a total gross floor area of approximately 250.13 sq.m. are leased to 3 tenants with the expiry dates between March 31, 2025 and June 30, 2025, and the monthly rents receivable as at the valuation date ranged from RMB72.5 to RMB112.0 per sq.m., exclusive of management fees, water and electricity charges.

10. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 13,900.36 sq.m. in Group II of the property have been pre-sold to various third parties at a total consideration of RMB141,397,504. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

11. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB15,000 to RMB19,000 per sq.m. for residential units, RMB20,000 to RMB28,000 per sq.m. for commercial units on the first floor and RMB180,000 to RMB220,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;

    b. For the remaining portion of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

The unit rents of these comparable commercial units on the first floor range from RMB3.1 to RMB4.1 per sq.m. per day; and

Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 4.3% to 4.7% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 4.5% for the commercial units as the capitalization rate in the valuation.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tangsheng is in possession of the land use rights of the property, which are protected under the PRC law; and

    b. Zhangzhou Tangsheng is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date (*RMB*)**
Group II—held for sale by the Group	624,600,000
Group III—held for investment by the Group	71,000,000
Total:	**695,600,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
16.	Portions of Tianlai Town Phase I located at Houfang Village Changtai Tourism Zone Changtai County Zhangzhou City Fujian Province The PRC (漳州· 天籟小鎮一期)	Tianlai Town Phase I (the "Project") is located at Houfang Village Changtai Tourism Zone. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 4 parcels of land with a total site area of approximately 73,607.40 sq.m. The property comprised portions of the Project of which the construction work had not been commenced as at the valuation date. The property is planned to be developed into a residential and commercial development with a total planned gross floor area of approximately 92,779.05 sq.m. and a plot ratio accountable gross floor area of approximately 86,379.15 sq.m. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted for terms expiring on November 19, 2085 for residential use and November 19, 2055 for commercial use.	As at the valuation date, the property was bare land.	111,400,000 (70.00% interest attributable to the Group: RMB78,000,000)

Notes:

1. Pursuant to 4 State-owned Land Use Rights Grant Contracts—Nos. 35062520151119P002, P003, P004 and P005 dated November 19, 2015 and 8 Supplementary Contracts, the land use rights of the Project with a site area of approximately 73,607.40 sq.m. were contracted to be granted to Changtai Datang Real Estate Co., Ltd. (長泰大唐房地產有限公司, "Changtai Datang", a 70.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB42,100,000.

2. Pursuant to 4 Construction Land Planning Permits—Di Zi Di Nos. 350625201700024 to 350625201700027, permissions towards the land planning of the Project with a site area of approximately 73,607.40 sq.m. have been granted to Changtai Datang.

3. Pursuant to 4 State-owned Land Use Rights Certificates—Tai Guo Yong（2016）Nos. 01474, 01471, 01472 and 01473, the land use rights of the Project with a site area of approximately 73,607.40 sq.m. have been granted to Changtai Datang for terms expiring on November 19, 2085 for residential use and November 19, 2055 for commercial use.

4. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group V—held for future development by the Group	Residential	62,086.00	
	Ancillary	7,647.75	
	Basement (inclusive of car parking spaces)	23,045.30	569
	Total:	**92,779.05**	**569**

5. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB1,100 to RMB1,400 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   Changtai Datang is in possession of the land use rights of the property, which are protected under the PRC law; Changtai Datang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property.

7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

8. For the purpose of this report, the property is classified into the group as "Group V—held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
17.	Jiangshan Tianjing located at the northern side of Luojishan Road and the western side of Nanbei Sixth Road Taiwanese Investment Zone Zhangzhou City Fujian Province The PRC (漳州· 江山天境)	Jiangshan Tianjing (the "Project") is located at the northern side of Luojishan Road and the western side of Nanbei Sixth Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 23,861.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 99,325.06 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB339,700,000, of which approximately RMB113,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on June 23, 2089 for residential use.	As at the valuation date, the property was under construction.	902,700,000 (30.00% interest attributable to the Group: RMB270,800,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 36310720190604P01 dated June 4, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 23,861.00 sq.m. were contracted to be granted to Zhangzhou He'ai Real Estate Development Co., Ltd. (漳州和艾房地產開發有限公司, "Zhangzhou He'ai", a 30.00%-owned associate of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB718,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 3506002019R3005, permission towards the land planning of the Project with a site area of approximately 23,861.00 sq.m. has been granted to Zhangzhou He'ai.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2019) Zhang Zhou Tai Shang Tou Zi Qu Bu Dong Chan Quan Di No. 0009719, the land use rights of the Project with a site area of approximately 23,861.00 sq.m. have been granted to Zhangzhou He'ai for a term expiring on June 23, 2089 for residential use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3506002019G3024 in favor of Zhangzhou He'ai, the Project with a gross floor area of approximately 99,954.01 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350692201909050101 in favor of Zhangzhou He'ai, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 99,954.01 sq.m.

6. Pursuant to 5 Pre-sale Permits—2019 Tai Fang Yu Shou Zheng Di Nos. 023, 026 and 030 and 2020 Tai Fang Yu Shou Zheng Di Nos. 004 and 010 in favor of Zhangzhou He'ai, the Group is entitled to sell portions of the Project (representing a gross floor area of approximately 64,540.64 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	69,812.80	
	Ancillary	3,987.39	
	Basement (inclusive of car parking spaces)	25,524.87	641
	Total:	**99,325.06**	**641**

8. As advised by the Group, various residential units with a total gross floor area of approximately 17,850.45 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB313,889,203. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,384,100,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB15,000 to RMB18,000 per sq.m. for high-rise residential units, RMB22,000 to RMB24,000 per sq.m. for high-end low-rise residential units and RMB120,000 to RMB140,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou He'ai is in possession of the land use rights of the property, which are protected under the PRC law; Zhangzhou He'ai is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Zhangzhou He'ai has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou He'ai has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
18.	Dynasty Chunfengli located at the southern side of Shengli West Road and the western side of Jinfeng South Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州· 大唐春風里)	Dynasty Chunfengli (the "Project") is located at the southern side of Shengli West Road and the western side of Jinfeng South Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 41,072.87 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in January 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 140,192.68 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB364,900,000, of which approximately RMB700,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on December 18, 2089 for residential use and December 18, 2059 for commercial use.	As at the valuation date, the property was under construction.	287,100,000 (51.00% interest attributable to the Group: RMB146,400,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35060020190925P010 dated October 12, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 41,072.87 sq.m. were contracted to be granted to Zhangzhou Tangfeng Real Estate Development Co., Ltd. (漳州唐峰房地產開發有限公司, "Zhangzhou Tangfeng", a 51.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB240,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350600201900049, permission towards the land planning of the Project with a site area of approximately 41,072.87 sq.m. has been granted to Zhangzhou Tangfeng.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2019) Xiang Cheng Qu Bu Dong Chan Quan Di No. 0006347, the land use rights of the Project with a site area of approximately 41,072.87 sq.m. have been granted to Zhangzhou Tangfeng for terms expiring on December 18, 2089 for residential use and December 18, 2059 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3506002020G0002 in favor of Zhangzhou Tangfeng, the Project with a gross floor area of approximately 136,275.35 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350602202001140101 in favor of Zhangzhou Tangfeng, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 136,275.35 sq.m.

6. Pursuant to 6 Pre-sale Permits—(2020) Zhang Fang Yu Shou Zheng Di Nos. 060, 080, 112, 113, 114 and 115 in favor of Zhangzhou Tangfeng, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 51,194.02 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	98,343.19	
	Commercial	2,638.37	
	Ancillary	3,718.75	
	Basement (inclusive of car parking spaces)	35,492.37	837
	Total:	**140,192.68**	**837**

8. As advised by the Group, various commercial units with a total gross floor area of approximately 1,583.18 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB36,171,637. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB902,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,000 to RMB8,500 per sq.m. for residential units, RMB23,000 to RMB28,000 per sq.m. for commercial units on the first floor and RMB80,000 to RMB100,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tangfeng is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Zhangzhou Tangfeng has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou Tangfeng has the rights to legally pre-sale such portions according to the obtained Pre-sale Permits; and

d. Portions of the property are subject to a mortgage. Zhangzhou Tangfeng is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
19.	Dynasty Chunfengli Phase II located at the western side of Jinfeng South Road and the northern side of Ruijing Road Xiangcheng District Zhangzhou City Fujian Province The PRC (漳州· 大唐春風里二期)	Dynasty Chunfengli Phase II (the "Project") is located at the western side of Jinfeng South Road and the northern side of Ruijing Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 61,895.74 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in February 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 213,115.19 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB563,200,000, of which approximately RMB53,100,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on January 19, 2090 for residential use and January 19, 2060 for commercial use.	As at the valuation date, the property was under construction.	492,500,000 (60.00% interest attributable to the Group: RMB295,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35060020191105P013 dated November 18, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 61,895.74 sq.m. were contracted to be granted to Zhangzhou Tanghe Real Estate Development Co., Ltd. (漳州唐和房地產開發有限公司, "Zhangzhou Tanghe", a 60.00%-owned joint venture of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB395,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350600201900052, permission towards the land planning of the Project with a site area of approximately 61,895.74 sq.m. has been granted to Zhangzhou Tanghe.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2020) Xiang Cheng Qu Bu Dong Chan Quan Di No. 000312, the land use rights of the Project with a site area of approximately 61,895.74 sq.m. have been granted to Zhangzhou Tanghe for terms expiring on January 19, 2090 for residential use and January 19, 2060 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3506002020G0005 in favor of Zhangzhou Tanghe, the Project with a gross floor area of approximately 206,678.49 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 350602202003040101 and 350602202003050101 in favor of Zhangzhou Tanghe, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 206,678.49 sq.m.

6. Pursuant to 7 Pre-sale Permits—(2020) Zhang Fang Yu Shou Zheng Di Nos. (034), (033), (067) and (117) to (120) in favor of Zhangzhou Tanghe, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 60,536.48 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	152,528.67	
	Commercial	5,133.16	
	Ancillary	10,232.12	
	Basement (inclusive of car parking spaces)	45,221.24	1,180
	Total:	**213,115.19**	**1,180**

8. As advised by the Group, various commercial units with a total gross floor area of approximately 3,122.32 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB75,913,010. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,411,100,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,000 to RMB8,000 per sq.m. for residential units, RMB24,000 to RMB26,000 per sq.m. for commercial units on the first floor and RMB70,000 to RMB90,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tanghe is in possession of the land use rights of the property, which are protected under the PRC law; Zhangzhou Tanghe is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Zhangzhou Tanghe has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou Tanghe has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
20.	Tianlai Town Phase II located at Houfang Village Changtai Tourism Zone Changtai County Zhangzhou City Fujian Province The PRC (漳州· 天籟小鎮二期)	Tianlai Town Phase II (the "Project") is located at Houfang Village Changtai Tourism Zone. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 3 parcels of land with a total site area of approximately 86,754.00 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 113,546.15 sq.m. and a plot ratio accountable gross floor area of approximately 95,429.00 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The land use rights of the property have been granted for terms expiring on January 16, 2090 for residential use and January 16, 2060 for commercial use.	As at the valuation date, the property was bare land.	118,100,000 (70.00% interest attributable to the Group: RMB82,700,000)

Notes:

1. Pursuant to 3 State-owned Land Use Rights Grant Contracts—Nos. 35062520191016P010, 35062520191016P011 and 35062520191016P012 dated October 16, 2019, the land use rights of the Project with a total site area of approximately 86,754.00 sq.m. were contracted to be granted to Zhangzhou Tangchuang Real Estate Development Co., Ltd. (長泰唐創房地產開發有限公司, "Changtai Tangchuang", a 70.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB113,000,000.

2. Pursuant to 3 Real Estate Title Certificates (for land)—Min (2019) Chang Tai Xian Bu Dong Chan Quan Di Nos. 0006871 to 0006873, the land use rights of the Project with a total site area of approximately 86,754.00 sq.m. have been granted to Changtai Tangchuang for terms expiring on January 16, 2090 for residential use and January 16, 2060 for commercial use.

3. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB1,100 to RMB1,400 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   Changtai Tangchuang is in possession of the land use rights of the property, which are protected under the PRC law; Changtai Tangchuang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property.

5. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

6. For the purpose of this report, the property is classified into the group as "Group V—held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
21.	Dynasty Jinxiu Royalty located at the eastern side of Shengwang Avenue and the northern side of Beidou Road Longwen District Zhangzhou City Fujian Province The PRC (漳州· 大唐錦繡世家)	Dynasty Jinxiu Royalty (the "Project") is located at the eastern side of Shengwang Avenue and the northern side of Beidou Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 48,278.29 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in February 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 139,310.26 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB384,200,000, of which approximately RMB65,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on January 20, 2090 for residential use and January 20, 2060 for commercial use.	As at the valuation date, the property was under construction.	308,100,000 (70.00% interest attributable to the Group: RMB215,700,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35060020191105P015 dated November 18, 2019 and a Supplementary Contract, the land use rights of a parcel of land with a site area of approximately 48,278.29 sq.m. were contracted to be granted to Zhangzhou Tangshun Real Estate Development Co., Ltd. (漳州唐順房地產開發有限公司, "Zhangzhou Tangshun", a 70.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB212,000,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350600201900051, permission towards the land planning of the Project with a site area of approximately 48,278.29 sq.m. has been granted to Zhangzhou Tangshun.
3. Pursuant to a Real Estate Title Certificate (for land)—Min (2020) Long Wen Qu Bu Dong Chan Quan Di No. 0000511, the land use rights of the Project with a site area of approximately 48,278.29 sq.m. have been granted to Zhangzhou Tangshun for terms expiring on January 20, 2090 for residential use and January 20, 2060 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3506002020G0006 in favor of Zhangzhou Tangshun, the Project with a gross floor area of approximately 140,076.67 sq.m. have been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 350603202003050101 in favor of Zhangzhou Tangshun, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 140,076.67 sq.m.

6. Pursuant to 5 Pre-sale Permits—(2020) Zhang Fang Yu Zi Di Nos. 036, 075, 083, 098 and 121 in favor of Zhangzhou Tangshun, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 101,220.94 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	99,841.65	
	Commercial	3,017.31	
	Ancillary	5,639.81	
	Basement (inclusive of car parking spaces)	30,811.49	802
	Total:	**139,310.26**	**802**

8. As advised by the Group, various residential units with a total gross floor area of approximately 71,932.97 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB513,751,537. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB819,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,800 to RMB7,500 per sq.m. for residential units, RMB9,000 to RMB13,000 per sq.m. for commercial units on the first floor and RMB80,000 to RMB100,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Zhangzhou Tangshun is in possession of the land use rights of portions of the property, which are protected under the PRC law;

    b. Zhangzhou Tangshun has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Zhangzhou Tangshun has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. Portions of the property are subject to a mortgage. Zhangzhou Tangshun is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV –held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
22.	Yango Dynasty Feili Impression located at the western side of Lanqiao Road and the southern side of North Ring Road Longwen District Zhangzhou City Fujian Province The PRC (漳州· 陽光城大唐翡麗印象)	Yango Dynasty Feili Impression (the "Project") is located at the western side of Lanqiao Road and the southern side of North Ring Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 83,810.39 sq.m., which is being developed into a residential and commercial development. Portions of the Project were under construction (the "CIP") as at the valuation date and are scheduled to be completed in September 2022. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 129,220.62 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 107,741.28 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of approximately 272,443.26 sq.m. The classification, usage and gross floor area details of the property are set out in note 6. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB367,800,000, of which approximately RMB4,000,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on June 14, 2090 for residential use and June 14, 2060 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	1,220,200,000 (50.00% interest attributable to the Group: RMB610,100,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35060020200331P003 dated April 14, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 83,810.39 sq.m. were contracted to be granted to Zhangzhou Longwen Tangguang Real Estate Development

Co., Ltd. (漳州龍文唐光房地產開發有限公司, "Zhangzhou Longwen", a 50.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,160,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350600202000007, permission towards the land planning of the Project with a site area of approximately 83,810.39 sq.m. has been granted to Zhangzhou Longwen.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2020) Long Wen Qu Bu Dong Chan Quan Di No. 0003128, the land use rights of the Project with a site area of approximately 83,810.39 sq.m. have been granted to Zhangzhou Longwen for terms expiring on June 14, 2090 for residential use and June 14, 2060 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350600202000001 in favor of Zhangzhou Longwen, portions of the Project with a gross floor area of approximately 129,220.62 sq.m. have been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 250693202007100101 in favor of Zhangzhou Longwen, permission by the relevant local authority was given to commence the construction of portions of the Project with a gross floor area of approximately 129,220.62 sq.m.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	96,419.90	
	Commercial	847.21	
	Ancillary	4,732.67	
	Basement (inclusive of car parking spaces)	27,220.84	614
	Sub-total:	**129,220.62**	**614**
Group V—held for future development by the Group	Residential	99,084.58	
	Commercial	2,225.74	
	Ancillary	6,715.50	
	Basement (inclusive of car parking spaces)	35,196.82	1,016
	Sub-total:	**143,222.64**	**1,016**
	Total:	**272,443.26**	**1,630**

7. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,283,600,000.

8. Our valuation has been made on the following basis and analysis:

   a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB11,000 to RMB13,500 per sq.m. for residential units, RMB19,000 to RMB22,000 per sq.m. for commercial units on the first floor and RMB90,000 to RMB110,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB5,600 to RMB5,900 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

a. Zhangzhou Longwen is in possession of the land use rights of the property, which are protected under the PRC law;

b. Zhangzhou Longwen has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities; and

c. Portions of the property are subject to a mortgage. Zhangzhou Longwen is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group IV—held under development by the Group	595,400,000
Group V—held for future development by the Group	624,800,000
Total:	**1,220,200,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
23.	Xiuyu Dynasty Royalty located at the eastern side of Xiushan Road and the southern side of Qingtang Avenue Xiuyu District Putian City Fujian Province The PRC (莆田· 秀嶼大唐世家)	Xiuyu Dynasty Royalty (the "Project") is located at the eastern side of Xiushan Road and the southern side of Qingtang Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 3 parcels of land with a total site area of approximately 83,197.88 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in January 2023. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 252,522.35 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB721,600,000, of which approximately RMB92,000,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on November 5, 2089 for residential use.	As at the valuation date, the property was under construction.	554,300,000 (35.00% interest attributable to the Group: RMB194,000,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Pu Guo Tu Chu 2019 Zi No. 26 dated September 25, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 83,197.88 sq.m. were contracted to be granted to Putian Tangshun Real Estate Development Co., Ltd. (莆田唐順房地產開發有限公司, "Putian Tangshun", a 35.00%-owned associate of the Company) for a term of 70 years for residential use from the land delivery date. The land premium was RMB402,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi No. 350300201908005 (Xiu), permission towards the land planning of the Project with a site area of approximately 83,197.88 sq.m. has been granted to Putian Tangshun.

3. Pursuant to 3 Real Estate Title Certificates (for land)—Min (2019) Pu Tian Shi Bu Dong Chan Di Nos. XY011000, XY011226 and XY010999, the land use rights of the Project with a total site area of approximately 83,197.88 sq.m. have been granted to Putian Tangshun for a term expiring on November 5, 2089 for residential use.

4. Pursuant to 4 Construction Work Planning Permits—Jian Zi Di Nos. 350300201908014 (Xiu), 350300201908013 (Xiu), 350300201908012 (Xiu) and 350300202008002 (Xiu) in favor of Putian Tangshun, the Project with a total gross floor area of approximately 254,507.10 sq.m. has been approved for construction.

5. Pursuant to 4 Construction Work Commencement Permits—Nos. 350305201911190101, 350305201911060101, 350305201911150101 and 350305202004140101 in favor of Putian Tangshun, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 254,507.10 sq.m.

6. Pursuant to 7 Pre-sale Permits—(2019) Pu Fang Xu Zi Di Nos. 161, 147, 173, 174 and (2020) Pu Fang Xu Zi Di Nos. 25, 39 and 62 in favor of Putian Tangshun, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 99,638.96 sq.m. to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	189,624.13	
	Ancillary	12,103.30	
	Basement (inclusive of car parking spaces)	50,794.92	1,239
	Total:	**252,522.35**	**1,239**

8. As advised by the Group, various residential units with a total gross floor area of approximately 60,069.22 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB457,857,020. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,604,700,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,200 to RMB8,300 per sq.m. for residential units and RMB100,000 to RMB120,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Putian Tangshun is in possession of the land use rights of the property, which are protected under the PRC law; Putian Tangshun is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Putian Tangshun has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Putian Tangshun has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
24.	Putian Yuhu Project located at the northern side of Shangji Street Licheng District Putian City Fujian Province The PRC (莆田·莆田玉湖項目)	Putian Yuhu Project (the "Project") is located at the northern side of Shangji Street. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 37,694.63 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 142,153.51 sq.m. and a plot ratio accountable gross floor area of approximately 113,083.89 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 3. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract – Pu Zi Ran 2020 Chu Zi No.25 dated August 25, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 37,694.63 sq.m. were contracted to be granted to Putian Tangyu Real Estate Development Co., Ltd. (莆田唐玉房地產開發有限公司, "Putian Tangyu", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,076,000,000.

2. As at the valuation date, the property had not been assigned to Putian Tangyu and thus the title of the property had not been vested in Putian Tangyu and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB1,113,700,000, assuming the title certificate has been obtained and it can be freely transferred by Putian Tangyu.

3. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI – contracted to be acquired by the Group	Residential	98,162.75	
	Commercial	11,088.00	
	Ancillary	4,283.14	
	Basement (inclusive of car parking spaces)	28,619.62	867
	Total:	**142,153.51**	**867**

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 2, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB9,000 to RMB12,700 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Rights Grant Contract is legal and valid, which is protected under the PRC law.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

7. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
25.	Dynasty Shuxiang Yazhu located at the northern side of Xiyuangong Road and the eastern side of Fuzhou City Expressway Fuzhou City Fujian Province The PRC (福州· 書香雅築)	Dynasty Shuxiang Yazhu (the "Project") is located at the northern side of Xiyuangong Road and the eastern side of Fuzhou City Expressway. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 46,807.70 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 178,820.69 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB415,400,000, of which approximately RMB80,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 24, 2089 for residential use and July 24, 2059 for commercial use.	As at the valuation date, the property was under construction.	896,300,000 (100.00% interest attributable to the Group: RMB896,300,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35012120190527002P dated May 27, 2019 and a Supplementary Contract, the land use rights of several parcels of land with a total site area of approximately 54,188.60 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Fuzhou Tangmei Real Estate Co., Ltd. (福州唐美房地產有限公司, "Fuzhou Tangmei", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB750,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350121201900039, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 54,188.60 sq.m (inclusive of the Project) has been granted to Fuzhou Tangmei.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2019) Min Hou Xian Bu Dong Chan Quan Di No. 0033929, the land use rights of the Project with a site area of approximately 46,807.70 sq.m. have been granted to Fuzhou Tangmei for terms expiring on July 24, 2089 for residential use and July 24, 2059 for commercial use.
4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 3350121201900240 in favor of Fuzhou Tangmei, the Project with a gross floor area of approximately 179,463.73 sq.m. has been approved for construction.
5. Pursuant to a Construction Work Commencement Permit—No. 350121201911180101 in favor of Fuzhou Tangmei, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 179,463.73 sq.m.
6. Pursuant to 4 Pre-sale Permits—(2019) Hou Fang Xu Zi Di Nos. 094 and 098 and (2020) Hou Fang Xu Zi Di Nos. 036 and 045 in favor of Fuzhou Tangmei, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 90,094.32 sq.m. to purchasers.
7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	70,269.65	
	Commercial	1,599.37	
	Resettlement residential	60,007.05	
	Ancillary	5,208.94	
	Basement (inclusive of car parking spaces)	41,735.68	1,053
	Total:	**178,820.69**	**1,053**

8. As advised by the Group, various residential and commercial units with a total gross floor area of approximately 21,045.62 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB363,616,673. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.
9. As advised by the Group, Fuzhou Tangmei should build resettlement housing with a total gross floor area of approximately 60,007.05 sq.m, and the repurchase price is approximately RMB434,391,035, of which approximately RMB138,457,139 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.
10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,474,800,000.
11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB17,000 to RMB19,000 per sq.m. for residential units, RMB20,000 to RMB24,000 per sq.m. for commercial units on the first floor and RMB130,000 to RMB160,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Fuzhou Tangmei is in possession of the land use rights of the property, which are protected under the PRC law; Fuzhou Tangmei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Fuzhou Tangmei has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Fuzhou Tangmei has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
26.	Longjiang Jiujin Pavilion located at the eastern side of Fuzheng Road and the northern side of Chuangye Avenue Fuzhou City Fujian Province The PRC (福州· 龍江玖錦閣)	Longjiang Jiujin Pavilion (the "Project") is located at the eastern side of Fuzheng Road and the northern side of Chuangye Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 113,059.00 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in April 2023. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 373,010.77 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB1,048,200,000, of which approximately RMB5,600,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on June 24, 2090 for residential use and June 24, 2060 for commercial use.	As at the valuation date, the property was under construction.	1,701,300,000 (33.00% interest attributable to the Group: RMB561,400,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35018120200408P005 dated April 17, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 113,059.00 sq.m. were contracted to be granted to Fuzhou Qingnan Tangmao Real Estate Development Co., Ltd. (福州慶南唐茂房地產開發有限公司, "Qingnan Tangmao", a 33.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,616,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350181202000066, permission towards the land planning of the Project with a site area of approximately 113,059.00 sq.m. has been granted to Qingnan Tangmao.

3. Pursuant to a Real Estate Title Certificate (for land)—Min (2020) Min Fu Qing Shi Bu Dong Chan Quan Di No. 0012469, the land use rights of the Project with a site area of approximately 113,059.00 sq.m. have been granted to Qingnan Tangmao for terms expiring on June 24, 2090 for residential use and June 24, 2060 for commercial use.

4. Pursuant to 4 Construction Work Planning Permits—Jian Zi Di Nos. 350181202000497 to 350181202000500 in favor of Qingnan Tangmao, the Project with a total gross floor area of approximately 374,190.45 sq.m. has been approved for construction.

5. Pursuant to 5 Construction Work Commencement Permits—Nos. 350181202008070201, 350181202008070301, 350181202007200101, 350181202007280101 and 350181202007240301 in favor of Qingnan Tangmao, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 373,010.77 sq.m.

6. Pursuant to a Pre-sale Permit—ZJ (2020) Rong Fang Xu Zi Di No. 072 in favor of Qingnan Tangmao, the Group is entitled to sell portions of the Project (representing a gross floor area of approximately 51,007.17 sq.m. to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	176,405.31	
	Resettlement residential	106,950.00	
	Commercial	3,222.48	
	Ancillary	5,059.35	
	Basement (inclusive of car parking spaces)	81,373.63	2,423
	Total:	**373,010.77**	**2,423**

8. As advised by the Group, Qingnan Tangmao should build resettlement housing with a total gross floor area of approximately 111,858.54 sq.m (inclusive of car parking spaces with a total gross floor area of approximately 4,908.54 sq.m) and the repurchase price is approximately RMB535,980,000.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB3,540,200,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,000 to RMB19,000 per sq.m. for residential units, RMB18,000 to RMB21,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB140,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Qingnan Tangmao is in possession of the land use rights of the property, which are protected under the PRC law; Qingnan Tangmao is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Qingnan Tangmao has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Qingnan Tangmao has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
27.	Pukou Dynasty Royalty located at the northern side of Qishan Avenue and the eastern side of Puxing Road Fuzhou City Fujian Province The PRC (福州· 浦口大唐世家)	Pukou Dynasty Royalty (the "Project") is located at the northern side of Qishan Avenue and the eastern side of Puxing Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 15,954.00 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 53,597.06 sq.m. As advised by the Group, the construction of the Project had been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 6. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, the property was under construction.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 35012120200628011P dated June 28, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 15,954.00 sq.m. were contracted to be granted to Fuzhou Tangsheng Real Estate Development Co., Ltd. (福州唐盛房地產開發有限公司, "Fuzhou Tangsheng", a 90.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB351,000,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 350121202000038, permission towards the land planning of the Project with a site area of approximately 15,954.00 sq.m has been granted to Fuzhou Tangsheng.
3. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 350121202000117 in favor of Fuzhou Tangsheng, the Project with a gross floor area of approximately 53,597.06 sq.m. has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit—No. 350121202008280101 in favor of Fuzhou Tangsheng, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 53,597.06 sq.m.
5. As at the valuation date, the property had not been assigned to Fuzhou Tangsheng and thus the title of the property had not been vested in Fuzhou Tangsheng and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB363,300,000, assuming the title certificate has been obtained and it can be freely transferred by Fuzhou Tangsheng.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired by the Group	Residential	24,151.96	
	Resettlement commercial	2,715.23	
	Office	5,990.34	
	Resettlement office	7,294.89	
	Ancillary	1,327.47	
	Basement (inclusive of car parking spaces)	12,117.17	416
	Total:	**53,597.06**	**416**

7. As advised by the Group, Fuzhou Tangsheng should build resettlement housing with a total gross floor area of approximately 10,010.12 sq.m. and the repurchase price is approximately RMB85,106,040.

8. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 5, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB8,300 to RMB8,600 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law; and

   b. Fuzhou Tangsheng has obtained related requisite approvals for the construction work of the property from the relevant government authorities.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

11. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
28.	Nanning Dynasty Tianyue located at the northern side of Anyuan East Road and the southern side of Luxianling Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐天悅)	Nanning Dynasty Tianyue (the "Project") is located at the northern side of Anyuan East Road and the southern side of Luxianling Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 28,319.65 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 132,986.65 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB423,700,000, of which approximately RMB215,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on November 6, 2088 for residential use and November 6, 2058 for wholesale and retail uses.	As at the valuation date, the property was under construction.	587,200,000 (55.55% interest attributable to the Group: RMB326,200,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Fu) Zi No. 2018030 dated August 29, 2018 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 28,319.65 sq.m. were contracted to be granted to Guangxi Tangtong Investment Co., Ltd. (廣西唐通投資有限公司, "Guangxi Tangtong", a 55.55%-owned subsidiary of the Company) for terms of 70 years for commercial use and 40 years for wholesale and retail uses commencing from the land delivery date. The land premium was RMB211,122,991.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201800150, permission towards the land planning of the Project with a site area of approximately 28,319.66 sq.m. has been granted to Guangxi Tangtong.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di No. 0213862, the land use rights of the Project with a site area of approximately 28,319.65 sq.m. have been

granted to Guangxi Tangtong for terms expiring on November 6, 2088 for residential use and November 6, 2058 for wholesale and retail uses.

4. Pursuant to 10 Construction Work Planning Permits—Jian Zi Di Nos. 450101201801136, 450101201801137, 450101201801138, 450101201801139, 450101201801140, 450101201801141, 450101201801142, 450101201801143, 450101201801144 and 450101201801145 in favor of Guangxi Tangtong, the Project with a total gross floor area of approximately 128,510.33 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450101201811220101 in favor of Guangxi Tangtong, permission by the relevant local authority was given to commence the construction of the Project with a total gross floor area of approximately 128,510.33 sq.m.

6. Pursuant to 10 Pre-sale Permits—Nan Fang Yu Zi (2019) Nos. 003, 156, 477, 533, 004, 050, 578, 579 and 768 and (2020) No. 072 in favor of Guangxi Tangtong, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 112,084.36 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	82,215.40	
	Resettlement residential	2,065.42	
	Commercial	440.95	
	Ancillary	11,562.40	
	Basement (inclusive of car parking spaces)	36,702.48	765
	Total:	**132,986.65**	**765**

8. As advised by the Group, various residential units with a total gross floor area of approximately 75,720.46 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB735,238,245. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Tangtong should build resettlement housing with a total gross floor area of approximately 2,065.42 sq.m. and the repurchase price is approximately RMB17,574,659, of which approximately RMB4,719,765 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB916,600,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,000 to RMB11,000 per sq.m. for residential units, RMB14,000 to RMB16,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB135,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangtong is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Tangtong has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangtong has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Guangxi Tangtong is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
29.	Portions of Nanning Dynasty Tiancheng Phases I & II located at the northern side of Mingxiu East Road and the eastern side of Beihu North Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐天城一期和二期)	Nanning Dynasty Tiancheng Phases I & II (the "Project") is located at the northern side of Mingxiu East Road and the eastern side of Beihu North Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of 25,027.00 sq.m., which had been developed into a residential, commercial and office development. The property was completed in November 2019 and its unsold portion (the "unsold units") was partly held for sale and partly held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units with a total gross floor area of approximately 74,279.72 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for the terms expiring on December 26, 2083 for residential use, December 26, 2053 for commercial use and December 26, 2063 for office use.	As at the valuation date, portions of the property were vacant and the remaining portion of property was rented to various third parties.	599,800,000 (100.00% interest attributable to the Group: RMB599,800,000)

Notes:

1. Pursuant to 3 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu Zi Nos. 2013123, 2016007 and 2013125, the land use rights of the Project with a site area of approximately 25,027.00 sq.m. were contracted to be granted to Guangxi Xindi Investment Co., Ltd. (廣西信地投資有限公司, "Guangxi Xindi ", a wholly-owned subsidiary of the Company) for the terms of 40 years for commercial use, 70 years for residential use and 50 years for office use commencing from the land delivery date. The total land premium was RMB587,280,765.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201600083, permission towards the land planning of the Project with a site area of approximately 25,026.58 sq.m. has been granted to Guangxi Xindi.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2017) Nan Ning Shi Bu Dong Chan Quan Di No. 0090416, the land use rights of the Project with a site area of approximately 25,027.00 sq.m. have been granted to Guangxi Xindi for the terms expiring on December 26, 2083 for residential use, December 26, 2053 for commercial use and December 26, 2063 for office use.

4. Pursuant to 11 Construction Work Planning Permits in favor of Guangxi Xindi, the Project with a total gross floor area of approximately 260,353.92 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 450101201407160101 and 450101201608030101 in favor of Guangxi Xindi, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 261,799.61 sq.m.

6. Pursuant to 8 Pre-sale and sale Permits—Nan Fang Yu Zi (2014) Di Nos. 179 and 188, (2015) Di 064 and Nan Fang Yu Zi (2017) Di Nos. 106 and 107 and Nan Fang Shang Bei Zi Nos. 20190531002, 20190531003, 20190614001 and 20190702002 in favor of Guangxi Xindi , the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 210,564.55 sq.m.) to purchasers.

7. Pursuant to 10 Construction Work Completion and Inspection Tables in favor of Guangxi Xindi, the construction of portions of the Project with a total gross floor area of approximately 261,661.52 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	322.19	
	Office	782.55	
	Car parking spaces	5,329.24	143
	Sub-total:	**6,433.98**	**143**
Group III—held for investment by the Group	Commercial	67,845.74	
	Sub-total:	**67,845.74**	**N/A**
	Total:	**74,279.72**	**143**

9. As advised by the Group, various residential and office units and car parking spaces with a total gross floor area of approximately 1,410.90 sq.m. in Group II of the property have been pre-sold to various third parties at a total consideration of RMB8,101,692. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. Pursuant to various Tenancy Agreements, portions of the property with a total gross floor area of approximately 44,310.49 sq.m. are leased to various tenants with the expiry dates between September 5, 2021 and September 5, 2034, and the monthly rents receivable as at the valuation date ranged from RMB15.2 to RMB128.3 per sq.m., exclusive of management fees, water and electricity charges.

11. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and office units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,000 to RMB8,000 per sq.m. for residential units, RMB9,000 to RMB11,500 per sq.m. for office units and RMB120,000 to RMB140,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition at the transaction date is considered; and

    b. For the remaining portion of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

The unit rent of these comparable commercial units on the first floor range from RMB75 to RMB105 per sq.m. per month; and

Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 5.6% to 5.9% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.8% for the commercial units as the capitalization rate in the valuation.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Xindi is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Xindi is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property; and

    c. Portions of the property are subject to a mortgage. Guangxi Xindi is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	26,200,000
Group III—held for investment by the Group	573,600,000
Total:	**599,800,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
30.	Nanning Dynasty Tiancheng Phase III located at the northern side of Mingxiu East Road and the western side of Beihu North Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐天城三期)	Nanning Dynasty Tiancheng Phase III (the "Project") is located at the northern side of Mingxiu East Road and the western side of Beihu North Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 19,141.35 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 169,617.78 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB409,400,000, of which approximately RMB249,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on May 11, 2087 for residential use and May 11, 2057 for commercial use.	As at the valuation date, the property was under construction.	880,500,000 (100.00% interest attributable to the Group: RMB880,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Fu) Zi No. 2017011 dated March 12, 2014 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 19,132.44 sq.m were contracted to be granted to Guangxi Datang Real Estate Co., Ltd. (廣西大唐房地產有限公司, "Guangxi Datang", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB432,201,820.
2. Pursuant to a Construction Land Planning Permit—Di Zi Do No. 450101201700054, permission towards the land planning of the Project with a site area of approximately 19,140.85 sq.m. has been granted to Guangxi Datang.
3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2017) Nan Ning Shi Bu Dong Chan Quan Di No. 0046927, the land use rights of the Project with a site area of approximately 19,141.35 sq.m. have been granted to Guangxi Datang for terms expiring on May 11, 2087 for residential use and May 11, 2057 for commercial use.

4. Pursuant to 8 Construction Work Planning Permits—Jian Zi Di Nos. 450101201700683 to 450101201700690 in favor of Guangxi Datang, the Project with a total gross floor area of approximately 162,658.07 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450101201711230201 in favor of Guangxi Datang, permission by the relevant local authority was given to commence the construction of the Project with a total gross floor area of approximately 162,658.07 sq.m.

6. Pursuant to 4 Pre-sale Permits—Nan Fang Yu Zi (2017) Nos. 408, 413 and 436 and (2018) No. 275 in favor of Guangxi Datang, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 89,561.52 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group III—held for investment by the Group	Commercial	5,840.00	
	Sub-total:	**5,840.00**	**N/A**
Group IV—held under development by the Group	Residential	57,745.93	
	Resettlement residential	41,308.25	
	Commercial	15,397.89	
	Resettlement commercial	1,925.31	
	Ancillary	10,990.84	
	Basement (inclusive of car parking spaces)	36,409.56	575
	Sub-total:	**163,777.78**	**575**
	Total:	**169,617.78**	**575**

8. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 68,147.85 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB722,665,901. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Datang should build resettlement housing with a total gross floor area of approximately 43,233.56 sq.m. and the repurchase price is approximately RMB316,251,814, of which approximately RMB124,204,860 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,196,300,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB11,000 per sq.m. for residential units, RMB21,000 to RMB28,000 per sq.m. for commercial units on the first floor and RMB120,000 to RMB150,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Datang is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Datang has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Datang has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Guangxi Datang is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group III—held for investment by the Group	32,600,000
Group IV—held under development by the Group	847,900,000
Total:	**880,500,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
31.	Anji Dynasty Royalty located at the western side of Anji Road and the northern side of Xiuxiang Road Xixiangtang District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·安吉大唐世家)	Anji Dynasty Royalty (the "Project") is located at the western side of Anji Road and the northern side of Xiuxiang Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies 2 parcels of land with a total site area of approximately 27,962.11 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 147,171.28 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB421,500,000, of which approximately RMB129,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on September 3, 2089 and September 5, 2089 for residential use and September 3, 2059 and September 5, 2059 for commercial use.	As at the valuation date, the property was under construction.	639,800,000 (70.00% interest attributable to the Group: RMB447,900,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nan Ning Zi Ran (Fu) Rang Zi Nos. 2019015 and 2019016 dated July 15, 2019, the land use rights of the Project with a total site area of approximately 27,962.11 sq.m. were contracted to be granted to Guangxi Tangju Investment Co., Ltd. (廣西唐聚投資有限公司, "Guangxi Tangju", a 70.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB302,590,278.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Di Nos. 450101201900100 and 450101201900101, permissions towards the land planning of the Project with a total site area of approximately 27,962.11 sq.m. have been granted to Guangxi Tangju.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Gui (2019) Nan Ning Shi Bu Dong Chan Quan Di Nos. 0263156 and 0263109, the land use rights of the Project with a total site area of approximately 27,962.11 sq.m. have been granted to Guangxi Tangju for terms expiring on September 3, 2089 and September 5, 2089 for residential use and September 3, 2059 and September 5, 2059 for commercial use.
4. Pursuant to 11 Construction Work Planning Permits in favor of Guangxi Tangju, the Project with a total gross floor area of approximately 143,197.56 sq.m. has been approved for construction.
5. Pursuant to a Construction Work Commencement Permit—No. 450101201908070101 in favor of Guangxi Tangju, permission by the relevant local authority was given to commence the construction of the Project with a total gross floor area of approximately 143,197.56 sq.m.
6. Pursuant to 7 Pre-sale Permits—Nan Fang Yu Zi (2019) Di Nos. 602, 687, 812 and (2020) Di Nos. 024, 308, 379 and 381 in favor of Guangxi Tangju, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 124,364.12 sq.m.) to purchasers.
7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	100,133.27	
	Commercial	2,613.79	
	Ancillary	12,558.44	
	Basement (inclusive of car parking spaces)	31,865.78	690
	Total:	**147,171.28**	**690**

8. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 66,912.34 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB738,272,184. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.
9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,220,500,000.
10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB11,500 per sq.m. for residential units, RMB14,000 to RMB17,000 per sq.m. for commercial units on the first floor and RMB100,000 to RMB135,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.
11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
    a. Guangxi Tangju is in possession of the land use rights of the property, which are protected under the PRC law;

b. Guangxi Tangju has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangju has the rights to legally pre-sell such portions according to the obtained Pre-sale Permit; and

d. Portions of the property are subject to a mortgage. Guangxi Tangju is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as “Group IV—held under development by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
32.	Xingning Dynasty Youth located at the southern side of Nanwu Road Xingning District Guangxi Zhuang Autonomous Region The PRC (南寧·興寧大唐果)	Xingning Dynasty Youth (the "Project") is located at the southern side of Nanwu Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 24,786.43 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 126,313.88 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB297,700,000, of which approximately RMB132,900,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 21, 2088 for residential use and July 21, 2058 for wholesale and retail uses.	As at the valuation date, the property was under construction.	530,500,000 (76.92% interest attributable to the Group: RMB408,100,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Fu) Zi No. 2018003 dated February 24, 2018, the land use rights of the Project with a site area of approximately 24,786.43 sq.m. were contracted to be granted to Guangxi Tangning Investment Co., Ltd. (廣西唐寧投資有限公司, "Guangxi Tangning", a 76.92%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for wholesale and retail uses commencing from the land delivery date. The land premium was RMB256,539,551.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201800040, permission towards the land planning of the Project with a site area of approximately 24,785.90 sq.m. has been granted to Guangxi Tangning.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di No. 0137503, the land use rights of the Project with a site area of approximately 24,786.43 sq.m. have been granted to Guangxi Tangning for terms expiring on July 21, 2088 for residential use and July 21, 2058 for wholesale and retail uses.

4. Pursuant to 10 Construction Work Planning Permits—Jian Zi Di Nos. 450101201800545 to 450101201800554 in favor of Guangxi Tangning, the Project with a total gross floor area of approximately 121,628.77 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450101201807020201 in favor of Guangxi Tangning, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 122,407.01 sq.m.

6. Pursuant to 7 Pre-sale Permits—Nan Fang Yu Zi (2018) Nos. 336, 339, 414 (Huan 1) and (2019) Nos. 082, 175, 233, 234 in favor of Guangxi Tangning, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 100,180.56 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	60,950.88	
	Commercial	1,476.27	
	Resettlement residential	22,140.28	
	Resettlement commercial	1,502.43	
	Ancillary	11,139.97	
	Basement (inclusive of car parking spaces)	29,104.05	663
	Total:	**126,313.88**	**663**

8. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 68,675.64 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB655,372,475. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Tangning should build resettlement housing with a total gross floor area of approximately 32,654.45 sq.m. (inclusive of car parking spaces with a gross floor area of approximately 9,011.74 sq.m.) and the repurchase price is approximately RMB205,872,670, of which approximately RMB90,820,738 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB817,200,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,000 to RMB12,000 per sq.m. for residential units and RMB13,000 to RMB20,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB140,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangning is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Tangning has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangning has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Guangxi Tangning is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
33.	Portions of Nanning Dynasty Shengshi Phases I & II located at the southern side of Xinyong Road and the eastern side of Longgang Avenue Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐盛世一期和二期)	Nanning Dynasty Shengshi Phases I & II (the "Project") is located at the southern side of Xinyong Road and the eastern side of Longgang Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 2 parcels of land with a total site area of approximately 157,832.08 sq.m., which is being developed into a residential and commercial development. Portions of the Project were completed in August 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in October 2020. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 84,322.65 sq.m. As at the valuation date, the property comprised the unsold units and CIP of the Project with a total planned gross floor area of approximately 130,384.62 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB162,300,000, of which approximately RMB153,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on August 11, 2085 for residential use and August 11, 2055 for wholesale and retail uses.	As at the valuation date, the unsold units of the property were vacant and the remaining portion of the property was under construction.	462,800,000 (100.00% interest attributable to the Group: RMB462,800,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu (Wu Xiang) Zi Nos. 20150042 and 20150043 dated August 11, 2015 and 3 Supplementary Contracts, the land use rights of the Project with a total site area of approximately 157,832.08 sq.m. were contracted to be granted to Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司, "Guangxi Tangmei", a wholly-owned subsidiary of

the Company) for terms of 70 years for residential use and 40 years for wholesale and retail uses commencing from the land delivery date. The land premium was RMB783,636,277.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Di Nos. 450101201550046 and 450101201550047, permissions towards the land planning of the Project with a total site area of approximately 157,829.55 sq.m. have been granted to Guangxi Tangmei.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Gui (2016) Nan Ning Shi Bu Dong Chan Quan Di Nos. 0012201 and 0012206, the land use rights of the Project with a total site area of approximately 157,832.08 sq.m. have been granted to Guangxi Tangmei for terms expiring on August 11, 2085 for residential use and August 11, 2055 for wholesale and retail uses.

4. Pursuant to 36 Construction Work Planning Permits in favor of Guangxi Tangmei, the Project with a total gross floor area of approximately 880,677.56 sq.m. has been approved for construction.

5. Pursuant to 6 Construction Work Commencement Permits—Nos. 450117201606220101, 450117201606200101, 450117201608020101, 450117201704280101, 450117201608260101 and 450117201608310101 in favor of Guangxi Tangmei, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 880,940.35 sq.m.

6. Pursuant to 19 Pre-sale Permits, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 661,022.14 sq.m.) to purchasers.

7. Pursuant to 36 Construction Work Completion and Inspection Tables in favor of Guangxi Tangmei, the construction of portions of the Project with a total gross floor area of approximately 794,820.80 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	1,143.95	
	Commercial	7,008.55	
	Car parking spaces	37,909.47	1,154
	Sub-total:	**46,061.97**	**1,154**
Group IV—held under development by the Group	Residential	26,185.02	
	Ancillary	1,168.25	
	Basement (inclusive of car parking spaces)	56,969.38	1,317
	Sub-total:	**84,322.65**	**1,317**
	Total:	**130,384.62**	**2,471**

9. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 25,350.94 sq.m. in Group II and various residential units and car parking spaces with a total gross floor area of 49,416.46 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB364,847,091. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. As advised by the Group, Guangxi Tangmei should build resettlement housing with a total gross floor area of approximately 6,855.89 sq.m. (inclusive of car parking space with a gross floor area of approximately 6,855.89 sq.m.) and the repurchase price is approximately RMB16,690,483, of which approximately RMB16,690,483 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.

11. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB286,400,000.

12. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,000 to RMB8,000 per sq.m. for residential units, RMB10,000 to RMB17,000 per sq.m. for commercial units on the first floor and RMB90,000 to RMB115,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

13. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangmei is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Tangmei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Guangxi Tangmei has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangmei has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

14. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

15. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	194,500,000
Group IV—held under development by the Group	268,300,000
Total:	**462,800,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
34.	Nanning Dynasty Shengshi Phase III located at the southern side of Xinyong Road and the eastern side of Longgang Avenue Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·大唐盛世三期)	Nanning Dynasty Shengshi Phase III (the "Project") is located at the southern side of Xinyong Road and the eastern side of Longgang Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 87,047.94 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in September 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 512,302.99 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB1,067,900,000, of which approximately RMB653,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on September 22, 2085 for residential use and September 22, 2055 for wholesale and retail uses.	As at the valuation date, the property was under construction.	1,837,100,000 (100.00% interest attributable to the Group: RMB1,837,100,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu (Wu Xiang) Zi No. 2017024 dated November 30, 2017 and Nan Ning Tu Chu (Wu Xiang) Zi No. 20150058 dated September 22, 2015 and 2 Supplementary Contracts, the land use rights of the Project with a total site area of approximately 87,047.17 sq.m. were contracted to be granted to Guangxi Tangmei Investment Co., Ltd. (廣西唐美投資有限公司, "Guangxi Tangmei", a wholly-owned subsidiary of the Company) for terms of 70 years for commercial use and 40 years of wholesale and retail uses commencing from the land delivery date. The land premium was RMB519,196,930.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Di Nos. 450101201550059 and 450101201850033, permissions towards the land planning of the Project with a total site area of approximately 87,045.72 sq.m. have been granted to Guangxi Tangmei.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di No. 0164675, the land use rights of the Project with a site area of approximately 87,047.94 sq.m. have been granted to Guangxi Tangmei for terms expiring on September 22, 2085 for residential use and September 22, 2055 for wholesale and retail uses.
4. Pursuant to 29 Construction Work Planning Permits in favor of Guangxi Tangmei, the Project with a total gross floor area of approximately 500,700.85 sq.m. has been approved for construction.
5. Pursuant to 3 Construction Work Commencement Permits—Nos. 450117201805250201, 450117201810230101 and 450117201810230201 in favor of Guangxi Tangmei, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 498,947.04 sq.m.
6. Pursuant to 21 Pre-sale Permits in favor of Guangxi Tangmei, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 438,651.49 sq.m.) to purchasers.
7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	304,689.32	
	Resettlement residential	29,462.18	
	Commercial	11,998.41	
	Resettlement commercial	222.10	
	Ancillary	36,277.73	
	Basement (inclusive of car parking spaces)	129,653.25	2,725
	Total:	**512,302.99**	**2,725**

8. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 281,506.47 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB1,966,650,502. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.
9. As advised by the Group, Guangxi Tangmei should build resettlement housing with a total GFA of approximately 35,830,60 sq.m. (inclusive of car parking spaces with a gross floor area of approximately 6,146.24 sq.m.) and the repurchase price is approximately RMB141,309,627, of which approximately RMB115,345,498 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.
10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB2,617,100,000.
11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,000 to RMB9,000 per sq.m. for residential units, RMB12,500 to RMB14,500 per sq.m. for commercial units on the first floor and RMB90,000 to RMB115,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangmei is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Tangmei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Guangxi Tangmei has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangmei has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
35.	Portions of Longgang Dynasty Royalty located at the western side of Longgang Avenue and the northern side of Yongda North Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 龍崗大唐世家)	Longgang Dynasty Royalty (the "Project") is located at the western side of Longgang Avenue and the northern side of Yongda North Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 3 parcels of land with a total site area of approximately 109,877.61 sq.m. which had been developed into a residential and commercial development. The Project was completed in January 2020 and its unsold portion (the "unsold units") was partly held for sale and partly held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 40,682.81 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for terms expiring on November 28, 2083 for residential use and November 28, 2053 for wholesale and retail uses.	As at the valuation date, portions of the property were vacant and the remaining portion of the property was rented to various third parties.	146,500,000 (100.00% interest attributable to the Group: RMB146,500,000)

Notes:

1. Pursuant to 3 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu Zi Nos. 2013115, 2013146 and 2013147 dated December 12, 2013 and 2 Supplementary Contracts, the land use rights of the Project with a total site area of approximately 109,877.61 sq.m. were contracted to be granted to Guangxi Datang Shijia Investment Co., Ltd. (廣西大唐世家投資有限公司, "Guangxi Datang Shijia", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for wholesale and retail uses commencing from the land delivery date. The land premium was RMB576,857,453.

2. Pursuant to 3 Construction Land Planning Permits—Di Zi Di Nos. 450101201450046, 450101201450047 and 450101201450011, permissions towards the land planning of the Project with a total site area of approximately 109,875.77 sq.m. have been granted to Guangxi Datang Shijia.

3. Pursuant to 2 State-owned Land Use Rights Certificates—Nan Ning Guo Yong (2014) Di Nos. 641098, 636083 and a Real Estate Title Certificate (for land)—Gui (2015) Nan Ning Shi Bu Dong Chan Quan Di No. 0009259, the land use rights of the Project with a total site area of approximately 109,877.61 sq.m. have been granted to Guangxi Datang Shijia for terms expiring on November 28, 2083 for residential use and November 28, 2053 for wholesale and retail uses.

4. Pursuant to 26 Construction Work Planning Permits in favor of Guangxi Datang Shijia, the Project with a total gross floor area of approximately 577,917.04 sq.m. has been approved for construction.

5. Pursuant to 6 Construction Work Commencement Permits—Nos. 450117201406060101, 450117201406060102, 450117201506090301, 450117201508270201, 450117201603210201 and 450117201507100201 in favor of Guangxi Datang Shijia, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 576,942.71 sq.m.
6. Pursuant to 12 Pre-sale Permits in favor of Guangxi Datang Shijia, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 548,106.00 sq.m.) to purchasers.
7. Pursuant to 28 Construction Work Completion and Inspection Tables in favor of Guangxi Datang Shijia, the construction of the Project with a total gross floor area of approximately 577,462.26 sq.m. has been completed and passed the inspection acceptance.
8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	3,294.25	
	Commercial	787.91	
	Car parking spaces	31,472.56	899
	Sub-total:	**35,554.72**	**899**
Group III—held for investment by the Group	Commercial	5,128.09	
	Sub-total:	**5,128.09**	**N/A**
	Total:	**40,682.81**	**899**

9. Pursuant to a Tenancy Agreement, portions of the property with a gross floor area of approximately 4,009.17 sq.m. are leased to a tenant with the expiry date on October 31, 2034, and the monthly rent receivable as at the valuation date was RMB14.8 per sq.m., exclusive of management fees, water and electricity charges.
10. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 3,344.53 sq.m. in Group II of the property have been pre-sold to various third parties at a total consideration of RMB20,832,040. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.
11. Our valuation has been made on the following basis and analysis:
    a. For portions of the property in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB11,000 per sq.m. for residential units, RMB15,000 to RMB18,000 per sq.m. for commercial units on the first floor and RMB80,000 to RMB100,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;
    b. For the remaining portion of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

The unit rents of these comparable commercial units on the first floor range from RMB2.0 to RMB2.8 per sq.m. per day; and

Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 4.6% to 5.3% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.0% for the commercial units as the capitalization rate in the valuation.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Datang Shijia is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Datang Shijia is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Guangxi Datang Shijia is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date *(RMB)*
Group II—held for sale by the Group	112,300,000
Group III—held for investment by the Group	34,200,000
Total:	**146,500,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
36.	Wuxiang Dynasty Youth located at the western side of Fengchao Road and the northern side of Liangxing Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 五象大唐果)	Wuxiang Dynasty Youth (the "Project") is located at the western side of Fengchao Road and the northern side of Liangxing Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 23,817.10 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 102,193.08 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB250,200,000, of which approximately RMB136,400,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 12, 2088 for residential use and July 12, 2058 for commercial use.	As at the valuation date, the property was under construction.	491,700,000 (96.88% interest attributable to the Group: RMB476,400,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Wu Xiang) Zi No. 2018026 dated July 12, 2018 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 23,817.10 sq.m. were contracted to be granted to Guangxi Tangxun Investment Co., Ltd. (廣西唐勛投資有限公司, "Guangxi Tangxun", a 96.88%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB260,797,245.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201850085, permission towards the land planning of the Project with a site area of approximately 23,817.10 sq.m. has been granted to Guangxi Tangxun.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di No. 0211952, the land use rights of the Project with a site area of approximately 23,817.10 sq.m. have been granted to Guangxi Tangxun for terms expiring on July 12, 2088 for residential use and July 12, 2058 for commercial use.

4. Pursuant to 9 Construction Work Planning Permits—Jian Zi Di Nos. 450101201851069 to 450101201851077 in favor of Guangxi Tangxun, the Project with a total gross floor area of approximately 100,798.78 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450117201811270101 in favor of Guangxi Tangxun, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 100,764.60 sq.m.

6. Pursuant to 4 Pre-sale Permits—Nan Fang Yu Zi (2018) Nos. 543, 587 and Nan Fang Yu Zi (2019) Nos. 090, 205 in favor of Guangxi Tangxun, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 74,818.46 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	46,985.75	
	Resettlement residential	16,922.89	
	Resettlement commercial	7,013.83	
	Ancillary	6,183.58	
	Basement (inclusive of car parking spaces)	25,087.03	543
	Total:	**102,193.08**	**543**

8. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 47,293.44 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB566,705,899. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Tangxun should build resettlement housing with a total gross floor area of approximately 32,241.52 sq.m. (inclusive of car parking spaces with a gross floor area of approximately 8,340.80 sq.m.) and the repurchase price is approximately RMB118,941,562, of which approximately RMB61,225,367 had been recognized as revenue as at the valuation date that we have not taken into account such portion in our valuation.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB685,900,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB11,000 to RMB13,000 per sq.m. for residential units and RMB125,000 to RMB155,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangxun is in possession of the land use rights of the property, which are protected under the PRC law;

b. Guangxi Tangxun has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangxun has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. Portions of the property are subject to a mortgage. Guangxi Tangxun is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
37.	Portions of Dynasty International Center located at the eastern side of Feilong Road and the northern side of Pange Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧・大唐國際中心)	Dynasty International Center (the "Project") is located at the eastern side of Feilong Road and the northern side of Pange Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 11,545.36 sq.m., which had been developed into an office and commercial development. The Project was completed in June 2018, and its unsold portion (the "unsold units") was partly held for sale, partly held for investment and partly self-occupied as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 50,116.90 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for terms expiring on January 9, 2065 for office use and January 9, 2055 for commercial use.	As at the valuation date, portions of the property were vacant, portions of the property were rented to various third parties and the remaining portion of the property was self-occupied.	371,000,000 (100.00% interest attributable to the Group: RMB371,000,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Wu Xiang) Zi No. 20150009 dated January 22, 2015, the land use rights of the Project with a site area of approximately 11,545.36 sq.m. were contracted to be granted to Guangxi Tangzhuang Investment Co., Ltd. (廣西唐莊投資有限公司, "Guangxi Tangzhuang", a wholly-owned subsidiary of the Company) for terms of 50 years for office use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB63,037,666.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201550006, permission towards the land planning of the Project with a site area of approximately 11,545.36 sq.m. has been granted to Guangxi Tangzhuang.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2015) Nan Ning Shi Bu Dong Chan Quan Di No. 0022328, the land use rights of the Project with a site area of approximately 11,545.36 sq.m. have been granted to Guangxi Tangzhuang for terms expiring on January 9, 2065 for office use and January 9, 2055 for commercial use.

4. Pursuant to 3 Construction Work Planning Permits—Jian Zi Di Nos. 45010120155054 to 45010120155056 in favor of Guangxi Tangzhuang, the Project with a total gross floor area of approximately 79,018.01 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450117201601080000 in favor of Guangxi Tangzhuang, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 79,018.01 sq.m.

6. Pursuant to 2 Pre-sale Permits—Nan Fang Yu Zi (2016) Nos. 114 (Huan 1) and 270 in favor of Guangxi Tangzhuang, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 23,694.99 sq.m.) to purchasers.

7. Pursuant to 4 Construction Work Completion and Inspection Tables in favor of Guangxi Tangzhuang, the construction of the Project with a total gross floor area of approximately 78,376.47 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group I—held and occupied by the Group	Hotel	10,229.21	
	Sub-total	**10,229.21**	**N/A**
Group II—held for sale by the Group	Commercial	3,119.54	
	Office	1,789.42	
	Sub-total:	**4,908.96**	**N/A**
Group III—held for investment by the Group	Commercial	1,773.62	
	Office	20,244.63	
	Car parking spaces	12,960.48	528
	Sub-total:	**34,978.73**	**528**
	Total:	**50,116.90**	**528**

9. Pursuant to 15 Tenancy Agreements, portions of the property with a total gross floor area of approximately 15,162.27 sq.m. are leased to 15 tenants with the expiry dates between February 22, 2022 and February 19, 2030 and the monthly rents receivable as at the valuation date ranged from RMB28.4 to RMB35.0 per sq.m., exclusive of management fees, water and electricity charges.

10. As advised by the Group, various commercial and office units with a total gross floor area of approximately 381.84 sq.m. in Group II of the property have been pre-sold to various third parties at a total consideration of RMB4,383,589. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

11. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are commercial and office units within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB23,000 to RMB29,000 per sq.m. for commercial units on the first floor and RMB8,000 to RMB10,000 per sq.m. for office units. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;

    b. For the remaining portion of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial and office units and car parking spaces of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area; and

The daily rents of these comparable commercial units on the first floor range from RMB3.7 to RMB4.0 per sq.m. per day, the daily rents of these comparable office units range from RMB1.2 to RMB1.5 per sq.m and the monthly rents of these car parking spaces range from RMB300 to RMB400 per space;

Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 5.0% to 6.0%, for office portion, the stabilized market yield ranged from 5.5% to 6.5% and for car park spaces, the stabilized market yield ranged from 3.0% to 4.0% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.5% for the commercial units, 6.0% for office units and 3.5% for car parking spaces as the capitalization rate in the valuation; and

c. In valuing the hotel portion of the property in Group I, our adopted key assumptions are summarized as follows:

i.	Average daily room rate (“ADR”)	RMB326 for year 1
ii.	Occupancy rate for year 1	40.0%
iii.	Stabilized occupancy rate	70.0%
iv.	Capitalization rate	5.5%

12. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:

a. Guangxi Tangzhuang is in possession of the land use rights of the property, which are protected under the PRC law;

b. Guangxi Tangzhuang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property; and

c. Portions of the property are subject to a mortgage. Guangxi Tangzhuang is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group I—held and occupied by the Group	109,300,000
Group II—held for sale by the Group	56,200,000
Group III—held for investment by the Group	205,500,000
Total:	**371,000,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
38.	Portions of Dynasty Zhenguan located at the eastern side of Tongguling Road and the northern side of Fengling South Road Qingxiu District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐臻觀)	Dynasty Zhenguan (the "Project") is located at the eastern side of Tongguling Road and the northern side of Fengling South Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 45,582.23 sq.m., which is being developed into a residential development. Portions of the Project were completed in March 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in June 2021. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 196,024.15 sq.m. As at the valuation date, the property comprised the unsold units and CIP of the Project with a total planned gross floor area of approximately 197,672.06 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB604,800,000, of which approximately RMB385,400,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on May 10, 2087 for residential use.	As at the valuation date, the unsold units of the property were vacant and the remaining portion of the property was under construction.	2,312,300,000 (85.00% interest attributable to the Group: RMB1,965,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Fu) Zi No. 2016034 dated October 14, 2016 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 45,581.80 sq.m. were contracted to be granted to Guangxi Tanggui Investment Co., Ltd. (廣西唐桂投資有限公司, "Guangxi Tanggui", an 85.00%-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB1,558,897,560.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201600133, permission towards the land planning of the Project with a site area of approximately 45,581.40 sq.m. has been granted to Guangxi Tanggui.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2017) Nan Ning Shi Bu Dong Chan Quan Di No. 0026779, the land use rights of the Project with a site area of approximately 45,582.23 sq.m. have been granted to Guangxi Tanggui for a term expiring on May 10, 2087 for residential use.

4. Pursuant to 21 Construction Work Planning Permits in favor of Guangxi Tanggui, the Project with a total gross floor area of approximately 217,093.15 sq.m. has been approved for construction.

5. Pursuant to 3 Construction Work Commencement Permits—Nos. 450101201711240101, 450101201803090201 and 450101201808030101 in favor of Guangxi Tanggui, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 217,093.15 sq.m.

6. Pursuant to 9 Pre-sale Permits—Nan Fang Yu Zi (2018) Nos. 112, 197, 418 and 551, (2019) Nos.061, 445 and 342 and (2020) 123 and 438 in favor of Guangxi Tanggui, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 112,797.97 sq.m.) to purchasers.

7. Pursuant to 4 Construction Work Completion and Inspection Tables in favor of Guangxi Tanggui, portions of the construction of the Project have been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	1,647.91	
	Sub-total:	**1,647.91**	**N/A**
Group IV—held under development by the Group	Residential	119,301.52	
	Ancillary	14,640.48	
	Basement (inclusive of car parking spaces)	62,082.15	1,262
	Sub-total:	**196,024.15**	**1,262**
	Total:	**197,672.06**	**1,262**

9. As advised by the Group, various residential units with a total gross floor area of approximately 362.44 sq.m. in Group II and various residential units and car parking spaces with a total gross floor area of 60,232.77 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB1,215,170,878. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB2,804,900,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB19,000 to RMB22,000 per sq.m. for residential units and RMB310,000 to RMB350,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tanggui is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Tanggui has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tanggui has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Guangxi Tanggui is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	31,200,000
Group IV—held under development by the Group	2,281,100,000
Total:	**2,312,300,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
39.	Portions of Xingning Dynasty Impression located at the northern side of Hongqiao Road Xingning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·興寧大唐印象)	Xingning Dynasty Impression (the "Project") is located at the northern side of Hongqiao Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 95,750.49 sq.m., which is being developed into a residential and commercial development. Portions of the Project were completed in July 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in November 2020. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 42,393.36 sq.m. As at the valuation date, the property comprised the unsold units and CIP with a total planned gross floor area of approximately 309,782.55 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP is estimated to be approximately RMB78,800,000, of which approximately RMB56,600,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on December 29, 2087 for residential use and December 29, 2057 for commercial use.	As at the valuation date, the unsold units of the property were vacant and the remaining portion of the property was under construction.	2,794,800,000 (40.00% interest attributable to the Group: RMB1,117,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Fu) Zi No. 2017054 dated November 16, 2017 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 95,750.49 sq.m. were contracted to be granted to Guangxi Tangsheng Investment Co., Ltd. (廣西唐昇投資有限公司, "Guangxi Tangsheng", a 40.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,124,589,505.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201700160, permission towards the land planning of the Project with a site area of approximately 95,748.05 sq.m. has been granted to Guangxi Tangsheng.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di No. 0003176, the land use rights of the Project with a site area of approximately 95,750.49 sq.m. have been granted to Guangxi Tangsheng for terms expiring on December 29, 2087 for residential use and December 29, 2057 for commercial use.

4. Pursuant to 33 Construction Work Planning Permits in favor of Guangxi Tangsheng, the Project with a total gross floor area of approximately 327,062.37 sq.m. has been approved for construction.

5. Pursuant to 4 Construction Work Commencement Permits—Nos. 450101201805160201, 450101201807180101, 450101201807270301 and 450101201811150401 in favor of Guangxi Tangsheng, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 326,778.87 sq.m.

6. Pursuant to 13 Pre-sale Permits in favor of Guangxi Tangsheng, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 289,577.55 sq.m.) to purchasers.

7. Pursuant to 31 Construction Work Completion and Inspection Tables in favor of Guangxi Tangsheng, the construction of portions of the Project with a total gross floor area of approximately 284,047.60 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	209,891.38	
	Commercial	23,984.68	
	Car parking spaces	33,513.13	1,033
	Sub-total	**267,389.19**	**1,033**
Group IV—held under development by the Group	Basement (inclusive of car parking spaces)	42,393.36	679
	Sub-total	**42,393.36**	**679**
	Total:	**309,782.55**	**1,712**

9. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 181,429.98 sq.m. in Group II and various car parking spaces with a total gross floor area of 5,322.39 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB1,947,532,627. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. The market value of the CIP of the Property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB80,600,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB10,000 to RMB12,000 per sq.m. for residential units, RMB17,000 to RMB19,500 per sq.m. for commercial units on the first floor and RMB100,000 to RMB130,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangsheng is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Tangsheng has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangsheng has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Guangxi Tangsheng is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	2,742,700,000
Group IV—held under development by the Group	52,100,000
Total	**2,794,800,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
40.	Portions of Nanning Headquarters No.1 No.21 Pingle Avenue Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 總部一號)	Nanning Headquarters No.1 (the "Project") is located at No.21 Pingle Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project had been developed into a commercial and office development and was completed in 2016. Its unsold portion (the "unsold units") was held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 2,157.56 sq.m. The classification, usage and gross floor area details of the property are set out in note 2. The land use rights of the property have been granted for a term expiring on February 27, 2064 for commercial use.	As at the valuation date, the property was vacant.	26,200,000 (100.00% interest attributable to the Group: RMB26,200,000)

Notes:

1. Pursuant to 30 Real Estate Title Certificates, the property is owned by Guangxi Tangzhuang Investment Co., Ltd. (廣西唐莊投資有限公司, "Guangxi Tangzhuang", a wholly-owned subsidiary of the Company) with a total gross floor area of 2,157.56 sq.m and the relevant land use rights of the property have been granted for a term expiring on February 27, 2064 for commercial use.

2. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)
Group III—held for investment by the Group	Commercial	2,157.56

3. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

   The unit rents of these comparable commercial units on the first floor range from RMB3.5 to RMB4.8 per sq.m. per day; and

   Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 5.3% to 5.8% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.5% for the commercial units as the capitalization rate in the valuation.

4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Guangxi Tangzhuang is in possession of the building ownership rights of the property, which are protected under the PRC law;

   b. Guangxi Tangzhuang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property; and

   c. The property is subject to a mortgage. Guangxi Tangzhuang is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

5. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	N/A
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	N/A
c.	Real Estate Title Certificate	Yes
d.	Construction Land Planning Permit	N/A
e.	Construction Work Planning Permit	N/A
f.	Construction Work Commencement Permit	N/A
g.	Pre-sale Permit	N/A
h.	Construction Work Completion and Inspection Certificate/Table/Report	N/A

6. For the purpose of this report, the property is classified into the group as "Group III—held for investment by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
41.	Jinjiu Royalty located at the eastern side of Dongfeng Road and the southern side of Shunning Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 金玖世家)	Jinjiu Royalty (the "Project") is located at the eastern side of Dongfeng Road and the southern side of Shunning Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 2 parcels of land with a total site area of approximately 68,401.41 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in April 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 380,329.56 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB1,170,500,000, of which approximately RMB523,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 12, 2088 for residential use and July 12, 2058 for commercial use.	As at the valuation date, the property was under construction.	1,832,900,000 (25.00% interest attributable to the Group: RMB458,200,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu (Wu Xiang) Zi Nos. 2018020 and 2018021 dated June 29, 2018 and 2 Supplementary Contracts, the land use rights of the Project with a total site area of approximately 68,401.41 sq.m. were contracted to be granted to Nanning Yaoxin Real Estate Development Co., Ltd. (南寧市耀鑫房地產開發有限公司, "Nanning Yaoxin", a 25.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB810,556,709.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Di Nos. 450101201850077 and 450101201850078, permissions towards the land planning of the Project with a site area of approximately 68,401.41 sq.m. have been granted to Nanning Yaoxin.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di Nos. 0205843 and 0205913, the land use rights of the Project with a total site area of approximately

68,401.41 sq.m. have been granted to Nanning Yaoxin for terms expiring on July 12, 2088 for residential use and July 12, 2058 for commercial use.

4. Pursuant to 22 Construction Work Planning Permits in favor of Nanning Yaoxin, the Project with a total gross floor area of approximately 380,007.37 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450117201901080101 in favor of Nanning Yaoxin, permission by the relevant local authority was given to commence the construction of the Project with a total gross floor area of approximately 380,007.40 sq.m.

6. Pursuant to 17 Pre-sale Permits in favor of Nanning Yaoxin, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 298,157.82 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	202,007.83	
	Resettlement residential	50,786.72	
	Resettlement commercial	19,922.66	
	Ancillary	22,904.91	
	Basement (inclusive of car parking spaces)	84,707.44	1,966
	Total:	**380,329.56**	**1,966**

8. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 205,593.22 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB2,422,589,001. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Nanning Yaoxin should build resettlement housing with a total gross floor area of approximately 95,119.52 sq.m, (inclusive of car parking spaces with a gross floor area of approximately 24,410.14 sq.m.) and the repurchase price is approximately RMB351,354,909.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB2,984,400,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB11,000 to RMB13,000 per sq.m. for residential units and RMB125,000 to RMB155,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Nanning Yaoxin is in possession of the land use rights of the property, which are protected under the PRC law; Nanning Yaoxin is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

b. Nanning Yaoxin has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Nanning Yaoxin has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
42.	Portions of Jinyue Qingshan located at the western side of Qingshan Road and the northern side of Yinghua Road Qingxiu District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 錦悦青山)	Jinyue Qingshan (the "Project") is located at the western side of Qingshan Road and the northern side of Yinghua Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 32,507.42 sq.m., which is being developed into a residential development. Portions of the Project were completed in May 2020 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in June 2021. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 115,434.32 sq.m. As at the valuation date, the property comprised the unsold units and CIP of the Project with a total planned gross floor area of approximately 163,855.38 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB339,200,000, of which approximately RMB184,900,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on December 8, 2087 for residential use.	As at the valuation date, the unsold units of the property were vacant and the remaining portion of the property was under construction.	1,216,600,000 (49.43% interest attributable to the Group: RMB601,400,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Fu) Zi No. 2017048 dated November 8, 2017 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 32,507.42 sq.m. were contracted to be granted to Nanning Xinyong Properties Co., Ltd. (南寧新邕置業有限公司, "Nanning Xinyong", a 49.43%-owned joint venture of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB659,738,089.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201700159, permission towards the land planning of the Project with a site area of approximately 32,506.59 sq.m. has been granted to Nanning Xinyong.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2017) Nan Ning Shi Bu Dong Chan Quan Di No. 0128736, the land use rights of the Project with a site area of approximately 32,507.42 sq.m. have been granted to Nanning Xinyong for a term expiring on December 8, 2087 for residential use.

4. Pursuant to 8 Construction Work Planning Permits—Jian Zi Di Nos. 450101201800395, 450101201800396, 450101201800397, 450101201800398, 450101201800399, 450101201800400, 450101201800401 and 450101201800402 in favor of Nanning Xinyong, the Project with a total gross floor area of approximately 163,806.65 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450101201806010401 in favor of Nanning Xinyong, permission by the relevant local authority were given to commence the construction of the Project with a gross floor area of approximately 163,806.65 sq.m.

6. Pursuant to 7 Pre-sale Permits—Nan Fang Yu Zi (2018) Nos. 283, 518 and (2019) Nos. 039, 040, 331, 332 and 334 in favor of Nanning Xinyong, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 129,551.29 sq.m.) to purchasers.

7. Pursuant to 2 Construction Work Completion and Inspection Table in favor of Nanning Xinyong, the construction of portions of the Project has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	48,421.06	
	Sub-total:	**48,421.06**	**N/A**
Group IV—held under development by the Group	Residential	44,423.81	
	Resettlement residential	16,926.43	
	Ancillary	10,096.03	
	Basement (inclusive of car parking spaces)	43,988.05	1,078
	Sub-total:	**115,434.32**	**1,078**
	Total:	**163,855.38**	**1,078**

9. As advised by the Group, various residential units with a total gross floor area of approximately 47,953.08 sq.m. in Group II and various residential units and car parking spaces with a total gross floor area of 58,303.91 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB1,318,469,759. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. As advised by the Group, Nanning Xinyong should build resettlement housing with a total gross floor area of approximately 16,926.43 sq.m which should be provided to designated persons at zero consideration.

11. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB825,000,000.

12. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,500 to RMB14,500 per sq.m. for residential units and RMB175,000 to RMB195,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

13. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Nanning Xinyong is in possession of the land use rights of the property, which are protected under the PRC law; Nanning Xinyong is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Nanning Xinyong has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Nanning Xinyong has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

14. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

15. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	633,300,000
Group IV—held under development by the Group	583,300,000
Total:	**1,216,600,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
43.	Wuxiang Lanting Mansion located at the eastern side of Nahuang Avenue and the southern side of Yudong Avenue Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 五象瀾庭府)	Wuxiang Lanting Mansion (the "Project") is located at the eastern side of Nahuang Avenue and the southern side of Yudong Avenue. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies 3 parcels of land with a total site area of approximately 159,990.91 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in June 2023. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 902,316.13 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB2,680,600,000, of which approximately RMB841,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on December 24, 2088 for residential use and December 24, 2058 for wholesale and retail uses.	As at the valuation date, the property was under construction.	3,780,900,000 (33.00% interest attributable to the Group: RMB1,247,700,000)

Notes:

1. Pursuant to 3 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu (Wu Xiang) Zi Nos. 2018043 to 2018045 dated December 24, 2018 and a Supplementary Contract, the land use rights of the Project with a total site area of approximately 159,990.91 sq.m. were contracted to be granted to Guangxi Yangtangmao Real Estate Co., Ltd. (廣西陽唐茂房地產有限公司, "Guangxi Yangtangmao", a 33.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for wholesale and retail uses commencing from the land delivery date. The total land premium was RMB2,239,072,786.

2. Pursuant to 3 Construction Land Planning Permits—Di Zi Di Nos. 450101201950013 to 450101201950015, permissions towards the planning of the portions of the Project with a total site area of approximately 159,990.91 sq.m. have been granted to Guangxi Yangtangmao.

3. Pursuant to 3 Real Estate Title Certificates (for land)—Gui (2019) Nan Ning Shi Bu Dong Chan Quan Di Nos. 0137599, 0137689 and 0137694, the land use rights of the Project with a total site area of

approximately 159,990.91 sq.m. have been granted to Guangxi Yangtangmao for terms expiring on December 24, 2088 for residential use and December 24, 2058 for wholesale and retail uses.

4. Pursuant to 52 Construction Work Planning Permits in favor of Guangxi Yangtangmao, the Project with a total gross floor area of approximately 879,936.80 sq.m. has been approved for construction.

5. Pursuant to 6 Construction Work Commencement Permits—Nos. 450117201908080101, 450117201908080201, 450117201908080301, 450117201908080401, 450117202004280101 and 450117202004280201 in favor of Guangxi Yangtangmao, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 879,849.69 sq.m.

6. Pursuant to 36 Pre-sale Permits in favor of Guangxi Yangtangmao, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 604,706.28 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	466,978.25	
	Resettlement residential	113,932.85	
	Resettlement commercial	46,770.59	
	Ancillary	83,787.68	
	Basement (inclusive of car parking spaces)	190,846.76	4,855
	Total:	**902,316.13**	**4,855**

8. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 335,498.41 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB3,883,564,939. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Yangtangmao should build resettlement housing with a total gross floor area of approximately 204,003.34 sq.m (inclusive of car parking spaces with a gross floor area of approximately 43,299.90 sq.m.), and the repurchase price is approximately RMB798,535,393.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB7,122,900,000.

11. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB11,000 to RMB14,000 per sq.m. for residential units and RMB155,000 to RMB175,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Yangtangmao is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Yangtangmao is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Guangxi Yangtangmao has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Yangtangmao has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the Group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
44.	Shenghu Yuejing located at the eastern side of Longgang Avenue and the southern side of Yancun Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·盛湖悦景)	Shenghu Yuejing (the "Project") is located at the eastern side of Longgang Avenue and the southern side of Yancun Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 90,928.72 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in October 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 351,978.73 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB1,102,900,000, of which approximately RMB449,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on November 1, 2088 for residential use and November 1, 2058 for wholesale and retail uses.	As at the valuation date, the property was under construction.	1,890,600,000 (26.00% interest attributable to the Group: RMB491,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Tu Chu (Wu Xiang) Zi No. 2018040 dated November 1, 2018 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 90,928.72 sq.m. were contracted to be granted to Guangxi Tangxin Xuguang Investment Co., Ltd. (廣西唐欣旭光投資有限公司, "Guangxi Tangxin", a 26.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for wholesale and retail uses commencing from the land delivery date. The land premium was RMB1,227,537,720.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201850133, permission towards the land planning of the Project with a site area of approximately 90,928.72 sq.m. has been granted to Guangxi Tangxin.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2019) Nan Ning Shi Bu Dong Chan Quan Di No. 0078692, the land use rights of the Project with a site area of approximately 90,928.72 sq.m. have been

granted to Guangxi Tangxin for terms expiring on November 1, 2088 for residential use and November 1, 2058 for wholesale and retail uses.

4. Pursuant to 28 Construction Work Planning Permits in favor of Guangxi Tangxin, the Project with a total gross floor area of approximately 342,918.11 sq.m. has been approved for construction.

5. Pursuant to 6 Construction Work Commencement Permits—Nos. 450117201903290201, 450117201903290101, 450117201905240201, 450117201905240101, 450117201908120101 and 450117201908120101 in favor of Guangxi Tangxin, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 342,253.47 sq.m.

6. Pursuant to 13 Pre-sale Permits in favor of Guangxi Tangxin, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 305,058.47 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	238,819.94	
	Commercial	12,749.52	
	Ancillary	31,060.50	
	Basement (inclusive of car parking spaces)	69,348.77	1,756
	Total:	**351,978.73**	**1,756**

8. As advised by the Group, various residential and commercial units and car parking spaces with a total gross floor area of approximately 206,598.97 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB2,231,001,719. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB3,037,100,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB12,000 per sq.m. for residential units, RMB15,000 to RMB20,000 per sq.m. for commercial units on the first floor and RMB120,000 to RMB160,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangxin is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Tangxin is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

b. Guangxi Tangxin has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangxin has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
45.	Tanfu Impression located at the intersection of Liangqing Avenue and Qinglin Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·檀府印象)	Tanfu Impression (the "Project") is located at the intersection of Liangqing Avenue and Qinglin Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 3 parcels of land with a total site area of approximately 137,811.25 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in February 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 764,461.85 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB2,189,500,000, of which approximately RMB1,201,600,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on January 10, 2088 for residential use and January 10, 2058 for commercial use.	As at the valuation date, the property was under construction.	3,868,100,000 (30.00% interest attributable to the Group: RMB1,160,400,000)

Notes:

1. Pursuant to 3 State-owned Land Use Rights Grant Contracts—Nan Ning Tu Chu (Wu Xiang) Zi Nos. 2018001 to 2018003 dated January 10, 2018 and 3 Supplementary Contracts, the land use rights of the Project with a total site area of approximately 137,811.25 sq.m. were contracted to be granted to Guangxi Zhongqing Yiju Investment Co., Ltd. (廣西眾擎易舉投資有限公司, "Guangxi Zhongqing", a 30.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,644,914,259.

2. Pursuant to 3 Construction Land Planning Permits—Di Zi Di Nos. 450101201850017 to 450101201850019, permissions towards the land planning of the Project with a site area of approximately 137,810.23 sq.m. have been granted to Guangxi Zhongqing.

3. Pursuant to 3 Real Estate Title Certificates (for land)—Gui (2018) Nan Ning Shi Bu Dong Chan Quan Di Nos. 0101971, 0101983 and 0101996, the land use rights of the Project with a site area of approximately 137,811.25 sq.m. have been granted to Guangxi Zhongqing for terms expiring on January 10, 2088 for residential use and January 10, 2058 for commercial use.

4. Pursuant to 33 Construction Work Planning Permits in favor of Guangxi Zhongqing, the Project with a total gross floor area of approximately 753,173.42 sq.m. has been approved for construction.

5. Pursuant to 4 Construction Work Commencement Permits—Nos. 450117201809030101, 450117201901210201, 450117201811120101 and 450117201811160101 in favor of Guangxi Zhongqing, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 756,222.72 sq.m.

6. Pursuant to 20 Pre-sale Permits in favor of Guangxi Zhongqing, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 613,636.95 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	390,478.83	
	Resettlement residential	98,066.15	
	Resettlement commercial	41,601.80	
	Ancillary	68,212.58	
	Basement (inclusive of car parking spaces)	166,102.49	4,174
	Total:	**764,461.85**	**4,174**

8. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 428,341.99 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB4,853,293,987. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Zhongqing should build resettlement housing with a total gross floor area of approximately 178,553.47 sq.m (inclusive of car parking spaces with a gross floor area of approximately 38,885.52 sq.m.), and the repurchase price is approximately RMB563,661,679.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB5,689,500,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB11,000 to RMB13,000 per sq.m. for residential units and RMB140,000 to RMB170,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Zhongqing is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Zhongqing is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

b. Guangxi Zhongqing has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Zhongqing has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
46.	Yunxitai located at the western side of Donggouling Main Road and the southern side of Yanzhou Road Xingning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 雲璽台)	Yunxitai (the "Project") is located at the western side of Donggouling Main Road and the southern side of Yanzhou Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 20,013.58 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 66,435.11 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB216,000,000, of which approximately RMB45,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on December 18, 2089 for residential use and December 18, 2059 for wholesale and retail uses.	As at the valuation date, the property was under construction.	281,800,000 (25.00% interest attributable to the Group: RMB70,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Ning Zi Ran (Fu) Zi No. 2019034 dated October 28, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 20,013.58 sq.m. were contracted to be granted to Guangxi Tangpeng Investment Co., Ltd. (廣西唐鵬投資有限公司, "Guangxi Tangpeng", a 25.00%-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for wholesale and retail uses commencing from the land delivery date. The land premium was RMB200,235,868.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450101201900145, permission towards the land planning of the Project with a site area of approximately 20,013.58 sq.m. has been granted to Guangxi Tangpeng.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2019) Nan Ning Shi Bu Dong Chan Quan Di No. 0363475, the land use rights of the Project with a site area of approximately 20,013.58 sq.m. have been granted to Guangxi Tangpeng for terms expiring on December 18, 2089 for residential use and December 18, 2059 for wholesale and retail uses.

4. Pursuant to 6 Construction Work Planning Permits—Nos. 450102201901559 to 450102201901564 in favor of Guangxi Tangpeng, the Project with a total gross floor area of approximately 66,435.11 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450101202002280102 in favor of Guangxi Tangpeng, permission by the relevant local authority was given to commence the construction of the Project with a total gross floor area of approximately 66,435.11 sq.m.

6. Pursuant to 4 Pre-sale Permits—Nan Fang Yu Zi (2020) Di Nos. 108, 133, 265 and 346 in favor of Guangxi Tangpeng, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 33,353.02 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	47,347.55	
	Commercial	2,188.58	
	Ancillary	5,314.03	
	Basement (inclusive of car parking spaces)	11,584.95	276
	Total:	**66,435.11**	**276**

8. As advised by the Group, various residential units of the property with a total gross floor area of approximately 12,414.12 sq.m. have been pre-sold to various third parties at a total consideration of RMB137,021,190. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB603,500,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB10,000 to RMB13,000 per sq.m. for residential units, RMB14,000 to RMB16,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB140,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangpeng is in possession of the land use rights of the property, which are protected under the PRC law;

b. Guangxi Tangpeng has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

c. For the portions of the property of which the Pre-sale permits have been obtained, Guangxi Tangpeng has the rights to legally pre-sell such portions according to the obtained Pre-sale permits; and

d. Portions of the property are subject to a mortgage. Guangxi Tangpeng is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate /Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
47.	Yango Dynasty Royalty located at the eastern side of Pingle Avenue and the southern side of Nafeng Road Liangqing District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧·陽光城大唐世家)	Yango Dynasty Royalty (the "Project") is located at the eastern side of Pingle Avenue and the southern side of Nafeng Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 37,046.81 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in August 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 203,597.05 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB514,100,000, of which approximately RMB39,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on January 8, 2090 for residential use and January 8, 2060 for commercial use.	As at the valuation date, the property was under construction.	594,100,000 (49.00% interest attributable to the Group: RMB291,100,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Zi Ran (Wu Xiang) Rang Zi No. 2019033 dated January 8, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 37,046.81 sq.m. were contracted to be granted to Guangxi Tangyao Investment Co., Ltd. (廣西唐耀投資有限公司, "Guangxi Tangyao", a 49.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB505,688,957.

2. Pursuant to a Construction Land Planning Permit—Di Zi No.4501012020050021, permission towards the land planning of the Project with a site area of approximately 37,046.81 sq.m. has been granted to Guangxi Tangyao.

3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2020) Nan Ning Bu Dong Chan Quan Di No. 0102688, the land use rights of the Project with a site area of approximately 37,046.81 sq.m. have been

granted to Guangxi Tangyao for terms expiring on January 8, 2090 for residential use and January 8, 2060 for commercial use.

4. Pursuant to 15 Construction Work Planning Permits—Jian Zi Di Nos. 450101202050576 to 450101202050589 and 450101202050609 in favor of Guangxi Tangyao, the Project with a total gross floor area of approximately 201,209.94 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 450117202005280401 and 450117202005280501 in favor of Guangxi Tangyao, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 201,209.94 sq.m.

6. Pursuant to 3 Pre-sale Permits—Nan Fang Yu Zi (2020) Di Nos. 343, 396 and 414 in favor of Guangxi Tangyao, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 50,996.66 sq.m) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	101,450.88	
	Resettlement residential	29,080.32	
	Resettlement commercial	11,983.54	
	Ancillary	18,361.31	
	Basement (inclusive of car parking spaces)	42,721.00	1,057
	Total:	**203,597.05**	**1,057**

8. As advised by the Group, various residential units with a total gross floor area of approximately 12,253.66 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB131,691,610. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. As advised by the Group, Guangxi Tangyao should build resettlement housing with a total gross floor area of approximately 54,560.86 sq.m. (inclusive of car parking spaces with a gross floor area of approximately 13,497.00 sq.m.) and the repurchase price is approximately RMB204,046,320.

10. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,401,500,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB10,000 to RMB13,000 per sq.m. for residential units and RMB100,000 to RMB130,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangyao is in possession of the land use rights of portions of the property, which are protected under the PRC law; Guangxi Tangyao is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Guangxi Tangyao has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tangyao has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

14. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
48.	Yango Dynasty Tanjing located at the western side of Tanze Road and the northern side of Xialin Road Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 陽光城大唐檀境)	Yango Dynasty Tanjing (the "Project") is located at the western side of Tanze Road and the northern side of Xialin Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 2 parcels of land with a total site area of approximately 177,953.75 sq.m., which is being developed into a residential and commercial development. Portions of the Project were under construction (the "CIP") as at the valuation date and are scheduled to be completed in June 2022. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 81,655.57 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 563,175.88 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of approximately 858,400.29 sq.m. The classification, usage and gross floor area details of the property are set out in note 6. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB215,200,000, of which approximately RMB84,100,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on January 8, 2090 for residential use and January 8, 2060 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	3,344,200,000 (41.00% interest attributable to the Group: RMB1,371,100,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nan Zi Ran (Wu Xiang) Rang Zi Nos. 2019031 and 2019032 dated January 8, 2020 and a Supplementary Contract, the land use rights of the Project with a total site area of approximately 177,953.75 sq.m. were contracted to be granted to Nanning

Yangzheng Xuguang Real Estate Development Co., Ltd. (南寧陽正煦光房地產開發有限公司, "Yangzheng Xuguang", a 41.00%-owned joint venture of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB3,069,702,188.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Nos. 450101202050015 and 450101202050016, permissions towards the land planning of the Project with a total site area of approximately 177,953.74 sq.m. have been granted to Yangzheng Xuguang.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Gui (2020) Nan Ning Shi Bu Dong Chan Quan Di Nos. 0058139 and 0101694, the land use rights of the Project with a total site area of approximately 177,953.75 sq.m. have been granted to Yangzheng Xuguang for terms expiring on January 8, 2090 for residential use and January 8, 2060 for commercial use.

4. Pursuant to 9 Construction Work Planning Permits—Jian Zi Di Nos. 450101202051050 to 450101202051058 in favor of Yangzheng Xuguang, portions of the Project with a total gross floor area of approximately 191,424.60 sq.m. have been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 450117202008270101 in favor of Yangzheng Xuguang, permission by the relevant local authority was given to commence the construction of portions of the Project with a gross floor area of approximately 81,655.57 sq.m.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	51,313.98	
	Resettlement Commercial	7,787.37	
	Ancillary	4,602.02	
	Basement (inclusive of car parking spaces)	17,952.20	303
	Sub-total:	**81,655.57**	**303**
Group V—held for future development by the Group	Residential	366,964.09	
	Resettlement Residential	125,760.00	
	Resettlement Commercial	44,588.44	
	Ancillary	71,834.25	
	Basement (inclusive of car parking spaces)	167,597.94	4,477
	Sub-total:	**776,744.72**	**4,477**
	Total:	**858,400.29**	**4,780**

7. As advised by the Group, Yangzheng Xuguang should build resettlement housing with a gross floor area of approximately 230,870.34 sq.m. (inclusive of car parking spaces with a gross floor area of approximately 52,734.53 sq.m.) and the repurchase price is approximately RMB885,156,840.

8. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB816,100,000.

9. Our valuation has been made on the following basis and analysis:

   a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB13,000 to RMB16,000 per sq.m. for residential units and RMB100,000 to RMB120,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB4,800 to RMB5,300 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

a. Yangzheng Xuguang is in possession of the land use rights of the property, which are protected under the PRC law; Yangzheng Xuguang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

b. Yangzheng Xuguang has obtained related requisite approvals for the construction work of the property from the relevant government authorities.

11. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date *(RMB)*
Group IV—held under development by the Group	433,700,000
Group V—held for future development by the Group	2,910,500,000
Total:	**3,344,200,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
49.	Dynasty Shengshi Xuhui Mansion located at the southern side of Xinde Road and the eastern side of Longxiang Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 大唐盛世旭輝府)	Dynasty Shengshi Xuhui Mansion (the "Project") is located at the southern side of Xinde Road and the eastern side of Longxiang Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 25,404.55 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 105,348.54 sq.m. and a plot ratio accountable gross floor area of approximately 76,213.65 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 3. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Zi Ran (Wu Xiang) Rang Zi No. 2020026 dated July 8, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 25,404.55 sq.m. were contracted to be granted to Guangxi Tangxiang Investment Co., Ltd. (廣西唐祥投資有限公司, "Guangxi Tangxiang", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB510,631,455.

2. As at the valuation date, the property had not been assigned to Guangxi Tangxiang and thus the title of the property had not been vested in Guangxi Tangxiang and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB528,500,000, assuming the title certificate has been obtained and it can be freely transferred by Guangxi Tangxiang.

3. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired by the Group	Residential	70,746.97	
	Commercial	3,810.67	
	Ancillary	9,795.60	
	Basement (inclusive of car parking spaces)	20,995.30	561
	Total:	**105,348.54**	**561**

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 2, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB6,000 to RMB7,100 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

7. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
50.	Shengshi Chunjiang located at the southern side of Hejiang Road and the western side of Hehe Road Yongning District Nanning City Guangxi Zhuang Autonomous Region The PRC (南寧· 盛世春江)	Shengshi Chunjiang (the "Project") is located at the southern side of Hejiang Road and the western side of Hehe Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 52,774.25 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 220,436.21 sq.m. and a plot ratio accountable gross floor area of approximately 158,322.75 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 3. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Nan Zi Ran (Wu Xiang) Rang Zi No. 2020031 dated August 10, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 52,774.25 sq.m. were contracted to be granted to Guangxi Tanghe Investment Co., Ltd. (廣西唐和投資有限公司, "Guangxi Tanghe", a 49.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,058,387,584.

2. As at the valuation date, the property had not been assigned to Guangxi Tanghe and thus the title of the property had not been vested in Guangxi Tanghe and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB1,095,600,000, assuming the title certificate has been obtained and it can be freely transferred by Guangxi Tanghe.

3. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired by the Group	Residential	149,475.35	
	Commercial	7,700.00	
	Ancillary	15,605.43	
	Basement (inclusive of car parking spaces)	47,655.43	1,172
	Total:	**220,436.21**	**1,172**

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 2, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB6,300 to RMB7,100 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

7. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
51.	Dynasty Biyuan West Garden located at the western side of Hetang Road and the northern side of Gaoyang Road Liudong New District Liuzhou City Guangxi Zhuang Autonomous Region The PRC (柳州· 大唐碧園西園)	Dynasty Biyuan West Garden (the "Project") is located at the western side of Hetang Road and the northern side of Gaoyang Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies 2 parcels of land with a total site area of approximately 56,796.86 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in September 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 193,493.47 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB538,400,000, of which approximately RMB103,600,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on September 17, 2089 for residential use and September 17, 2059 for commercial use.	As at the valuation date, the property was under construction.	577,100,000 (78.46% interest attributable to the Group: RMB452,800,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Liu Tu Chu Zi No. 20190042 dated June 12, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 56,796.86 sq.m. were contracted to be granted to Guangxi Tangming Investment Co., Ltd. (廣西唐銘投資有限公司, "Guangxi Tangming", a 78.46%-owned subsidiary of the Company) for terms of 70 years for commercial use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB432,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450201201900811, permission towards the land planning of the Project with a site area of approximately 56,796.86 sq.m. has been granted to Guangxi Tangming.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Gui (2019) Liu Zhou Shi Bu Dong Chan Di Nos. 0139761 and 0139760, the land use rights of the Project with a total site area of approximately 56,796.86 sq.m. have been granted to Guangxi Tangming for terms expiring on September 17, 2089 for residential use and September 17, 2059 for commercial use.

4. Pursuant to 5 Construction Work Planning Permits—Jian Zi Di Nos. 450202201901020, 450202201901060, 450202201901117, 450202201901134 and 450202202001222 in favor of Guangxi Tangming, the Project with a total gross floor area of approximately 194,793.34 sq.m. have been approved for construction.

5. Pursuant to 5 Construction Work Commencement Permits—Nos. LD 450202201909300201, LD450202201911040101, LD450202201912130101, LD450202202007240101 and LD450202202007240201 in favor of Guangxi Tangming, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 194,763.53 sq.m.

6. Pursuant to 5 Pre-sale Permits—Shou Fang Liu Zi Di (2019) No. 109 LD, (2020) Nos. 003 LD, 014 LD, 023 LD and 024 LD in favor of Guangxi Tangming, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 53,777.07 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	128,190.96	
	Commercial	2,258.50	
	Ancillary	4,303.88	
	Basement (inclusive of car parking spaces)	58,740.13	1,767
	Total:	**193,493.47**	**1,767**

8. As advised by the Group, various residential units with a total gross floor area of approximately 18,205.57 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB134,660,085. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,201,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB6,700 to RMB8,000 per sq.m. for residential units, RMB11,500 to RMB15,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB130,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tangming is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Tangming has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale permits have been obtained, Guangxi Tangming has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Guangxi Tangming is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
52.	Dynasty Biyuan East Garden located at the eastern side of Xueda Road and the southern side of Shuguang Avenue Liuzhou City Guangxi Zhuang Autonomous Region The PRC (柳州·大唐碧園東園)	Dynasty Biyuan East Garden (the "Project") is located at the southern side of Shuguang Avenue and the eastern side of Xueda Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 45,245.76 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in March 2024. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 168,585.92 sq.m As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 6. As advised by the Group, the construction cost of the property is estimated to be approximately RMB464,100,000, of which approximately RMB30,000,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on November 10, 2089 for residential use and November 10, 2059 for commercial use.	As at the valuation date, the property was under construction.	470,600,000 (100.00 % interest attributable to the Group: RMB470,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Liu Tu Chu Zi No. 2019063 dated July 25, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 45,245.76 sq.m. were contracted to be granted to Liuzhou Tangmei Real Estate Development Co., Ltd. (柳州唐美房地產開發有限公司, "Liuzhou Tangmei", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB410,000,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450201201900863, permission towards the land planning of the Project with a site area of approximately 45,245.76 sq.m. has been granted to Liuzhou Tangmei.
3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2020) Liu Zhou Shi Bu Dong Chan Quan Di No. 0065006, the land use rights of the Project with a site area of approximately 45,245.76 sq.m. have been granted to Liuzhou Tangmei for terms expiring on November 10, 2089 for residential use and November 10, 2059 for commercial use.

4. Pursuant to 3 Construction Work Planning Permits—Jian Zi Di Nos. 450202202001180, 450202202001179 and 450202202001178 in favor of Liuzhou Tangmei, the Project with a total gross floor area of approximately 163,920.34 sq.m. have been approved for construction.

5. Pursuant to 5 Construction Work Commencement Permits—No. LD450202202005220401, LD450202202005220101, LD450202202005220201, LD450202202005220501 and LD450202202005220301 in favor of Liuzhou Tangmei, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 163,920.34 sq.m.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	113,356.79	
	Commercial	1,927.91	
	Ancillary	5,239.57	
	Basement (inclusive of car parking spaces)	48,061.65	1,496
	Total:	**168,585.92**	**1,496**

7. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,075,900,000.

8. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,300 to RMB8,300 per sq.m. for residential units, RMB12,000 to RMB14,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB130,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Liuzhou Tangmei is in possession of the land use rights of the property, which are protected under the PRC law;

   b. Liuzhou Tangmei has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

   c. Portions of the property are subject to a mortgage. Liuzhou Tangmei is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

11. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
53.	Liuzhou Dynasty Residence located at the western side of Dujing Road and the northern side of Xijiang Road Liuzhou City Guangxi Zhuang Autonomous Region The PRC (柳州·大唐觀邸)	Liuzhou Dynasty Residence (the "Project") is located at the western side of Dujing Road and the northern side of Xijiang Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies 2 parcels of land with a total site area of approximately 74,988.52 sq.m., which is being developed into a residential and commercial development. Portions of the Project were under construction (the "CIP") as at the valuation date and are scheduled to be completed in March 2023. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 206,715.67 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 47,079.15 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of approximately 281,925.82 sq.m. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB512,100,000, of which approximately RMB37,800,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on September 20, 2081 for residential use and September 20, 2051 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	685,100,000 (51.00% interest attributable to the Group: RMB349,400,000)

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Liu Tu Chu Zi No. 2011049 dated July 6, 2011 and Liu Tu Chu Zi No. 2020022 dated March 17, 2020 and a Supplementary Contract, the land use rights of the Project with a total site area of approximately 74,988.52 sq.m. were contracted to be granted to

Guangxi Sanmenjiang Property Investment Co., Ltd. (廣西三門江置業投資有限公司, "Guangxi Sanmenjiang", a 51.00%-owned joint venture of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB434,960,000.

2. Pursuant to 2 Construction Land Planning Permits—Di Zi Nos. 450200202000010 and 450200202000009, permissions towards the land planning of the Project with a total site area of approximately 74,988.52 sq.m. have been granted to Guangxi Sanmenjiang.

3. Pursuant to 2 State-owned Land Use Rights Certificates—Gui (2020) Liu Zhou Shi Bu Dong Chan Quan Di Nos. 0023026 and 0023027 , the land use rights of the Project with a total site area of approximately 74,988.52 sq.m. have been granted to Guangxi Sanmenjiang for terms expiring on September 20, 2081 for residential use and September 20, 2051 for commercial use.

4. Pursuant to 6 Construction Work Planning Permits—Jian Zi Di Nos. 450200202000077, 450200202000094, 450200202000146, 450200202000145, 450200202000222 and 450200202000223 in favor of Guangxi Sanmenjiang, portions of the Project with a total gross floor area of approximately 205,681.98 sq.m. have been approved for construction.

5. Pursuant to 7 Construction Work Commencement Permits—Nos. 450202202004170101, 450202202005070101, 450202202006190101, 450202202007170101, 450202202008030101, 450202202008270501 and 450202202008270401 in favor of Guangxi Sanmenjiang, permissions by the relevant local authority were given to commence the construction of portions of the Project with a total gross floor area of approximately 205,682.00 sq.m.

6. Pursuant to 6 Pre-sale Permits—Shou Fang Liu Zi Di (2020) Nos. 053, 054, 066, 067, 107 and 112 in favor of Guangxi Sanmenjiang, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 43,981.00 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	137,095.41	
	Commercial	1,880.20	
	Ancillary	2,441.70	
	Basement (inclusive of car parking spaces)	65,298.36	1,814
	Sub-total:	**206,715.67**	**1,814**
Group V—held for future development by the Group	Residential	46,058.44	
	Commercial	545.90	
	Ancillary	633.07	
	Basement (inclusive of car parking spaces)	27,972.74	657
	Sub-total:	**75,210.15**	**657**
	Total:	**281,925.82**	**2,471**

8. As advised by the Group, various residential units with a total gross floor area of approximately 24,541.77 sq.m. of the property in Group IV have been pre-sold to various third parties at a total consideration of RMB241,003,716. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,587,700,000.

10. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,000 to RMB11,000 per sq.m. for residential units, RMB14,500 to RMB17,000 per sq.m for commercial units on the first floor and RMB110,000 to RMB130,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

    b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB3,100 to RMB3,700 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Sanmenjiang is in possession of the land use rights of the property, which are protected under the PRC law; Guangxi Sanmenjiang is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Guangxi Sanmenjiang has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Sanmenjiang has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date *(RMB)*
Group IV—held under development by the Group	516,300,000
Group V—held for future development by the Group	168,800,000
Total:	**685,100,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
54.	Guigang Dynasty Royalty located at the southern side of Guizhou Road and the eastern side of Jintian Road Gangbei District Guigang City The Guangxi Zhuang Autonomous Region The PRC (貴港·貴港大唐世家)	Guigang Dynasty Royalty (the "Project") is located at the southern side of Guizhou Road and the eastern side of Jintian Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 42,076.13 sq.m., which is being developed into a residential and commercial development. The Project was under construction as at the valuation date and is scheduled to be completed in August 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 191,686.16 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB496,800,000, of which approximately RMB87,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 4, 2089 for residential use and July 4, 2059 for commercial use.	As at the valuation date, the property was under construction.	335,000,000 (100.00% interest attributable to the Group: RMB335,000,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Gui Tu Chu Zi (2019) No. 091 dated July 5, 2019, the land use rights of the Project with a site area of approximately 42,706.13 sq.m. were contracted to be granted to Guangxi Tanghui Investment Co., Ltd. (廣西唐暉投資有限公司, "Guangxi Tanghui", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB209,500,000.
2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 450801201900073, permission towards the land planning of the Project with a site area of approximately 42,054.40 sq.m. has been granted to Guangxi Tanghui.
3. Pursuant to a Real Estate Title Certificate (for land)—Gui (2019) Gui Gang Shi Bu Dong Chan Quan Di No. 0019103, the land use rights of the Project with a site area of approximately 42,076.13 sq.m. have been granted to Guangxi Tanghui for terms expiring on July 4, 2089 for residential use and July 4, 2059 for commercial use.

4. Pursuant to 2 Construction Work Planning Permits—Jian Zi Di Nos. 450801201920171 and 450801201920172 in favor of Guangxi Tanghui, the Project with a total gross floor area of approximately 192,318.76 sq.m. has been approved for construction.

5. Pursuant to 5 Construction Work Commencement Permits—Nos. 450801201911130101, 45080201911260101, 45080201911220101, 45080201911250101 and 45080201911270101 in favor of Guangxi Tanghui, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 192,318.76 sq.m.

6. Pursuant to 2 Pre-sale Permits—Gui Fang Yu Zi 2019 Di No. 157 and 2020 Di No. 046 in favor of Guangxi Tanghui, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 64,163.96 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	**Usage**	**Planned Gross Floor Area (sq.m.)**	**No. of car parking space**
Group IV—held under development by the Group	Residential	144,438.90	
	Commercial	1,370.63	
	Ancillary	4,067.55	
	Basement (inclusive of car parking spaces)	41,809.08	1,036
	Total:	**191,686.16**	**1,036**

8. As advised by the Group, various residential units with a total gross floor area of approximately 48,892.18 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB281,204,741. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB941,500,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB5,600 to RMB6,400 per sq.m. for residential units, RMB7,500 to RMB13,000 per sq.m. for commercial units on the first floor and RMB70,000 to RMB90,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guangxi Tanghui is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Guangxi Tanghui has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Guangxi Tanghui has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. Portions of the property are subject to a mortgage. Guangxi Tanghui is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
55.	Portions of Tang Yayuan located at the northern side of Hongyuan Road and the western side of Xiangyun Road Dongli District Tianjin City The PRC (天津· 唐雅苑)	Tang Yayuan (the "Project") is located at the northern side of Hongyuan Road and the western side of Xiangyun Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 146,194.60 sq.m. which had been developed into a residential development. The Project was completed in June 2018, and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 16,523.65 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for a term expiring on May 16, 2081 for residential use.	As at the valuation date, the property was vacant.	31,900,000 (100.00% interest attributable to the Group: RMB31,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11142010026 dated August 25, 2010 and 4 Supplementary Contracts, the land use rights of the Project with a site area of approximately 146,194.60 sq.m. were contracted to be granted to Tianjin Xinghuafu Properties Co., Ltd. (天津星華府置業有限公司, "Tianjin Xinghuafu", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB520,600,000.

2. Pursuant to a Construction Land Planning Permit—2015 Dong Li Di Zheng 0035, permission towards the land planning of the Project with a site area of approximately 146,194.60 sq.m. has been granted to Tianjin Xinghuafu.

3. Pursuant to a Real Estate Title Certificate (land)—Jin (2016) Dong Li Qu Bu Dong Chan Quan Di No. 1006267, the land use rights of the Project with a site area of approximately 146,194.60 sq.m. have been granted to Tianjin Xinghuafu for a term expiring on May 16, 2081 for residential use.

4. Pursuant to a Construction Work Planning Permit—2016 Dong Li Zhu Zheng 0009 in favor of Tianjin Xinghuafu, the Project with a gross floor area of approximately 245,540.14 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 1201102016042802121 and 1201102016042801121 in favor of Tianjin Xinghuafu, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 245,540.14 sq.m.

6. Pursuant to 16 Pre-sale Permits in favor of Tianjin Xinghuafu, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 191,664.57 sq.m.) to purchasers.

7. Pursuant to 2 Construction Work Completion and Inspection Tables in favor of Tianjin Xinghuafu, the construction of the Project with a total gross floor area of approximately 245,542.19 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	265.75	
	Car parking spaces	16,257.90	503
	Total:	**16,523.65**	**503**

9. As advised by the Group, a residential unit of the property with a gross floor area of approximately 92.57 sq.m. has been pre-sold to a third party at a consideration of RMB1,383,922. Such portion of the property has not been legally and virtually transferred and therefore we have included the unit in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted price of such portion of the property.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,000 to RMB14,000 per sq.m. for high-rise residential units, RMB18,000 to RMB20,000 per sq.m. for high-end low-rise residential units and RMB55,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Xinghuafu is in possession of the land use rights of the property, which are protected under the PRC law; Tianjin Xinghuafu is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Tianjin Xinghuafu is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

13. For the purpose of this report, the property is classified into the group as "Group II—held for sale by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
56.	Portions of Bisong Garden located at the southern side of Hongyuan Road and the western side of Xiangyun Road Dongli District Tianjin City The PRC (天津·比松花園)	Bisong Garden (the "Project") is located at the southern side of Hongyuan Road and the western side of Xiangyun Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 56,350.50 sq.m., which had been developed into a residential development. The Project was completed in November 2019, and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 19,788.38 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for a term expiring on May 16, 2081 for residential use.	As at the valuation date, the property was vacant.	78,300,000 (100.00% interest attributable to the Group: RMB78,300,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11142010024 dated August 25, 2010 and 4 Supplementary Contracts, the land use rights of the Project with a site area of approximately 56,350.50 sq.m. were contracted to be granted to Tianjin Xinghuafu Properties Co., Ltd. (天津星華府置業有限公司, "Tianjin Xinghuafu", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB287,020,000.

2. Pursuant to a Construction Land Planning Permit—2014 Dong Li Di Zheng 0022, permission towards the land planning of the Project with a site area of approximately 56,349.50 sq.m. has been granted to Tianjin Xinghuafu.

3. Pursuant to a Real Estate Title Certificate (land)—Jin (2016) Dong Li Qu Bu Dong Chan Quan Di No. 1007979, the land use rights of the Project with a site area of approximately 56,350.50 sq.m. have been granted to Tianjin Xinghuafu for a term expiring on May 16, 2081 for residential use.

4. Pursuant to a Construction Work Planning Permit—2017 Dong Li Zhu Zheng 0023 in favor of Tianjin Xinghuafu, the Project with a gross floor area of approximately 168,500.00 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 12011020170519O1121 in favor of Tianjin Xinghuafu, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 168,500.00 sq.m.

6. Pursuant to 11 Pre-sale Permits in favor of Tianjin Xinghuafu, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 120,903.71 sq.m.) to purchasers.

7. Pursuant to 27 Construction Work Completion and Inspection Tables in favor of Tianjin Xinghuafu, the construction of the Project with a total gross floor area of approximately 168,813.02 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	103.47	
	Commercial	3,733.91	
	Car parking spaces	15,951.00	409
	Total:	**19,788.38**	**409**

9. As advised by the Group, various residential and commercial units and car parking spaces of the property with a total gross floor area of approximately 781.53 sq.m. have been pre-sold to various third parties at a total consideration of RMB9,056,597. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,000 to RMB14,000 per sq.m. for residential units, RMB15,000 to RMB18,000 per sq.m. for commercial units on the first floor and RMB55,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Xinghuafu is in possession of the land use rights of the property, which are protected under the PRC law; Tianjin Xinghuafu is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Tianjin Xinghuafu is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

13. For the purpose of this report, the property is classified into the group as "Group II—held for sale by the Group in the PRC " according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
57.	Vision Commercial Square located at the northern side of Hongshun East Road and the eastern side of Yuhe Road Dongli District Tianjin City The PRC (天津·左岸商業廣場)	Vision Commercial Square (the "Project") is located at the northern side of Hongshun East Road and the eastern side of Yuhe Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 74,075.60 sq.m., which is being developed into a commercial development. A commercial building of the Project was completed in January 2019 and was held for investment as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in December 2020. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 117,116.91 sq.m. As at the valuation date, the property comprised the whole Project with a total planned gross floor area of approximately 120,237.71 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB493,700,000, of which approximately RMB276,900,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on May 16, 2051 for commercial service use.	As at the valuation date, the completed building of the property was vacant and the remaining portion of the property was under construction.	564,700,000 (100.00% interest attributable to the Group: RMB564,700,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11142010025 dated August 25, 2010 and 4 Supplementary Contracts, the land use rights of the Project with a site area of approximately 74,080.50 sq.m. were contracted to be granted to Tianjin Xinghuashang Properties Co., Ltd. (天津星華商置業有限公司, "Tianjin Xinghuashang", a wholly-owned subsidiary of the Company) for a term of 40 years for commercial service use commencing from the land delivery date. The land premium was RMB166,100,000.

2. Pursuant to a Construction Land Planning Permit—2012 Dong Li Di Zheng 0027, permission towards the land planning of the Project with a site area of approximately 74,074.20 sq.m. has been granted to Tianjin Xinghuashang.

3. Pursuant to a Real Estate Title Certificate (for land)—Fang Di Zheng Jin Zi Di No. 110051300045, the land use rights of the Project with a site area of approximately 74,075.60 sq.m. have been granted to Tianjin Xinghuashang for a term expiring on May 16, 2051 for commercial service use.

4. Pursuant to 2 Construction Work Planning Permits—2013 Dong Li Jian Zheng 0026 and 2017 Dong Li Jian Zheng 0012 in favor of Tianjin Xinghuashang, the Project with a total gross floor area of approximately 119,231.90 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 1201102014111301170 and 1201102017081801171 in favor of Tianjin Xinghuashang, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 119,800.00 sq.m.

6. Pursuant to 4 Pre-sale Permits—Jin Guo Tu Fang Shou Xu Zi Nos. (2015)0541-001, (2019)0210-001 and (2019)0209-001-002 and Jin Zhu Jian Fang Shou Xu Zi No. (2019)1501-001-003 in favor of Tianjin Xinghuashang, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 17,907.53 sq.m.) to purchasers.

7. Pursuant to a Construction Work Completion and Inspection Table in favor of Tianjin Xinghuashang, the construction of portions of the Project with a gross floor area of approximately 3,609.19 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group III—held for investment by the Group	Commercial	3,120.80	
	Sub-total	**3,120.80**	**N/A**
Group IV—held under development by the Group	Commercial	85,818.64	
	Ancillary	866.37	
	Basement (inclusive of car parking spaces)	30,431.90	284
	Sub-total	**117,116.91**	**284**
	Total:	**120,237.71**	**284**

9. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB828,200,000.

10. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

       The unit rent of these comparable commercial units on the first floor range from RMB2.2 to RMB2.5 per sq.m. per day;

       Based on our market research in the surrounding area of the property, for the commercial portions, the stabilized market yield ranged from 4.3% to 4.7% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 4.5% for these commercial units in the valuation; and

    b. For the remaining portion of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB18,000 to RMB21,000 per sq.m. for commercial units on the first floor and RMB40,000 to RMB50,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Xinghuashang is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Tianjin Xinghuashang has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Tianjin Xinghuashang has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to various mortgages. Tianjin Xinghuashang is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group III—held for investment by the Group	42,000,000
Group IV—held under development by the Group	522,700,000
Total:	**564,700,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
58.	Tang Jinyuan located at the northern side of Hongyuan Road and the eastern side of Xiangyun Road Dongli District Tianjin City The PRC (天津·唐槿苑)	Tang Jinyuan (the "Project") is located at the northern side of Hongyuan Road and the eastern side of Xiangyun Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 43,611.70 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 83,175.86 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB344,800,000, of which approximately RMB254,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on May 16, 2081 for residential use.	As at the valuation date, the property was under construction.	612,300,000 (100.00% interest attributable to the Group: RMB612,300,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11142010027 dated August 25, 2010 and 3 Supplementary Contracts, the land use rights of the Project with a site area of approximately 43,611.70 sq.m. were contracted to be granted to Tianjin Xinghuafu Properties Co., Ltd. (天津星華府置業有限公司, "Tianjin Xinghuafu", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB160,900,000.
2. Pursuant to a Construction Land Planning Permit—2016 Dong Li Di Zheng 0003, permission towards the land planning of the Project with a site area of approximately 43,611.20 sq.m. has been granted to Tianjin Xinghuafu.
3. Pursuant to a Real Estate Title Certificate (land)—Jin (2016) Dong Li Qu Bu Dong Chan Quan Di No. 1007977, the land use rights of the Project with a site area of approximately 43,611.70 sq.m. have been granted to Tianjin Xinghuafu for a term expiring on May 16, 2081 for residential use.
4. Pursuant to a Construction Work Planning Permit—2018 Dong Li Zhu Zheng 0020 in favor of Tianjin Xinghuafu, the Project with a gross floor area of approximately 82,680.00 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 1201102018041102121 in favor of Tianjin Xinghuafu, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 82,680.00 sq.m.

6. Pursuant to 5 Pre-sale Permits—Jin Guo Tu Fang Shou Xu Zi (2018) Nos. 1280-001-003, 1281-001-003, 0763-001, 0765-001 and 0764-001 in favor of Tianjin Xinghuafu, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 56,872.62 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	56,872.62	
	Ancillary	2,903.24	
	Basement (inclusive of car parking spaces)	23,400.00	277
	Total:	**83,175.86**	**277**

8. As advised by the Group, various residential units of the property with a total gross floor area of approximately 35,394.10 sq.m. have been pre-sold to various third parties at a total consideration of RMB462,315,519. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB762,500,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,000 to RMB14,000 per sq.m. for residential units and RMB55,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Xinghuafu is in possession of the land use rights of the property, which are protected under the PRC law; Tianjin Xinghuafu is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Tianjin Xinghuafu has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Tianjin Xinghuafu has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
59.	Portions of Guanya Garden located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津· 觀雅庭院)	Guanya Garden (the "Project") is located at the eastern side of Tianjinhu Road and the southern side of Jinnan Highway. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 37,083.95 sq.m., which had been developed into a residential and commercial development. The Project was completed in December 2019 and its unsold portion of that (the "unsold units") was vacant for sale as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 3,058.56 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. The land use rights of the property have been granted for a term expiring on March 29, 2080 for residential use.	As at the valuation date, the property was vacant.	50,500,000 (100.00% interest attributable to the Group: RMB50,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No.11152010003 dated February 8, 2010 and 2 Supplementary Contracts, the land use rights of several parcels of land with a total site area of approximately 108,515.50 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司, "Tianjin Haihui", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB190,300,000.

2. Pursuant to a Construction Land Planning Permit—2010 Jin Nan Di Zheng 0021, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 108,513.90 sq.m. (inclusive of the Project) has been granted to Tianjin Haihui.

3. Pursuant to a Real Estate Title Certificate (for land)—Jin (2017) Jin Nan Qu Bu Dong Chan Quan Di No. 1005577, the land use rights of the aforesaid land parcels with a total site area of approximately 108,515.70 sq.m. (inclusive of the land use rights of the Project) have been granted to Tianjin Haihui for a term expiring on March 29, 2080 for residential use.

4. Pursuant to a Construction Work Planning Permit—2012 Jin Nan Zhu Zheng 0010 in favor of Tianjin Haihui, the Project with a gross floor area of approximately 138,203.68 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 1201122017042602121 in favor of Tianjin Haihui, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 138,203.68 sq.m.

6. Pursuant to 7 Pre-sale Permits—Jin Guo Tu Fang Shou Xu Zi (2017) Di Nos. 0809-001,0810-001,0954-001 and Jin Guo Tu Fang Shou Xu Zi (2018) Di Nos. 0393-001,0394-001,0126-001 and 0127-001 in favor of Tianjin Haihui, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 131,204.730 sq.m.) to purchasers.

7. Pursuant to 12 Construction Work Completion and Inspection Tables in favor of Tianjin Haihui, the construction of the Project with a total gross floor area of approximately 138,203.68 sq.m. has been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)
Group II—held for sale by the Group	Residential	177.69
	Commercial	2,880.87
	Total:	**3,058.56**

9. As advised by the Group, various commercial units with a total gross floor area of approximately 90.80 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB1,519,785. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB8,000 to RMB10,000 per sq.m. for residential units and RMB16,000 to RMB18,000 per sq.m. for commercial units on the first floor. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Haihui is in possession of the land use rights of the property, which are protected under the PRC law; Tianjin Haihui is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Tianjin Haihui is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

13. For the purpose of this report, the property is classified into the group as "Group II—held for sale by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
60.	Tangsheng Yayuan located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津·唐晟雅苑)	Tangsheng Yayuan (the "Project") is located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 198,872.90 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 333,280.80 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB1,370,300,000, of which approximately RMB765,600,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring August 8, 2080 on for residential use.	As at the valuation date, the property was under construction.	1,560,900,000 (100.00% interest attributable to the Group: RMB1,560,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11152010002 dated February 8, 2010 and 4 Supplementary Contracts, the land use rights of the Project with a site area of approximately 198,872.90 sq.m. were contracted to be granted to Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司, "Tianjin Haihui", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB243,700,000.

2. Pursuant to a Construction Land Planning Permit—2010 Jin Nan Di Zheng 0089, permission towards the land planning of the Project with a site area of approximately 198,870.00 sq.m. has been granted to Tianjin Haihui.

3. Pursuant to a Real Estate Title Certificate (for land)—Jin (2016) Jin Nan Bu Dong Chan Quan Di No. 1031811, the land use rights of the Project with a site area of approximately 198,872.90 sq.m. have been granted to Tianjin Haihui for a term expiring on August 8, 2080 for residential use.

4. Pursuant to a Construction Work Planning Permit—2018 Jin Nan Zhu Zheng 0016 in favor of Tianjin Haihui, the Project with a gross floor area of approximately 341,398.92 sq.m. has been approved for construction.

5. Pursuant to 2 Construction Work Commencement Permits—Nos. 1201122018042801121 and 1201122018042802121 in favor of Tianjin Haihui, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 341,398.92 sq.m.

6. Pursuant to 21 Pre-sale Permits in favor of Tianjin Haihui, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 96,198.38 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	212,594.00	
	Ancillary	5,413.54	
	Basement (inclusive of car parking spaces)	115,273.26	1,779
	Total:	**333,280.80**	**1,779**

8. As advised by the Group, various residential units with a total gross floor area of approximately 56,190.92 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB572,042,983. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB2,411,600,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB8,000 to RMB12,000 per sq.m. for residential units and RMB55,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Haihui is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Tianjin Haihui has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Tianjin Haihui has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. The property is subject to various mortgages. Tianjin Haihui is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagees.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
61.	Tangxi Yayuan located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津·唐璽雅苑)	Tangxi Yayuan (the "Project") is located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 35,626.76 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in December 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 127,950.42 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB539,200,000, of which approximately RMB122,700,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on March 29, 2080 for residential use.	As at the valuation date, the property was under construction.	300,000,000 (100.00% interest attributable to the Group: RMB300,000,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11152010001 dated February 8, 2010 and 3 Supplementary Contracts, the land use rights of several parcels of land with a total site area of approximately 137,496.60 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司, "Tianjin Haihui", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use commencing from the land delivery date. The land premium was RMB168,500,000.

2. Pursuant to a Construction Land Planning Permit—2010 Jin Nan Di Zheng 0022, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 137,494.50 sq.m. (inclusive of the Project) has been granted to Tianjin Haihui.

3. Pursuant to a Real Estate Title Certificate (for land)—Jin (2017) Jin Nan Qu Bu Dong Chan Quan Di No. 1005576, the land use rights of the aforesaid land parcels with a total site area of approximately 137,496.20 sq.m. (inclusive of the land use rights of the Project) have been granted to Tianjin Haihui for a term expiring on March 29, 2080 for residential use.

4. Pursuant to a Construction Work Planning Permit—2018 Jin Nan Zhu Zheng 0025 in favor of Tianjin Haihui, the Project with a gross floor area of approximately 127,832.90 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 120112201903280212l in favor of Tianjin Haihui, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 127,832.90 sq.m.

6. Pursuant to 2 Pre-sale Permits—Jin Guo Tu Fang Shou Xu Zi (2019) Di Nos. 1046-001 and 1047-001 in favor of Tianjin Haihui, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 32,613.24 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	91,589.52	
	Ancillary	8,659.16	
	Basement (inclusive of car parking spaces)	27,701.74	440
	Total:	**127,950.42**	**440**

8. As advised by the Group, various residential units with a total gross floor area of approximately 16,594.47 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB135,145,264. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB799,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,900 to RMB9,500 per sq.m. for residential units and RMB50,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Tianjin Haihui is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Tianjin Haihui has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Tianjin Haihui has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. The property is subject to various mortgages. Tianjin Haihui is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagees.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
62.	Tangyun Yayuan located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway Jinnan District Tianjin City The PRC (天津·唐韻雅苑)	Tangyun Yayuan (the "Project") is located at the eastern side of Tianjiahu Road and the southern side of Tangjin Highway. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 97,910.75 sq.m., which is being developed into a residential development. Portions of the Project were under construction (the "CIP") as at the valuation date and are scheduled to be completed in December 2022. As advised by the Group, the CIP will have a total planned gross floor area of approximately 282,978.78 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 38,658.90 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of 321,637.68 sq.m. The classification, usage and gross floor area details of the property are set out in note 6. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB1,074,300,000, of which approximately RMB51,900,000 had been incurred as at the valuation date The land use rights of the property have been granted for a term expiring on August 8, 2080 for residential use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	647,700,000 (100.00% interest attributable to the Group: RMB647,700,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 11152010004 dated February 8, 2010 and 2 Supplementary Contracts, the land use rights of several parcels of land with a total site area of approximately 145,350.30 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Tianjin Haihui Real Estate Development Co., Ltd. (天津海匯房地產開發有限公司), "Tianjin Haihui", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB254,800,000.

2. Pursuant to a Construction Land Planning Permit—2010 Jin Nan Di Zheng 0090, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 145,348.20 sq.m. (inclusive of the Project) has been granted to Tianjin Haihui.

3. Pursuant to a Real Estate Title Certificate (for land)—Jin (2016) Jin Nan Qu Bu Dong Chan Quan Di No. 1031812, the land use rights of the aforesaid land parcels with a total site area of approximately 145,350.30 sq.m. (inclusive of the land use rights of the Project) have been granted to Tianjin Haihui for a term expiring on August 8, 2080 for residential use.

4. Pursuant to 2 Construction Work Planning Permits—Jian Zi Di 2020 Jin Nan Jian Zheng Shen Zi Di Nos. 0007 and 0008 in favor of Tianjin Haihui, portions of the Project with a total gross floor area of approximately 282,978.78 sq.m. have been approved for construction.

5. Pursuant to 3 Construction Work Commencement Permits—Nos. 1201122020031202121, 1201122020031301171 and 1201122020031401121 in favor of Tianjin Haihui, permissions by the relevant local authority were given to commence the construction of portions of the Project with a total gross floor area of approximately 282,978.78 sq.m.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	167,553.81	
	Ancillary	20,096.25	
	Basement (inclusive of car parking spaces)	95,328.72	1,965
	Sub-total:	**282,978.78**	**1,965**
Group V—held for future development by the Group	Residential	38,658.90	
	Sub-total:	**38,658.90**	**N/A**
	Total:	**321,637.68**	**1,965**

7. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,733,600,000.

8. Our valuation has been made on the following basis and analysis:

   a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB7,900 to RMB12,500 per sq.m. for residential units and RMB55,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

   b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB2,300 to RMB2,800 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Tianjin Haihui is in possession of the land use rights of the property, which are protected under the PRC law;

   b. Tianjin Haihui has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities; and

   c. The property is subject to various mortgages. Tianjin Haihui is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group IV—held under development by the Group	548,300,000
Group V—held for future development by the Group	99,400,000
Total:	**647,700,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
63.	Portions of Changsha Repulse Bay located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙·淺水灣)	Changsha Repulse Bay (the "Project") is located at the northern side of Laofuchong Road and the western side of Furong South Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 133,162.61 sq.m., which is being developed into a residential and commercial development. Portions of the Project were completed in March 2018 and its unsold portion (the "unsold units") was vacant for sale as at the valuation date. The remaining portion of the Project was under construction (the "CIP") as at the valuation date and is scheduled to be completed in December 2021. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 5,705.45 sq.m. As at the valuation date, the property comprised the unsold units and CIP of the Project with a total planned gross floor area of approximately 54,062.33 sq.m. The classification, usage and gross floor area details of the property are set out in note 8. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB19,700,000, of which approximately RMB3,000,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on August 31, 2075 for residential use.	As at the valuation date, the unsold units of the property were vacant and the remaining portion of the property was under construction.	872,400,000 (100.00% interest attributable to the Group: RMB872,400,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Chang Tu He Di No. 20040289 dated August 31, 2004 and a Supplementary Contract, the land use rights of several parcels of land with a total site area of approximately 299,063.01 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司, "Hunan Xingrong", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB107,450,317.

2. Pursuant to a Construction Land Planning Permit—Jian Gui (Di) Zi Di No. Chu (2004)0350, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 299,063.01 sq.m. (inclusive of the Project) has been granted to Hunan Xingrong.

3. Pursuant to a State-owned Land Use Rights Certificate—Chang Guo Yong (2013) Di No.084682, the land use rights of the Project with a site area of approximately 133,162.61 sq.m. have been granted to Hunan Xingrong for a term expiring on August 31, 2075 for residential use.

4. Pursuant to 7 Construction Work Planning Permits—Jian Gui (Jian) Zi Di Nos. Jian 1 (2008) 0046 to 0050, 0056 and Jian Zi Di No. 430101202010243 in favor of Hunan Xingrong, portions of the Project with a total gross floor area of approximately 164,074.89 sq.m. has been approved for construction.

5. Pursuant to 3 Construction Work Commencement Permits—Nos.430101201109090301, 430101201109090201 and 430103202007090101 in favor of Hunan Xingrong, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 163,151.45 sq.m.

6. Pursuant to 60 Pre-sale Permits in favor of Hunan Xingrong, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 130,049.40 sq.m.) to purchasers.

7. Pursuant to 62 Construction Work Completion and Inspection Tables in favor of Hunan Xingrong, portions of the construction of the Project with a total gross floor area of approximately 156,102.55 sq.m. have been completed and passed the inspection acceptance.

8. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area/Gross Floor Area (sq.m.)	No. of car parking space
Group II—held for sale by the Group	Residential	42,096.08	
	Car parking spaces	6,260.80	240
	Sub-total:	**48,356.88**	**240**
Group IV—held under development by the Group	Commercial	5,705.45	
	Sub-total:	**5,705.45**	**N/A**
	Total:	**54,062.33**	**240**

9. As advised by the Group, various residential units and car parking spaces with a total gross floor area of approximately 6,059.81 sq.m. in Group II of the property have been pre-sold to various third parties at a total consideration of RMB93,498,476. Such portions of the property have not been legally and virtually transferred and therefore we have included them in our valuation. In arriving at our opinion on the market value of the property, we have taken into account the contracted prices of such portions of the property.

10. The market value of CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB85,600,000.

11. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB13,000 per sq.m. for high-rise residential units, RMB19,000 to RMB22,000 per sq.m. for high-end low-rise residential units, RMB26,000 to RMB29,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB135,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Hunan Xingrong is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Hunan Xingrong has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Hunan Xingrong has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Hunan Xingrong is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	Portion

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	852,700,000
Group V—held under development by the Group	19,700,000
Total:	**872,400,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
64.	Changsha Dynasty Impression (Yufu) located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙· 大唐印象(御府))	Changsha Dynasty Impression (Yufu) (the "Project") is located at the northern side of Laofuchong Road and the western side of Furong South Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 38,393.82 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2020. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 119,452.88 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB390,700,000, of which approximately RMB378,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on August 31, 2075 for residential use.	As at the valuation date, the property was under construction.	926,500,000 (100.00% interest attributable to the Group: RMB926,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Chang Tu He Di No. 20040289 dated August 31, 2004 and a Supplementary Contract, the land use rights of several parcels of land with a total site area of approximately 299,063.01 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司, "Hunan Xingrong", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB107,450,317.

2. Pursuant to a Construction Land Planning Permit—Jian Gui (Di) Zi Di No. Chu (2004) 0350, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 299,063.01 sq.m. (inclusive of the Project) has been granted to Hunan Xingrong.

3. Pursuant to a State-owned Land Use Rights Certificate—Chang Guo Yong (2013) Di No. 084681, the land use rights of the Project with a site area of approximately 38,393.82 sq.m. have been granted to Hunan Xingrong for a term expiring on August 31, 2075 for residential use.

4. Pursuant to 3 Construction Work Planning Permits—Jian Gui (Jian) Zi Di Nos. Jian 1 (2018) 0119 and 0120 and Jian 2 (2018) 0127 in favor of Hunan Xingrong, the Project with a total gross floor area of approximately 125,762.29 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 430104201808240101 in favor of Hunan Xingrong, permission by the relevant local authority was given to commence the construction of the Project with a total gross floor area of approximately 125,762.29 sq.m.

6. Pursuant to 11 Pre-sale Permits in favor of Hunan Xingrong, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 86,277.54 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	86,946.43	
	Commercial	587.23	
	Ancillary	3,339.17	
	Basement (inclusive of car parking spaces)	28,580.05	567
	Total:	**119,452.88**	**567**

8. As advised by the Group, various residential and commercial units with a total gross floor area of approximately 87,150.55 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB871,520,608. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB945,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB13,000 per sq.m. for residential units, RMB27,000 to RMB31,000 per sq.m. for commercial units on the first floor and RMB110,000 to RMB135,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Hunan Xingrong is in possession of the land use rights of the property, which are protected under the PRC law; Hunan Xingrong is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Hunan Xingrong has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Hunan Xingrong has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
65.	Changsha Dynasty Impression (Yuxi) located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙·大唐印象(御璽))	Changsha Dynasty Impression (Yuxi) (the "Project") is located at the northern side of Laofuchong Road and the western side of Furong South Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 81,362.02 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in November 2021. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 192,725.55 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB716,700,000, of which approximately RMB284,200,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on August 31, 2075 for residential use.	As at the valuation date, the property was under construction.	1,125,600,000 (100.00% interest attributable to the Group: RMB1,125,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Chang Tu He Di No. 20040289 dated August 31, 2004 and a Supplementary Contract, the land use rights of several parcels of land with a total site area of approximately 299,063.01 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司, "Hunan Xingrong", a wholly-owned subsidiary of the Company) for terms of 40 years for commercial use and 70 years for residential use commencing from the land delivery date. The land premium was RMB107,450,317.

2. Pursuant to a Construction Land Planning Permit—Jian Gui (Di) Zi Di No. Chu (2004) 0350, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 299,063.01 sq.m. (inclusive of the Project) has been granted to Hunan Xingrong.

3. Pursuant to a State-owned Land Use Rights Certificate—Chang Guo Yong (2013) Di No. 084679, the land use rights of the Project with a site area of approximately 81,362.02 sq.m. have been granted to Hunan Xingrong for a term expiring on August 31, 2075 for residential use.

4. Pursuant to 6 Construction Work Planning Permits—Jian Gui (Jian) Zi Di Nos. Jian 1 (2019) 0073, 0113, 0114, 0117, Jian 2 (2019) 0127 and Jian Zi Di No 430101202010028 in favor of Hunan Xingrong, the Project with a total gross floor area of approximately 190,465.01 sq.m. have been approved for construction.

5. Pursuant to 4 Construction Work Commencement Permits—Nos. 430104201909050101, 430104201911180101, 430104201911280101 and 430103202006050101 in favor of Hunan Xingrong, permissions by the relevant local authority were given to commence the construction of the Project.

6. Pursuant to 17 Pre-sale Permits in favor of Hunan Xingrong, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 107,946.77 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	150,376.16	
	Ancillary	4,620.32	
	Basement（inclusive of car parking spaces）	37,729.07	843
	Total:	**192,725.55**	**843**

8. As advised by the Group, various residential units with a total gross floor area of approximately 89,727.90 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB965,576,092. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,713,600,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB13,000 per sq.m. for residential units and RMB110,000 to RMB135,000 per space of car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Hunan Xingrong is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Hunan Xingrong has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

c. For the portions of the property of which the Pre-sale Permits have been obtained, Hunan Xingrong has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

d. Portions of the property are subject to a mortgage. Hunan Xingrong is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as “Group IV—held under development by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
66.	Changsha Dynasty Impression (Yuyuan) located at the northern side of Laofuchong Road and the western side of Furong South Road Tianxin District Changsha City Hunan Province The PRC (長沙·大唐印象(御園))	Changsha Dynasty Impression (Yuyuan) (the "Project") is located at the northern side of Laofuchong Road and the western side of Furong South Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 21,082.67 sq.m., which will be developed into a residential and commercial development. Portions of the Project were under construction (the "CIP") as at the valuation date and are scheduled to be completed in November 2021. As advised by the Group, the CIP will have a total planned gross floor area of approximately 33,439.33 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 10,119.68 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of approximately 43,559.01 sq.m. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB130,600,000, of which approximately RMB45,700,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on August 31, 2075 for residential use and August 31, 2045 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	220,900,000 (100.00% interest attributable to the Group: RMB220,900,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Chang Tu He Di No. 20040289 dated August 31, 2004 and a Supplementary Contract, the land use rights of several parcels of land with a total site area of approximately 299,063.01 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Hunan Xingrong Investment Co., Ltd. (湖南興榮投資有限公司, "Hunan Xingrong", a wholly-

owned subsidiary of the Company) for terms of 40 years for commercial use and 70 years for residential use commencing from the land delivery date. The land premium was RMB107,450,317.

2. Pursuant to a Construction Land Planning Permit—Jian Gui (Di) Zi Di No. Chu (2004) 0350, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 299,063.01 sq.m. (inclusive of the Project) has been granted to Hunan Xingrong.

3. Pursuant to a State-owned Land Use Rights Certificate—Chang Guo Yong (2013) Di No. 084683, the land use rights of the Project with a site area of approximately 21,082.67 sq.m. have been granted to Hunan Xingrong for terms expiring on August 31, 2075 for residential use and August 31, 2045 for commercial use.

4. Pursuant to a Construction Work Planning Permit—Jian Gui (Jian) Zi Di No. Jian 1 (2019) 0105 in favor of Hunan Xingrong, portions of the Project with a gross floor area of approximately 33,530.10 sq.m. have been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—430104201911280201 in favor of Hunan Xingrong, permission by the relevant local authority was given to commence portions of the construction of the Project with a gross floor area of approximately 33,530.10 sq.m.

6. Pursuant to 3 Pre-sale Permits—Chang Zhu Jian Shou Xu Zi (2020) Di Nos. 0278, 0279 and 0323 in favor of Hunan Xingrong, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 10,926.93 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	23,363.70	
	Ancillary	198.48	
	Basement (inclusive of car parking spaces)	9,877.15	287
	Sub-total:	**33,439.33**	**287**
Group V—held for future development by the Group	Commercial	10,119.68	
	Sub-total:	**10,119.68**	N/A
	Total:	**43,559.01**	**287**

8. As advised by the Group, various residential units with a total gross floor area of approximately 1,820.84 sq.m. in Group IV of the property have been pre-sold to various third parties at a total consideration of RMB23,388,165. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB317,000,000.

10. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB9,500 to RMB13,000 per sq.m. for residential units and RMB110,000 to RMB135,000 per space of car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB2,300 to RMB2,700 per sq.m. for commercial use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Hunan Xingrong is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Hunan Xingrong has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Hunan Xingrong has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Hunan Xingrong is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group IV—held under development by the Group	196,100,000
Group V—held for future development by the Group	24,800,000
Total:	**220,900,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
67.	Hantang Royalty located at the southern side of Jinzhou Avenue Wangcheng District Changsha City Hunan Province The PRC (長沙· 漢唐世家)	Hantang Royalty (the "Project") is located at the southern side of Jinzhou Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 240,003.59 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 606,004.54 sq.m. and a plot ratio accountable gross floor area of approximately 494,774.00 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 3. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Gao Xin No. 2020019 dated June 15, 2020, the land use rights of the Project with a site area of approximately 240,003.59 sq.m. were contracted to be granted to Changsha Hantang Properties Co., Ltd. (長沙漢唐置業有限公司, "Changsha Hantang", a 49.00%-owned joint venture of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,634,520,000.

2. As at the valuation date, the property had not been assigned to Changsha Hantang and thus the title of the property had not been vested in Changsha Hantang and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB1,697,800,000, assuming the title certificate has been obtained and it can be freely transferred by Changsha Hantang.

3. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired	Residential	353,004.40	
	Commercial	134,295.00	
	Ancillary	5,775.00	
	Basement (inclusive of car parking spaces)	112,930.14	2,521
	Total:	**606,004.54**	**2,521**

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 2, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB3,100 to RMB3,600 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

7. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
68.	Yueyang Dynasty Royalty Phases I & II & III located at the eastern side of Changfeng Road Yueyang County Yueyang City Hunan Province The PRC (岳陽·大唐世家一二和三期)	Yueyang Dynasty Royalty Phases I & II & III (the "Project") is located at the eastern side of Changfeng Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 3 parcels of land with a total site area of approximately 122,085.31 sq.m., which is being developed into a residential and commercial development. Portions of the Property were under construction (the "CIP") as at the valuation date and are scheduled to be completed in June 2022. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 157,398.92 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 197,667.77 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of approximately 404,973.11 sq.m. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB469,800,000, of which approximately RMB170,900,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on October 11, 2089 and October 18, 2089 for residential use and October 11, 2059 and October 18, 2059 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	381,100,000 (100.00% interest attributable to the Group: RMB381,100,000)

Notes:

1. Pursuant to 3 State-owned Land Use Rights Grant Contracts—Nos. 2019-120, 2019-121 and 2019-122 dated October 11, 2019 and October 21, 2019, the land use rights of 3 parcels of land with a total site area of approximately 122,085.33 sq.m. were contracted to be granted to Yueyang Tangyun Real Estate Development Co., Ltd. (岳陽唐韻房地產開發有限公司, "Yueyang Tangyun", a wholly-owned subsidiary of the Company) for terms of 40 years for commercial use and 70 years for residential use commencing from the land delivery date. The land premium was RMB186,064,000.

2. Pursuant to 2 Construction Land Planning Permits—Jian Gui (Di) Zi Di No. 1910081 and Di Zi Di No. 430621202000005, permission towards the land planning of portions of the aforesaid land parcels with a total site area of approximately 67,729.13 sq.m. has been granted to Yueyang Tangyun.
3. Pursuant to 3 Real Estate Title Certificates (for land)—Xiang (2019) Yue Yang Xian Bu Dong Chan Quan Di Nos. 0004443, 0005306 and 0005307, the land use rights of the Project with a site area of approximately 122,085.31 sq.m. have been granted to Yueyang Tangyun for terms expiring on October 11, 2089 and October 18, 2089 for residential use and October 11, 2059 and October 18, 2059 for commercial use.
4. Pursuant to 2 Construction Work Planning Permits—Jian Gui (Jian) Zi Di Nos. 1910123 and Jian Zi Di No. 430621202000020 in favor of Yueyang Tangyun, portions of the Project with a total gross floor area of approximately 235,211.34 sq.m. have been approved for construction.
5. Pursuant to 4 Construction Work Commencement Permits—Nos. 430621201911150201, 430621201911150101, 430621202005150201 and 430621202006300101 in favor of Yueyang Tangyun, permissions by the relevant local authority were given to commence the construction of portions of the Project with a total gross floor area of approximately 157,447.61 sq.m.
6. Pursuant to 9 Pre-sale Permits—Yue Jian Yu (2020.01.18) Di No. 005, Yue Jian Yu (2020.1.10) Di No. 001, Yue Jian Yu (2020.03.25) Di No. 006, Yue Jian Yu (2020.04.23) Di Nos. 008 to 010, Yue Jian Yu (2020.07.31) Nos. 22 and 23 and Yue Jian Yu (2020.08.27) Di No. 027 in favor of Yueyang Tangyun, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 92,453.20 sq.m.) to purchasers.
7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	119,741.61	
	Commercial	5,838.90	
	Ancillary	3,691.07	
	Basement (inclusive of car parking spaces)	28,127.34	888
	Sub-total:	**157,398.92**	**888**
Group V—held for future development by the Group	Residential	186,587.26	
	Commercial	4,309.05	
	Ancillary	9,100.32	
	Basement (inclusive of car parking spaces)	47,577.56	1,390
	Sub-total:	**247,574.19**	**1,390**
	Total:	**404,973.11**	**2,278**

8. As advised by the Group, various residential and commercial units with a total gross floor area of approximately 57,985.50 sq.m. of the property in Group IV have been pre-sold to various third parties at a total consideration of RMB292,105,422. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.
9. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB695,200,000.
10. Our valuation has been made on the following basis and analysis:
    a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions

and facilities as the subject property. The unit price of these comparable properties ranges from RMB4,600 to RMB5,300 per sq.m. for residential units, RMB11,000 to RMB14,000 per sq.m. for commercial units on the first floor and RMB60,000 to RMB80,000 per space of car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB500 to RMB650 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Yueyang Tangyun is in possession of the land use rights of the property, which are protected under the PRC law;

    b. Yueyang Tangyun has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Yueyang Tangyun has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Yueyang Tangyun is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Portion
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group IV—held under development by the Group	269,100,000
Group V—held for future development by the Group	112,000,000
Total:	**381,100,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
69.	Yueyang Dynasty Royalty Phases IV & V located at the eastern side of Changfeng Road Yueyang County Yueyang City Hunan Province The PRC (岳陽·大唐世家四五期)	Yueyang Dynasty Royalty Phases IV & V (the "Project") is located at the eastern side of Changfeng Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 2 parcels of land with a total site area of approximately 124,891.71 sq.m., which will be developed into a residential and commercial development with a total planned gross floor area of approximately 405,226.60 sq.m. and a plot ratio accountable gross floor area of approximately 328,977.36 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 3. The land use rights of the property have been granted for terms of 70 years for residential use and 40 years for commercial use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to 2 State-owned Land Use Rights Grant Contracts—Nos. 2019-118 and 2019-119 dated October 30, 2019 and November 5, 2019, the land use rights of the Project with a site area of approximately 124,891.71 sq.m. were contracted to be granted to Yueyang Tangsheng Real Estate Development Co., Ltd. (岳陽唐盛房地產開發有限公司, "Yueyang Tangsheng", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB185,400,000.

2. As at the valuation date, the property had not been assigned to Yueyang Tangsheng and thus the title of the property had not been vested in Yueyang Tangsheng and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB186,600,000, assuming the title certificate has been obtained and it can be freely transferred by Yueyang Tangsheng.

3. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired	Residential	319,827.30	
	Commercial	5,100.00	
	Ancillary	4,050.00	
	Basement (inclusive of car parking spaces)	76,249.30	1,861
	Total:	**405,226.60**	**1,861**

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 2, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB500 to RMB650 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contracts are legal and valid, which are protected under the PRC law.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

7. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
70.	Xi'an Dynasty Youth (West District) located at the northern side of Jingwei Tenth Road Gaoling District Xi'an City Shaanxi Province The PRC (西安·大唐果(西區))	Xi'an Dynasty Youth (West District) (the "Project") is located at the northern side of Jingwei Tenth Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 14,358.77 sq.m., which will be developed into a residential development with a total planned gross floor area of approximately 43,346.23 sq.m. and a plot ratio accountable gross floor area of approximately 39,204.08 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted for a term expiring on February 28, 2083 for residential use.	As at the valuation date, the property was bare land.	85,700,000 (100.00% interest attributable to the Group: RMB85,700,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—SXGL-2012-010 dated December 28, 2012 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 14,359.00 sq.m. were contracted to be granted to Xi'an Tangmen Real Estate Co., Ltd. (西安唐門房地產有限公司, "Xi'an Tangmen ", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB5,577,808.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 572, permission towards the land planning of the Project with a site area of approximately 15,121.70 sq.m. has been granted to Xi'an Tangmen.

3. Pursuant to a State-owned Land Use Rights Certificate—Gao Guo Yong (2014) Di No. 29, the land use rights of the Project with a site area of approximately 14,358.77 sq.m. have been granted to Xi'an Tangmen for a term expiring on February 28, 2083 for residential use.

4. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group V—held for future development by the Group	Residential	36,654.95	
	Commercial	2,384.13	
	Ancillary	165.00	
	Basement (inclusive of car parking spaces)	4,142.15	242
	Total:	**43,346.23**	**242**

5. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB1,900 to RMB2,300 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   Xi'an Tangmen is in possession of the land use rights of the property, which are protected under the PRC law; Xi'an Tangmen is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property.

7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

8. For the purpose of this report, the property is classified into the group as "Group V—held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
71.	Xi'an Dynasty Youth (East District) located at the northern side of Jingwei Tenth Road Gaoling District Xi'an City Shaanxi Province The PRC (西安·大唐果(東區))	Xi'an Dynasty Youth (East District) (the "Project") is located at the northern side of Jingwei Tenth Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 11,738.77 sq.m., which will be developed into a residential development with a total planned gross floor area of approximately 39,615.13 sq.m. and a plot ratio accountable gross floor area of approximately 36,226.09 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted for a term expiring on February 28, 2083 for residential use.	As at the valuation date, the property was bare land.	78,600,000 (100.00% interest attributable to the Group: RMB78,600,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—SXGL-2012-011 dated December 28, 2012 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 11,739.00 sq.m. were contracted to be granted to Xi'an Tangmei Real Estate Co., Ltd. (西安唐美房地產有限公司, "Xi'an Tangmei", a wholly-owned subsidiary of the Company) for terms of 70 years for residential use commencing from the land delivery date. The land premium was RMB4,560,190.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 571, permission towards the land planning of the Project with a site area of approximately 12,357.50 sq.m. (inclusive of the Project) has been granted to Xi'an Tangmei.

3. Pursuant to a State-owned Land Use Rights Certificate—Gao Guo Yong (2014) Di No. 30, the land use rights of the Project with a site area of approximately 11,738.77 sq.m. have been granted to Xi'an Tangmei for a term expiring on February 28, 2083 for residential use.

4. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group V—held for future development by the Group	Residential	34,965.86	
	Commercial	1,125.23	
	Ancillary	135.00	
	Basement (inclusive of car parking spaces)	3,389.04	198
	Total:	**39,615.13**	**198**

5. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB1,900 to RMB2,300 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   Xi'an Tangmei is in possession of the land use rights of the property, which are protected under the PRC law; Xi'an Tangmei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property.

7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

8. For the purpose of this report, the property is classified into the group as "Group V—held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
72.	Portions of Detian International New Town located at the eastern side of Huanghe Road and the northern side of Panjiang Road Xiaohe District Guiyang City Guizhou Province The PRC (貴陽· 德天國際新城)	Detian International New Town (the "Project") is located at the eastern side of Huanghe Road and the northern side of Panjiang Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies 3 parcels of land with a total site area of approximately 20,095.88 sq.m. which had been developed into a residential and commercial development. The Project was completed in December 2015 and its unsold portion (the "unsold units") was partly held for sale and partly held for investment as at the valuation date. As at the valuation date, the property comprised the unsold units of the Project with a total gross floor area of approximately 14,322.64 sq.m. The classification, usage and gross floor area details of the property are set out in note 9. The land use rights of the property have been granted for a term expiring on January 21, 2055 for residential and commercial uses.	As at the valuation date, portions of the property were vacant and the remaining portion of the property was rented to various third parties.	105,200,000 (100.00% interest attributable to the Group: RMB105,200,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Zhu Jing Kai Zi No. 2005001 dated January 21, 2005, the land use rights of the Project with a site area of approximately 21,096.00 sq.m. were contracted to be granted to Guiyang Detian Real Estate Development Co., Ltd. (貴陽德天房地產開發有限公司, "Guiyang Detian", a wholly-owned subsidiary of the Company) for a term of 50 years for residential and commercial uses commencing from the land delivery date. The land premium was RMB3,000,000.

2. Pursuant to 3 Construction Land Planning Permits—Gui Yang Shi Jing Ji Ji Shu Kai Fa Qu (2008) Zhu Jing Kai Di No. 016, (2011) No. 013 and (2012) No. 009, permissions towards the land planning of the Project with a total site area of approximately 20,095.88 sq.m. have been granted to Guiyang Detian.

3. Pursuant to 3 State-owned Land Use Rights Certificates—Zhu Jing Kai Yu Deng (2008) Zi Di No. 023, Zhu Jing Kai Guo Yong (2011) Di No. 779 and Zhu Jing Kai Guo Yong (2012) Di No. 866, the land use rights of the Project with a total site area of approximately 20,095.88 sq.m. have been granted to Guiyang Detian for a term expiring on January 21, 2055 residential and commercial uses.

4. Pursuant to 2 Construction Work Planning Permits—Jian Zi Di Nos. 520000201112506 and 520000201112845 in favor of Guiyang Detian, the Project with a total gross floor area of approximately 156,625.52 sq.m. has been approved for construction.

5. Pursuant to 3 Construction Work Commencement Permits—Nos. 520114201106280101, 520114201112200101 and 520114201210250101 in favor of Guiyang Detian, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 156,625.52 sq.m.

6. Pursuant to 3 Pre-sale Permits—Zhu Fang (2014) Xian Xiao Zi Di No. 043, Zhu Fang (2016) Xian Xiao Zi Di Nos. 001 and 002 in favor of Guiyang Detian, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 86,165.83 sq.m.) to purchasers.

7. Pursuant to 3 Construction Work Completion and Inspection Tables in favor of Guiyang Detian, the construction of the Project with a total gross floor area of approximately 147,799.47 sq.m. has been completed and passed the inspection acceptance.

8. Pursuant to 10 Building Ownership Certificates—Qian (2016) Jing Kai Qu Bu Dong Chan Quan Di Nos. 0001100 to 0001108 and 001290, portions of the property are owned by Guiyang Detian.

9. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area *(sq.m.)*	No. of car parking space
Group II—held for sale by the Group	Commercial	1,303.88	
	Car parking spaces	10,996.49	268
	Sub-total:	**12,300.37**	**268**
Group III—held for investment by the Group	Commercial	2,022.27	
	Sub-total:	**2,022.27**	**N/A**
	Total:	**14,322.64**	**268**

10. Pursuant to 5 Tenancy Agreements, portions of the property with a total gross floor area of approximately 2,022.27 sq.m. are leased to 5 tenants with the expiry dates between August 15, 2022 and March 9, 2027, and the monthly rents receivable as at the valuation date ranged from RMB33.3 to RMB93.7 per sq.m., exclusive of management fees, water and electricity charges.

11. Our valuation has been made on the following basis and analysis:

    a. For portions of the property in Group II, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB27,000 to RMB32,000 per sq.m. for commercial units on the first floor and RMB95,000 to RMB120,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered;

    b. For the remaining portion of the property in Group III, we have considered the actual rents in the existing tenancy agreements (if any) and also compared with similar developments which are located in the similar areas as the commercial units of the subject property, for the calculation of market rent in considering (1) the reversionary rental income after the expiry of the existing leases for occupied area, and (2) the rental income of vacant area;

       The unit rent of these comparable commercial units on the first floor range from RMB2.3 to RMB5.3 per sq.m. per day; and

       Based on our market research in the surrounding area of the property, for commercial portions, the stabilized market yield ranged from 4.8% to 5.2% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 5.0% for the commercial units as the capitalization rate in the valuation.

12. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Guiyang Detian is in possession of the land use rights of the property, which are protected under the PRC law; Guiyang Detian is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Guiyang Detian is in possession of the building ownership rights of the property, which are protected under the PRC law; and

    c. Guiyang Detian is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the unsold units of the property.

13. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Building Ownership Certificate	Portion
d.	Construction Land Planning Permit	Yes
e.	Construction Work Planning Permit	Yes
f.	Construction Work Commencement Permit	Yes
g.	Pre-sale Permit	Portion
h.	Construction Work Completion and Inspection Certificate/Table/Report	Yes

14. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group II—held for sale by the Group	66,000,000
Group III—held for investment by the Group	39,200,000
Total:	**105,200,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
73.	Hanlin Tianchen located at the southern side of Daxuecheng South Road and the eastern side of Chongqing Circular Highway Shapingba District Chongqing City The PRC (重慶· 翰粼天辰)	Hanlin Tianchen (the "Project") is located at the southern side of Daxuecheng South Road and the eastern side of Chongqing Circular Highway. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 90,075.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in June 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 185,195.12 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB624,500,000, of which approximately RMB100,400,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on December 17, 2069 for residential use.	As at the valuation date, the property was under construction.	992,500,000 (30.00% interest attributable to the Group: RMB297,800,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Yu Di (2019) He Zi (Sha Qu) Di No. 207 dated December 11, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 90,075.00 sq.m. were contracted to be granted to Chongqing Supin Real Estate Development Co., Ltd. (重慶肅品房地產開發有限公司, "Chongqing Supin", a 30.00%-owned associate of the Company) for a term of 50 years for residential use commencing from the land delivery date. The land premium was RMB746,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 500138202000003, permission towards the land planning of the Project with a site area of approximately 90,075.00 sq.m has been granted to Chongqing Supin.

3. Pursuant to a Real Estate Title Certificate (for land)—Yu (2020) Sha Ping Ba Qu Bu Dong Chan Quan Di No. 000112188, the land use rights of the Project with a site area of approximately 90,075.00 sq.m. have been granted to Chongqing Supin for a term expiring on December 17, 2069 for residential use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 500138202000001 in favor of Chongqing Supin, the Project with a gross floor area of approximately 185,355.98 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 500115202003120201 in favor of Chongqing Supin, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 185,355.98 sq.m.

6. Pursuant to 6 Pre-sale Permits—Yu Zhu Jian Wei (2020) Yu Zi Di Nos. 361, 562, 833, 843, 1009 and 1058 in favor of Chongqing Supin, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 52,869.77 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	129,394.79	
	Commercial	1,778.08	
	Ancillary	5,977.61	
	Basement (inclusive of car parking spaces)	48,044.64	1,542
	Total:	**185,195.12**	**1,542**

8. As advised by the Group, various residential units with a total gross floor area of approximately 44,952.00 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB604,179,061. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,896,000,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,000 to RMB15,000 per sq.m. for residential units, RMB15,000 to RMB18,000 per sq.m. for commercial units on the first floor and RMB70,000 to RMB90,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Chongqing Supin is in possession of the land use rights of portions of the property, which are protected under the PRC law; Chongqing Supin is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

b. Chongqing Supin has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Chongqing Supin has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
74.	Jiuzhu Tianchen located at the northern side of Tongkang Road Beibei District Chongqing City The PRC (重慶·玖著天宸)	Jiuzhu Tianchen (the "Project") is located at the northern side of Tongkang Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 2 parcels of land with a total site area of approximately 136,328.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in June 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 292,052.65 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB979,000,000, of which approximately RMB93,500,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on December 25, 2069 for residential use.	As at the valuation date, the property was under construction.	1,419,300,000 (33.00% interest attributable to the Group: RMB468,400,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—Yu Di (2019) He Zi (Bei Bei) Di No. 223 dated December 18, 2019 and a Supplementary Contract, the land use rights of the several parcels of land with a total site area of approximately 168,150.00 sq.m. (inclusive of the land use rights of the Project) were contracted to be granted to Chongqing Nantangfu Real Estate Development Co., Ltd. (重慶南唐府房地產開發有限公司, "Chongqing Nantangfu", a 33.00%-owned associate of the Company) for terms of 50 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,489,110,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 500109202000003, permission towards the land planning of the aforesaid land parcels with a total site area of approximately 168,150.00 sq.m (inclusive of the Project) has been granted to Chongqing Nantangfu.

3. Pursuant to 2 Real Estate Title Certificates (for land)—Yu (2020) Bei Pei Qu Bu Dong Chan Quan Di Nos. 000227864 and 000227897, the land use rights of the Project with a total site area of approximately 136,328.00 sq.m. have been granted to Chongqing Nantangfu for a term expiring on December 25, 2069 for residential use.

4. Pursuant to 2 Construction Work Planning Permits—Jian Zi Di Nos. 500109202000035 and 500109202000059 in favor of Chongqing Nantangfu, the Project with a total gross floor area of approximately 292,060.52 sq.m. has been approved for construction.

5. Pursuant to 3 Construction Work Commencement Permits—Nos. 500109202005120101, 500109202007270101 and 500109202007300101 in favor of Chongqing Nantangfu, permissions by the relevant local authority were given to commence the construction of the Project with a total gross floor area of approximately 292,060.16 sq.m.

6. Pursuant to 2 Pre-sale Permits—Yu Zhu Jian Wei (2020) Yu Zi Di Nos. 686 and 897 in favor of Chongqing Nantangfu, the Group is entitled to sell portions of the Project (representing a total gross floor area of approximately 52,764.15 sq.m) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	201,417.69	
	Ancillary	7,490.30	
	Basement (inclusive of car parking spaces)	83,144.66	2,108
	Total:	**292,052.65**	**2,108**

8. As advised by the Group, various residential units with a total gross floor area of approximately 36,640.51 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB521,836,697. Such portions of the property 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 value of the property, we have taken into account the contracted prices of such portions of the property.

9. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB3,034,900,000.

10. Our valuation has been made on the following basis and analysis:

    In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB13,000 to RMB15,000 per sq.m. for residential units and RMB80,000 to RMB100,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Chongqing Nantangfu is in possession of the land use rights of the property, which are protected under the PRC law; Chongqing Nantangfu is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property;

    b. Chongqing Nantangfu has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

c. For the portions of the property of which the Pre-sale Permits have been obtained, Chongqing Nantangfu has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

13. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
75.	Jinke Town located at the northern side of Baita Road and the southern side of Daxue Road Yibin City Sichuan Province The PRC (宜賓· 金科城)	Jinke Town (the "Project") is located at the northern side of Baita Road and the southern side of Daxue Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies 6 parcels of land with a total site area of approximately 184,590.00 sq.m., which is being developed into a residential development. Portions of the Project were under construction (the "CIP") as at the valuation date and are scheduled to be completed in July 2022. As advised by the Group, upon completion, the CIP will have a total planned gross floor area of approximately 376,283.07 sq.m. The construction of the remaining portion of the Project (the "bare land") with a plot ratio accountable gross floor area of approximately 180,478.08 sq.m. had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project with a total planned gross floor area of approximately 629,584.11 sq.m. The classification, usage and gross floor area details of the property are set out in note 6. As advised by the Group, the construction cost of the CIP of the property is estimated to be approximately RMB1,152,900,000, of which approximately RMB126,900,000 had been incurred as at the valuation date. The land use rights of the property have been granted for terms expiring on July 16, 2090 for residential use and July 16, 2060 for commercial use.	As at the valuation date, portions of the property were under construction and the remaining portion of the property was bare land.	1,224,300,000 (40.00% interest attributable to the Group: RMB489,700,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 1400-2019-0038 dated December 16, 2019 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 184,590.00 sq.m. were contracted to be granted to Yibin Jinbei Real Estate Development Co., Ltd. (宜賓市金北房地產開發有限公司, "Yibin Jinbei", a 40.00%-owned associate of the Company) for terms of 70 years for residential use and 40 years for commercial use commencing from the land delivery date. The land premium was RMB1,037,395,800.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di (2020) Lin Gang No. 10, permission towards the land planning of the Project with a site area of approximately 184,590.00 sq.m. has been granted to Yibin Jinbei.

3. Pursuant to 6 Real Estate Title Certificates (for land)—Chuan (2020) Yi Bin Shi Bu Dong Chan Quan Di Nos. 2009376 to 2009381, the land use rights of the Project with a total site area of approximately 184,590.00 sq.m. have been granted to Yibin Jinbei for terms expiring on July 16, 2090 for residential use and July 16, 2060 for commercial use.

4. Pursuant to 6 Construction Work Planning Permits—Jian Zi Di (2020) Lin Gang Nos. 10 to 15 in favor of Yibin Jinbei, portions of the Project with a total gross floor area of approximately 621,759.00 sq.m. have been approved for construction.

5. Pursuant to 4 Construction Work Commencement Permits—Nos. 51250120200730001 to 51250120200730004 in favor of Yibin Jinbei, permissions by the relevant local authority were given to commence the construction of portions of the Project with a total gross floor area of approximately 376,266.00 sq.m.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	242,018.75	
	Resettlement Residential	27,295.06	
	Commercial	9,475.48	
	Ancillary	1,983.97	
	Basement (inclusive of car parking spaces)	95,509.81	2,576
	Sub-total:	**376,283.07**	**2,576**
Group V—held for future development by the Group	Residential	172,528.25	
	Commercial	7,814.62	
	Ancillary	134.68	
	Basement (inclusive of car parking spaces)	72,823.49	1,620
	Sub-total:	**253,301.04**	**1,620**
	Total:	**629,584.11**	**4,196**

7. As advised by the Group, Yibin Jinbei should build resettlement housing with a total gross floor area of approximately 27,295.06 sq.m. and the repurchase price is approximately RMB185,606,408.

8. The market value of the CIP of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB2,170,400,000.

9. Our valuation has been made on the following basis and analysis:

   a. For portions of the property in Group IV, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential and commercial units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB8,000 to RMB12,000 per sq.m. for residential units, RMB16,000 to RMB19,000 per sq.m. for commercial units on the first floor and RMB60,000 to RMB70,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered; and

b. For the remaining portion of the property in Group V, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB2,100 to RMB2,500 per sq.m. for composite residential and commercial uses. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Yibin Jinbei is in possession of the land use rights of the property, which are protected under the PRC law; Yibin Jinbei is entitled to occupy, use, lease, transfer, mortgage or by other legal means to dispose of the land use rights of the property; and

    b. Yibin Jinbei has obtained related requisite approvals for the construction work of portions of the property from the relevant government authorities.

11. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Portion
e.	Construction Work Commencement Permit	Portion
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	**Market value in existing state as at the valuation date *(RMB)***
Group IV—held under development by the Group	808,500,000
Group V—held for future development by the Group	415,800,000
Total:	**1,224,300,000**

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
76.	Dynasty Zhongnan Yuehu located at the eastern side of Huangpujiang Road and the southern side of Xianggang Road Haimen District Nantong City Jiangsu Province The PRC (南通· 大唐中南閲湖)	Dynasty Zhongnan Yuehu (the "Project") is located at the eastern side of Huangpujiang Road and the southern side of Xianggang Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 60,240.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in April 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 97,778.43 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 7. As advised by the Group, the construction cost of the property is estimated to be approximately RMB423,100,000, of which approximately RMB300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on May 24, 2090 for residential use.	As at the valuation date, the property was under construction.	374,500,000 (55.00% interest attributable to the Group: RMB206,000,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 3206842020CR0017 dated March 17, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 60,240.00 sq.m. were contracted to be granted to Nantong Tangsheng Real Estate Co., Ltd. (南通唐盛房地產有限公司), "Nantong Tangsheng", a 55.00%-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB346,681,200.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 320684202000015, permission towards the land planning of the Project with a site area of approximately 60,240.00 sq.m. has been granted to Nantong Tangsheng.

3. Pursuant to a Real Estate Title Certificate (for land)—Su (2020) Hai Men Shi Bu Dong Chan Quan Di No. 0119262, the land use rights of the Project with a site area of approximately 60,240.00 sq.m. have been granted to Nantong Tangsheng for a term expiring on May 24, 2090 for residential use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 320684202000041 in favor of Nantong Tangsheng, the Project with a gross floor area of approximately 97,778.43 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 320684202006190301 in favor of Nantong Tangsheng, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 97,778.43 sq.m.

6. Pursuant to a Pre-sale Permit—Hai Fang Xiao Zi Di Yu No. 2020058 in favor of Nantong Tangsheng, the Group is entitled to sell portions of the Project (representing a gross floor area of approximately 13,157.440 sq.m.) to purchasers.

7. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	70,135.44	
	Ancillary	2,152.56	
	Basement (inclusive of car parking spaces)	25,490.43	572
	Total:	**97,778.43**	**572**

8. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB1,006,800,000.

9. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB12,000 to RMB16,000 per sq.m. for residential units and RMB60,000 to RMB80,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

10. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

    a. Nantong Tangsheng is in possession of the land use rights of portions of the property, which are protected under the PRC law;

    b. Nantong Tangsheng has obtained related requisite approvals for the construction work of the property from the relevant government authorities;

    c. For the portions of the property of which the Pre-sale Permits have been obtained, Nantong Tangsheng has the rights to legally pre-sell such portions according to the obtained Pre-sale Permits; and

    d. Portions of the property are subject to a mortgage. Nantong Tangsheng is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

11. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

12. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
77.	Dynasty Zhongnan Shangyuecheng located at the southern side of Wujin West Avenue Wujin District Changzhou City Jiangsu Province The PRC (常州· 大唐中南上悦城)	Dynasty Zhongnan Shangyuecheng (the "Project") is located at the southern side of Wujin West Avenue. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 53,338.00 sq.m., which will be developed into a residential development with a total planned gross floor area of approximately 140,204.50 sq.m. and a plot ratio accountable gross floor area of approximately 106,676.00 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted for a term expiring on August 13, 2090 for residential use.	As at the valuation date, the property was bare land.	678,000,000 (51.00% interest attributable to the Group: RMB345,800,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 3204832020CR0038 dated July 14, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 53,338.00 sq.m. were contracted to be granted to Changzhou Tangsheng Real Estate Co., Ltd. (常州唐盛房地產有限公司, "Changzhou Tangsheng", a 51.00%-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB655,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 320400202050040, permission towards the land planning of the Project with a site area of approximately 53,338.00 sq.m has been granted to Changzhou Tangsheng.

3. Pursuant to a Real Estate Title Certificate (for land)—Su (2020) Chang Zhou Shi Bu Dong Chan Quan Di No. 2045255, the land use rights of the Project with a site area of approximately 53,338.00 sq.m. have been granted to Changzhou Tangsheng for a term expiring on August 13, 2090 for residential use.

4. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group V—held for future development by the Group	Residential	104,230.94	
	Ancillary	2,373.56	
	Basement (inclusive of car parking spaces)	33,600.00	647
	Total:	**140,204.50**	**647**

5. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB6,100 to RMB6,500 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Changzhou Tangsheng is in possession of the land use rights of the property, which are protected under the PRC law; and

   b. The property is subject to a mortgage. Changzhou Tangsheng is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the property after obtaining the consent from the mortgagee.

7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

8. For the purpose of this report, the property is classified into the group as "Group V—held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
78.	Lanyue Yayuan located at the northern side of Gangcheng Avenue and the eastern side of Xin'gou Road Wuxi City Jiangsu Province The PRC (無錫 · 蘭樾雅院)	Lanyue Yayuan (the "Project") is located at the northern side of Gangcheng Avenue and the eastern side of Xin'gou Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 47,112.00 sq.m., which will be developed into a residential development with a total planned gross floor area of approximately 130,324.59 sq.m. and a plot ratio accountable gross floor area of approximately 103,646.40 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted for a term of 70 years for residential use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 3202812020CR0049 dated July 20, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 47,112.00 sq.m. were contracted to be granted to Wuxi Tangmei Real Estate Co., Ltd. (無錫唐美房地產有限公司, "Wuxi Tangmei", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB332,940,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 32028120200084, permission towards the land planning of the Project with a site area of approximately 47,112.00 sq.m has been granted to Wuxi Tangmei.

3. As at the valuation date, the property had not been assigned to Wuxi Tangmei and thus the title of the property had not been vested in Wuxi Tangmei and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB344,700,000, assuming the title certificate has been obtained and it can be freely transferred by Wuxi Tangmei.

4. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired by the Group	Residential	101,740.26	
	Ancillary	1,692.33	
	Basement (inclusive of car parking spaces)	26,892.00	530
	Total:	**130,324.59**	**530**

5. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 3, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB3,100 to RMB3,400 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law.

7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

8. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
79.	Chenyue Royalty located at the eastern side of Huancheng East Road and the northern side of Huanzhen North Road Ningbo City Zhejiang Province The PRC (寧波· 辰悅世家)	Chenyue Royalty (the "Project") is located at the eastern side of Huancheng East Road and the northern side of Huanzhen North Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 38,013.00 sq.m., which is being developed into a residential development. The Project was under construction as at the valuation date and is scheduled to be completed in July 2022. As advised by the Group, upon completion, the Project will have a total planned gross floor area of approximately 113,390.60 sq.m. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 6. As advised by the Group, the construction cost of the property is estimated to be approximately RMB385,900,000, of which approximately RMB10,300,000 had been incurred as at the valuation date. The land use rights of the property have been granted for a term expiring on March 9, 2090 for residential use.	As at the valuation date, the property was under construction.	232,400,000 (51.00% interest attributable to the Group: RMB118,500,000)

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 3302812020A21036 dated February 15, 2020, the land use rights of the Project with a site area of approximately 38,013.00 sq.m. were contracted to be granted to Yuyao Huachuan Properties Co., Ltd. (余姚華川置業有限公司, "Yuyao Huachuan", a 51.00%-owned subsidiary of the Company) for a term of 70 years for commercial use commencing from the land delivery date. The land premium was RMB210,410,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 330281202000101, permission towards the land planning of the Project with a site area of approximately 38,013.00 sq.m. has been granted to Yuyao Huachuan.

3. Pursuant to a Real Estate Title Certificate (for land)—Zhe (2020) Yu Yao Shi Bu Dong Chan Quan Di No. 0015213, the land use rights of the Project with a site area of approximately 38,013.00 sq.m. have been granted to Yuyao Huachuan for a term expiring on March 9, 2090 for residential use.

4. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 330281202000129 in favor of Yuyao Huachuan, the Project with a gross floor area of approximately 113,390.60 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Commencement Permit—No. 330281202006300201 in favor of Yuyao Huachuan, permission by the relevant local authority was given to commence the construction of the Project with a gross floor area of approximately 113,390.60 sq.m.

6. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group IV—held under development by the Group	Residential	82,873.63	
	Ancillary	1,096.52	
	Basement (inclusive of car parking spaces)	29,420.45	629
	Total:	**113,390.60**	**629**

7. The market value of the property as if completed as at the valuation date according to the development proposal as described above and which can be freely transferred in the market, would be RMB804,000,000.

8. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation, we have identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject property such as nature, use, size, layout and accessibility of the property. The selected comparables are residential units and car parking spaces within the same development of the subject property and other to be completed buildings located in the area close to the subject property with similar building conditions and facilities as the subject property. The unit price of these comparable properties ranges from RMB8,500 to RMB10,500 per sq.m. for residential units and RMB60,000 to RMB75,000 per space for car parking spaces. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and physical characteristics between the comparable properties and the property to arrive at the assumed unit rate. The general basis of adjustment of physical characteristics like age, size and layout, etc. and location such as accessibility is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment, the market condition between the transaction date and valuation date is considered.

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   a. Yuyao Huachuan is in possession of the land use rights of the property, which are protected under the PRC law;

   b. Yuyao Huachuan has obtained related requisite approvals for the construction work of the property from the relevant government authorities; and

   c. Portions of the property are subject to a mortgage. Yuyao Huachuan is entitled to lease, transfer, re-mortgage or by other legal means to dispose of the mortgaged portion of the property after obtaining the consent from the mortgagee.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

11. For the purpose of this report, the property is classified into the group as "Group IV—held under development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
80.	Jinxia Road 30 Mu Residential Parcel located at the northern side of Jinxia Road Ningbo City Zhejiang Province The PRC (寧波· 錦霞路30畝住宅地塊)	Jinxia Road 30 Mu Residential Parcel (the "Project") is located at the northern side of Jinxia Road. The locality is a newly developed area where public facilities such as municipal facilities and amenities are still under development. The Project occupies a parcel of land with a site area of approximately 20,388.00 sq.m., which will be developed into a residential development with a total planned gross floor area of approximately 39,882.00 sq.m. and a plot ratio accountable gross floor area of approximately 24,465.60 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 3. The land use rights of the property have been granted for a term of 70 years for residential use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 3302812020A21080 dated August 20, 2020, the land use rights of the Project with a site area of approximately 20,388.00 sq.m. were contracted to be granted to Ningbo Tangyao Properties Co., Ltd. (寧波唐耀置業有限公司, "Ningbo Tangyao", a wholly-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB107,070,000.

2. As at the valuation date, the property had not been assigned to Ningbo Tangyao and thus the title of the property had not been vested in Ningbo Tangyao and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB110,900,000, assuming the title certificate has been obtained and it can be freely transferred by Ningbo Tangyao.

3. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired by the Group	Residential	23,673.35	
	Ancillary	902.35	
	Basement (inclusive of car parking spaces)	15,306.30	265
	Total:	**39,882.00**	**265**

4. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 2, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB4,200 to RMB4,700 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law.

6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

7. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date
				RMB
81.	Nanguan Impression located at the western side of Yinshan Road and the northern side of Second Ring Road Huangyan District Taizhou City Zhejiang Province The PRC (台州· 南官印象)	Nanguan Impression (the "Project") is located at the western side of Yinshan Road and the northern side of Second Ring Road. The locality is a residential and commercial area with mature and sophisticated infrastructural facilities. The Project occupies a parcel of land with a site area of approximately 16,048.00 sq.m., which will be developed into a residential development with a total planned gross floor area of approximately 41,620.43 sq.m. and a plot ratio accountable gross floor area of approximately 29,680.00 sq.m. As advised by the Group, the construction of the Project had not been commenced as at the valuation date. As at the valuation date, the property comprised the whole project. The classification, usage and gross floor area details of the property are set out in note 5. The land use rights of the property have been granted for a term of 70 years for residential use.	As at the valuation date, the property was bare land.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract—No. 3310032020A21022 dated July 10, 2020 and a Supplementary Contract, the land use rights of the Project with a site area of approximately 16,048.00 sq.m. were contracted to be granted to Taizhou Tangshun Properties Co., Ltd. (台州唐順置業有限公司, "Taizhou Tangshun", an 81.00%-owned subsidiary of the Company) for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB340,000,000.

2. Pursuant to a Construction Land Planning Permit—Di Zi Di No. 331003202010019, permission towards the land planning of the Project with a site area of approximately 16,048.00 sq.m. has been granted to Taizhou Tangshun.

3. Pursuant to a Construction Work Planning Permit—Jian Zi Di No. 331003203210041 in favor of Taizhou Tangshun, the Project with a gross floor area of approximately 41,620.43 sq.m. has been approved for construction.

4. As at the valuation date, the property had not been assigned to Taizhou Tangshun and thus the title of the property had not been vested in Taizhou Tangshun and the relevant land use rights certificate had not been obtained. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB351,900,000, assuming the title certificate has been obtained and it can be freely transferred by Taizhou Tangshun.

5. According to the information provided by the Group (including related permits, development plans and government endorsed area measurement reports (if any)), the gross floor area of the property is set out as below:

Group	Usage	Planned Gross Floor Area (sq.m.)	No. of car parking space
Group VI—contracted to be acquired by the Group	Residential	28,951.50	
	Ancillary	728.50	
	Basement (inclusive of car parking spaces)	11,940.43	193
	Total:	**41,620.43**	**193**

6. Our valuation has been made on the following basis and analysis:

   In undertaking our valuation as stated in note 4, we have identified and analyzed various relevant sales evidences of land in the locality which have similar characteristics as the subject property such as nature, use, site area, layout and accessibility of the property. The accommodation value of these comparable land sites ranges from RMB11,000 to RMB12,500 per sq.m. for residential use. Appropriate adjustments and analysis are considered to the differences in several aspects including time, location and other characteristics between the comparable properties and the property to arrive at the assumed accommodation value. The general basis of adjustment of location such as accessibility and characteristics related to development potential like site area, shape, tenure, etc. is that if the comparable property is better than the property, a downward adjustment is made. Alternatively, if the comparable property is inferior or less desirable than the property, an upward adjustment is made. Regarding to time adjustment the market condition between the transaction date and valuation date is considered.

7. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:

   The aforesaid State-owned Land Use Right Grant Contract is legal and valid, which is protected under the PRC law.

8. A summary of major certificates/approvals is shown as follows:

a.	State-owned Land Use Rights Grant Contract	Yes
b.	State-owned Land Use Rights Certificate / Real Estate Title Certificate (for land)	No
c.	Construction Land Planning Permit	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table/Report	No

9. For the purpose of this report, the property is classified into the group as "Group VI—contracted to be acquired by the Group in the PRC" according to the purpose for which it is held.

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of the Companies Law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on December 14, 2018 under the Companies Law. The Company's constitutional documents consist of its Amended and Restated Memorandum of Association (the "**Memorandum**") and its Amended and Restated Articles of Association (the "**Articles**").

1. MEMORANDUM OF ASSOCIATION

(a) The Memorandum provides, *inter alia*, that the liability of members of the Company is limited and that the objects for which the Company is established are unrestricted (and therefore include acting as an investment company), and that the Company shall have and be capable of exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate whether as principal, agent, contractor or otherwise and, since the Company is an exempted company, that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.

(b) By special resolution the Company may alter the Memorandum with respect to any objects, powers or other matters specified in it.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on November 20, 2020. A summary of certain provisions of the Articles is set out below.

(a) Shares

(i) Classes of shares

The share capital of the Company consists of ordinary shares.

(ii) Variation of rights of existing shares or classes of shares

Subject to the Companies Law, if at any time the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares may (unless otherwise provided for by the terms of issue of the shares of that class) be varied, modified 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 general meeting of the holders of the shares of that class. The provisions of the Articles relating to general meetings shall *mutatis mutandis* apply to every such separate general meeting, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or, in the case of a member being a corporation, by its duly authorized representative) or representing by proxy not less than one-third in nominal value of the issued shares of that class. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and any holder of shares of the class present in person or by proxy may demand a poll.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(iii) **Alteration of capital**

The Company may, by an ordinary resolution of its members: (a) increase its share capital by the creation of new shares of such amount as it thinks expedient; (b) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; (c) divide its unissued shares into several classes and attach to such shares any preferential, deferred, qualified or special rights, privileges or conditions; (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum; (e) cancel any shares which, at the date 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 canceled; (f) make provision for the allotment and issue of shares which do not carry any voting rights; and (g) change the currency of denomination of its share capital.

(iv) **Transfer of shares**

Subject to the Companies Law and the requirements of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), all transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), under hand or by machine imprinted signature, or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register of members of the Company in respect of that share.

The Board may, in its absolute discretion, at any time and from time to time remove any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register. Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and registered, in the case of shares on any branch register, at the relevant registration office and, in the case of shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or on which the Company has a lien. It may also decline to register a transfer of any share issued under any share option scheme upon which a restriction on transfer subsists or a transfer of any share to more than four joint holders.

The Board may decline to recognize any instrument of transfer unless a certain fee, up to such maximum sum as the Stock Exchange may determine to be payable, is paid to the Company, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require is provided to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members may, subject to the Listing Rules, be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine.

Fully paid shares shall be free from any restriction on transfer (except when permitted by the Stock Exchange) and shall also be free from all liens.

(v) **Power of the Company to purchase its own shares**

The Company may purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirement imposed from time to time by the Articles or any, code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price and, if purchases are by tender, tenders shall be available to all members alike.

(vi) **Power of any subsidiary of the Company to own shares in the Company**

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

(vii) **Calls on shares and forfeiture of shares**

The Board may, from time to time, make such calls as it thinks fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment of such shares made payable at fixed times. A call may be made payable either in one sum or by installments. If the sum payable in respect of any call or installment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for payment to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or installments payable upon any shares held by him, and in respect of all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a member fails to pay any call or installment of a call on the day appointed for payment, the Board may, for so long as any part of the call or installment remains unpaid, serve not less than 14 days' notice on the member requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the appointed time, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, nevertheless, 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 Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 20% per annum as the Board may prescribe.

(b) Directors

(i) **Appointment, retirement and removal**

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director so appointed to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director so appointed as an addition to the existing Board shall hold office only until the first annual general meeting of the Company after his appointment and be eligible for re-election at such meeting. Any Director so appointed by the Board shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

At each annual general meeting, one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors to retire in each year shall be those who have been in office longest since their last re-election or appointment but, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected has been lodged at the head office or at the registration office of the Company. The period for lodgment of such notices shall commence no earlier than the day after despatch of the notice of the relevant meeting and end no later than seven days before the date of such meeting and the minimum length of the period during which such notices may be lodged must be at least seven days.

A Director is not required to hold any shares in the Company by way of qualification nor is there any specified upper or lower age limit for Directors either for accession to or retirement from the Board.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and the Company may by ordinary resolution appoint another in his place. Any Director so appointed shall be subject to the "retirement by rotation" provisions. The number of Directors shall not be less than two.

The office of a Director shall be vacated if he:

(aa) resign;

(bb) dies;

(cc) is declared to be of unsound mind and the Board resolves that his office be vacated;

(dd) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(ee) he is prohibited from being or ceases to be a director by operation of law;

(ff) without special leave, is absent from meetings of the Board for six consecutive months, and the Board resolves that his office is vacated;

(gg) has been required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director; or

(hh) is removed from office by the requisite majority of the Directors or otherwise pursuant to the Articles.

From time to time the Board may appoint one or more of its body to be managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine, and the Board may revoke or terminate any of such appointments. The Board may also delegate any of its powers to committees consisting of such Director(s) or other person(s) as the Board thinks fit, and from time to time it may also revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(ii) **Power to allot and issue shares and warrants**

Subject to the provisions of the Companies Law, the Memorandum and Articles and without prejudice to any special rights conferred on the holders of any shares or class of shares, any share may be issued with or have attached to it such rights, or such restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine). Any share may be issued on terms that, upon the happening of a specified event or upon a given date and either at the option of the Company or the holder of the share, it is liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine.

Where warrants are issued to bearer, no certificate in respect of such warrants shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate has been destroyed and the Company has received an indemnity in such form as the Board thinks fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the Companies Law, the Articles and, where applicable, the rules of any stock exchange of the Relevant Territory (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

(iii) **Power to dispose of the assets of the Company or any of its subsidiaries**

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Companies Law to be exercised or done by the Company in general meeting, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(iv) **Borrowing powers**

The Board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of the

Company and, subject to the Companies Law, to issue debentures, debenture stock, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(v) **Remuneration**

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board 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 among the Directors in such proportions and in such manner as they may agree or, failing agreement, either equally or, in the case of any Director holding office for only a portion of the period in respect of which the remuneration is payable, pro rata. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. 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.

Any Director who, at the request of the Company, performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration as the Board may determine, in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration and such other benefits and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.

The Board may establish, either on its own or jointly in concurrence or agreement with subsidiaries of the Company or companies with which the Company is associated in business, or may make contributions out of the Company's monies to, any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

The Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above. Such pension or benefit may, if deemed desirable by the Board, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

(vi) **Compensation or payments for loss of office**

Payments to any present 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 or statutorily entitled) must be approved by the Company in general meeting.

(vii) **Loans and provision of security for loans to Directors**

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective close associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective close associates, or, if any one or more of the Directors hold(s) (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(viii) **Disclosure of interest in contracts with the Company or any of its subsidiaries**

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration for that other office or place of profit, in whatever form, in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director, officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise in favor of any resolution appointing the Directors or any of them to be directors or officers of such other company.

No Director or intended Director shall be disqualified by his office from contracting with the Company, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship established by it. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any share by reason that the person or persons who are interested directly or indirectly in that share have failed to disclose their interests to the Company.

A Director shall not vote or be counted in the quorum on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his close associate(s) has/have a material interest, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters:

(aa) the giving of any security or indemnity to the Director or his close associate(s) 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;

(bb) 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 his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(cc) 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 his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(dd) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries, including the adoption, modification or operation of either: (i) any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or (ii) any of a pension fund or retirement, death or disability benefits scheme which relates 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 his close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(ee) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares, debentures or other securities of the Company by virtue only of his/their interest in those shares, debentures or other securities.

(ix) **Proceedings of the Board**

The Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. 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.

(c) Alterations to the constitutional documents and the Company's name

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed, with the sanction of a special resolution of the Company.

(d) Meetings of member

(i) **Special and ordinary resolutions**

A special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or by proxy or, in the case of members which are 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.

Under the Companies Law, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An ordinary resolution, by contrast, is 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 members which are corporations, by their duly authorized representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given.

A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

(ii) **Voting rights and right to demand a poll**

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares at any general meeting: (a) on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorized representative shall have one vote for every share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a share in advance of calls or installments is treated for this purpose as paid up on the share; and (b) on a show of hands every member who is 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. Where more than one proxy is appointed by a member which is a Clearing House (as defined in the Articles) or its nominee(s), each such proxy shall have one vote on a show of hands. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he does use in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution to be voted on by a show of hands. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by (in each case by members present in person or by proxy or by a duly authorized corporate representative):

(A) at least two members;

(B) any member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(C) a member or members holding shares in the Company conferring a right to vote at the meeting on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Should a Clearing House or its nominee(s) be a member of the Company, such person or persons may be authorized as it thinks fit to act as its representative(s) at any meeting of the Company or at any 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 in accordance with this provision shall be deemed to have been duly authorized without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s) as if such person were an individual member including the right to vote individually on a show of hands.

Where the Company has knowledge that 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.

(iii) **Annual general meetings**

The Company must hold an annual general meeting each year other than the year of the Company's adoption of the Articles. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorized by the Stock Exchange at such time and place as may be determined by the Board.

(iv) **Requisition of general meetings**

Extraordinary general meetings may be convened on the requisition of one or more members holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

(v) **Notices of meetings and business to be conducted**

An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and any other general meeting of the Company shall be called by at least 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 must specify the time, place and agenda of the meeting and particulars of the resolution(s) to be considered at that meeting and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member personally, by post to such member's registered address or (in the case of a notice) by advertisement in the newspapers. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which shall be deemed to be his registered address for this purpose. Subject to the Companies Law and the Listing Rules, a notice or document may also be served or delivered by the Company to any member by electronic means.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may be deemed to have been duly called if it is so agreed:

(i) in the case of an annual general meeting, by all members of the Company entitled to attend and vote thereat; and

(ii) 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 holding not less than 95% of the total voting rights in the Company.

All business transacted at an extraordinary general meeting shall be deemed special business. All business shall also be deemed special business where it is transacted at an annual general meeting, with the exception of certain routine matters which shall be deemed ordinary business.

(vi) **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, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or in the case of a member being a corporation, by its duly authorized representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class.

(vii) **Proxies**

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal or under the hand of a duly authorized officer or attorney. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, provided that it shall not preclude the use of the two-way form. Any form issued to a member for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favor of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

(e) Accounts and audit

The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and of the assets and liabilities of the Company and of all other matters required by the Companies Law (which include all sales and purchases of goods by the company) necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of accounts of the Company shall be kept at the head office of the Company or at such other place or places as the Board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any account, book or document of the Company except as conferred by the Companies Law or ordered by a court of competent jurisdiction or authorized by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts (including every document required by law to be annexed thereto), together with a copy of the Directors' report and a copy of the auditors' report, not less than 21 days before the date of the annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the rules of the stock exchange of the Relevant Territory (as defined in the Articles), the Company may send summarized financial statements to members who have, in accordance with the rules of the stock exchange of the Relevant Territory, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by any other documents as may be required under the rules of the stock exchange of the Relevant Territory, and must be sent to those members that have consented and elected to receive the summarized financial statements not less than 21 days before the general meeting.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the members.

The members may, at a general meeting remove the auditor(s) by a special resolution at any time before the expiration of the term of office of the auditor(s) and shall, by an ordinary resolution, at that meeting appoint new auditor(s) in place of the removed auditor(s) for the remainder of the term.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

(f) Dividends and other methods of distribution

The Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide:

(i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, although no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share;

(ii) all dividends shall be apportioned and paid pro rata in accordance with the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid; and

(iii) the Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, installments or otherwise.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared, the Board may resolve:

(aa) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled to such dividend will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or

(bb) that the members 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 Board may think fit.

Upon the recommendation of the Board, the Company may by ordinary resolution in respect of any one particular dividend of the Company determine that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, bonus or other sum payable in cash to the holder of shares may be paid by check or warrant sent through the post. Every such check or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the holder's or joint holders' risk and payment of the check or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. 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.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or installments payable upon any shares held by him, and in respect of all or any of the monies so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide, but a payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the share or the due portion of the shares upon which payment has been advanced by such member before it is called up.

All dividends, bonuses or other distributions unclaimed for one year after having been declared may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends, bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

The Company may exercise the power to cease sending checks for dividend entitlements or dividend warrants by post if such checks or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a check or warrant is returned undelivered.

(g) Inspection of corporate records

For so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of members is closed) without charge and require the provision to him of copies or extracts of such register in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance.

(h) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under Cayman Islands law, as summarized in paragraph 3(f) of this Appendix.

(i) Procedures on liquidation

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

(i) if the Company is wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares held by them respectively; and

(ii) if the Company is wound up and the surplus assets available for distribution among the members are insufficient to repay the whole of the paid-up capital, such assets shall be distributed, subject to the rights of any shares which may be issued on special terms and conditions, so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them, respectively.

If the Company is wound up (whether the liquidation is voluntary or compelled by the court), the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies Law, divide among the members in specie or kind the whole or any part of the assets of the Company, whether the assets consist of property of one kind or different kinds, and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be so divided and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator thinks fit, but so that no member shall be compelled to accept any shares or other property upon which there is a liability.

(j) Subscription rights reserve

Provided that it is not prohibited by and is otherwise in compliance with the Companies Law, if warrants to subscribe for shares have been issued by the Company and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of the shares to be issued on the exercise of such warrants, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of such shares.

3. CAYMAN ISLANDS COMPANIES LAW

The Company was incorporated in the Cayman Islands as an exempted company on December 14, 2018 subject to the Companies Law. Certain provisions of the Companies Law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

(a) **Company operations**

An exempted company such as the Company must conduct its operations mainly outside the Cayman Islands. An exempted company is also 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 amount of its authorized share capital.

(b) **Share capital**

Under the Companies Law, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancelation of shares in any other company and issued at a premium. The share premium account may be applied by the 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, the following:

(i) paying distributions or dividends to members;

(ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(iii) any manner provided in section 37 of the Companies Law;

(iv) writing-off the preliminary expenses of the company; and

(v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, 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.

Subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorized to do so by its articles of association, by special resolution reduce its share capital in any way.

(c) **Financial assistance to purchase shares of a company or its holding company**

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company, when proposing to grant such financial assistance, discharge their duties of care and act in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

(d) **Purchase of shares and warrants by a company and its subsidiaries**

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 member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares; an ordinary resolution of the company approving the manner and terms of the purchase will be required if the articles of association do not authorize the manner and terms of such purchase. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, 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 issued shares of the company other than shares held as treasury shares.

In addition, 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.

Shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as canceled but shall be classified as treasury shares if held in compliance with the requirements of Section 37A(1) of the Companies Law. Any such shares shall continue to be classified as treasury shares until such shares are either canceled or transferred pursuant to the Companies Law.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy, sell and deal in personal property of all kinds.

A subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

(e) **Dividends and distributions**

Subject to a solvency test, as prescribed in the Companies Law, and the provisions, if any, of the company's memorandum and articles of association, a company may pay dividends and distributions out of its share premium account. In addition, based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid out of profits.

For so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made, in respect of a treasury share.

(f) **Protection of minorities and shareholders' suits**

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of Foss v. Harbottle and the exceptions to that rule) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge acts which are ultra vires, illegal, fraudulent (and performed by those in control of the Company) against the minority, or represent an irregularity in the passing of a resolution which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court 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 the affairs of the company and, at the direction of the court, to report on such affairs. In addition, any member of a company may petition the court, 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.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

(g) **Disposal of assets**

There are no specific restrictions on the power of directors to dispose of assets of a company, however, the directors are expected to exercise certain duties of care, diligence and skill to the standard that a reasonably prudent person would exercise in comparable circumstances, in addition to fiduciary duties to act in good faith, for proper purpose and in the best interests of the company under English common law (which the Cayman Islands courts will ordinarily follow).

(h) **Accounting and auditing requirements**

A company must cause proper records of accounts to be kept with respect to: (i) all sums of money received and expended by it; (ii) all sales and purchases of goods by it and (iii) its assets and liabilities.

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.

If a company keeps its books of account at any place other than at its registered office or any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2013 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

(i) **Exchange control**

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

(j) **Taxation**

Pursuant to section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Financial Secretary that:

(i) no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and

(ii) no tax be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:

(aa) on or in respect of the shares, debentures or other obligations of the Company; or

(bb) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (2018 Revision).

The undertaking for the Company is for a period of 20 years from December 19, 2018.

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 for certain stamp duties which may be applicable, from time to time, on certain instruments.

(k) **Stamp duty on transfers**

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

(l) **Loans to directors**

There is no express provision prohibiting the making of loans by a company to any of its directors. However, the company's articles of association may provide for the prohibition of such loans under specific circumstances.

(m) **Inspection of corporate records**

The members of a company have no general right 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.

(n) **Register of members**

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. There is no requirement for an exempted company to make any returns of members to the Registrar of Companies in 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. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2013 Revision) of the Cayman Islands.

(o) **Register of Directors and officers**

Pursuant to the Companies Law, the Company is required to maintain at its registered office a register of directors, alternate directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

(p) **Winding up**

A Cayman Islands company may be wound up by: (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company (other than a limited duration company, for which specific rules apply) occurs where the company resolves by special resolution that it be wound up voluntarily or where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due. In the case of a voluntary winding up, the company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators are appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company disposed of, and call a general meeting of the company for the purposes of laying before it the account and giving an explanation of that account.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that: (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order takes effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, one or more persons may be appointed to be called an official liquidator(s).The court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one person is appointed to such office, the court shall declare whether any act required or authorized to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

(q) **Reconstructions**

Reconstructions and amalgamations may be approved by a majority in number representing 75% in value of the members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. Whilst a dissenting member has the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, the courts are 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 member would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

(r) **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 that four-month period, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the Cayman Islands courts within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the 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 members.

(s) **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, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

4. GENERAL

Appleby, the Company's legal advisors on Cayman Islands law, has sent to the Company a letter of advice which summarizes certain aspects of the Companies Law. This letter, together with a copy of the Companies Law, is available for inspection as referred to in the paragraph headed "Documents Available for Inspection" in Appendix VI. Any person wishing to have a detailed summary of the Companies Law or advice on the differences between it and the laws of any jurisdiction with which he 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 December 14, 2018. Our Company has established its principal place of business in Hong Kong at 40th Floor, Sunlight Tower, 248 Queen's Road East, Wanchai, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a company under Part 16 of the Companies Ordinance on December 5, 2019. Ms. Ng Wing Shan has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, its operations are subject to the Companies Law, the Memorandum, and the Articles and the applicable laws of the Cayman Islands. A summary of certain provisions of the Memorandum and the Articles, and relevant aspects of the Companies Law is set out in "Appendix IV — Summary of the Constitution of our Company and Cayman Islands Companies 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 US$50,000 divided into 50,000 Shares of US$1.00 each. Upon its incorporation, one Share was issued and allotted to an initial subscriber who is an Independent Third Party on December 14, 2018, which was transferred to Dynasty Cook at par on the same date. On April 30, 2019, one Share of US$1.00 was issued and allotted to Dynasty Cook.

Pursuant to the written resolutions of our directors and sole shareholder passed on November 5, 2019, respectively, the authorized share capital of our Company was US$50,000 divided into 5,000,000 Shares of US$0.01 each. Upon completion of such subdivision, 200 Shares of US$0.01 each were issued and allotted to Dynasty Cook and our Company remained directly wholly owned by Dynasty Cook.

On November 5, 2019, our Company issued and allotted 727,073 Shares, 212,121 Shares, 50,606 Shares and 10,000 Shares to Dynasty Cook, MeiDi, Fujia and Tangjia, respectively.

Pursuant to the written resolutions of our Shareholders passed on November 20, 2020, our authorized share capital was increased from US$50,000 to US$50,000,000 by the creation of additional 4,995,000,000 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 the options which may be granted under the Share Option Scheme, the issued share capital of our Company will be US$13,334,000 divided into 1,333,400,000 Shares of US$0.01 each, all fully paid or credited as fully paid, and 3,666,600,000 Shares will remain unissued.

Save as disclosed above and as mentioned in "— 3. Written resolutions of our Shareholders passed on November 20, 2020" below in this section, there has been no alteration in the share capital of our Company since its incorporation.

3. Written resolutions of our Shareholders passed on November 20, 2020

Pursuant to the written resolutions passed by our Shareholders on November 20, 2020, among other matters:

(a) we approved and conditionally adopted the amended and restated Memorandum and Articles which will become effective upon Listing;

(b) the authorized share capital of our Company was increased from US$50,000 divided into 5,000,000 Shares to US$50,000,000 divided into 5,000,000,000 Shares by the creation of an additional 4,995,000,000 Shares ranking pari passu in all respects with the existing Shares with immediate effect;

(c) conditional on (aa) the Listing Committee granting the approval for the listing of, and permission to deal in, the Shares in issue and Shares to be issued and allotted pursuant to the Capitalization Issue, the Global Offering and Shares to be issued as mentioned in this Prospectus, including any additional Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option and the exercise of the options which may be granted under the Share Option Scheme; (bb) the Offer Price having 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 agreements (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 issue and allot the Offer Shares pursuant to the Global Offering;

(ii) the Over-allotment Option was approved and our Directors were authorized to issue and allot 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 "— D. Other Information — 1. Share Option Scheme" below in this Appendix, were approved and adopted and our Directors were authorized, at their absolute discretion, to grant options to subscribe for Shares thereunder and to issue, allot and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme; and

(iv) conditional on the share premium account of our Company being credited as a result of the issue of the Offer Shares by our Company pursuant to the Global Offering, our Directors were authorized to capitalize US$9,999,000 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 999,000,000 such Shares to be issued and allotted to our Shareholder(s) as of the date of the passing of this resolution in proportion (as near as possible without involving fractions so that no fraction of a share shall be issued and allotted) to the then existing respective shareholdings in our Company;

(d) a general unconditional mandate was given to our Directors to issue, allot and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be issued and allotted), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the issue and allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to the grant of options under the Share Option Scheme or other similar arrangements 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 without taking into account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the exercise of the options 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 our Shareholders in general meeting, whichever occurs first;

(e) a general unconditional mandate was given to our Directors authorizing them to exercise all powers of our Company to buy back on the Stock Exchange or on 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 without taking into account of any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option and the exercise of the options 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

(f) the general unconditional mandate mentioned in paragraph (d) 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 bought back by our Company pursuant to the mandate to buy back Shares referred to in paragraph (e) above.

4. 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 "History, Reorganization and Corporate Structure" in this Prospectus.

5. Changes in the share capital of our subsidiaries

Our subsidiaries are set out in the Accountant's Report, the text of which is set out in Appendix I to this Prospectus. Save for the subsidiaries mentioned in the Accountant's Report and in "History, Reorganization and Corporate Structure", our Company has no other subsidiaries.

The following alteration in the registered capital of our subsidiaries took place within the two years immediately preceding the date of this Prospectus:

(a) Guangxi Tanggui Investment Co., Ltd.* (廣西唐桂投資有限公司)

On December 13, 2018 the registered capital of Guangxi Tanggui Investment Co., Ltd. was increased from RMB58.82 million to RMB647,050,000.

(b) Guangxi Tangning Investment Co., Ltd.* (廣西唐寧投資有限公司)

On November 20, 2018, the registered capital of Guangxi Tangning Investment Co., Ltd. was increased from RMB50 million to RMB58.82 million.

On August 14, 2019, the registered capital of Guangxi Tangning Investment Co., Ltd. was increased from RMB58.82 million to RMB65 million.

(c) Tianjin Haihui

On December 17, 2018, the registered capital of Tianjin Haihui was increased from RMB50 million to RMB110 million.

(d) Guangxi Tangtong Investment Co., Ltd.* (廣西唐通投資有限公司)

On December 24, 2018, the registered capital of Guangxi Tangtong Investment Co., Ltd. was increased from RMB50 million to RMB87.72 million.

(e) Tianjin Xinghuafu

On February 19, 2019, the registered capital of Tianjin Xinghuafu was increased from RMB1,050 million to RMB1,200 million.

(f) Guangxi Tangrun Investment Co., Ltd.* (廣西唐潤投資有限公司)

On June 21, 2019, the registered capital of Guangxi Tangrun Investment Co., Ltd. was increased from RMB20 million to RMB800 million.

(g) Guangxi Tangxun Investment Co., Ltd.* (廣西唐勛投資有限公司)

On July 8, 2019, the registered capital of Guangxi Tangxun Investment Co., Ltd. was increased from RMB50 million to RMB51,610,200.

(h) Zhangzhou Tangmen

On July 29, 2019, the registered capital of Zhangzhou Tangmen was increased from RMB10 million to RMB60 million.

(i) Guangxi Tanghui Investment Co., Ltd.* （廣西唐暉投資有限公司）

On August 23, 2019, the registered capital of Guangxi Tanghui Investment Co., Ltd. was increased from RMB25.5 million to RMB100 million.

(j) Guangxi Tangming Investment Co., Ltd.* (廣西唐銘投資有限公司)

On August 29, 2019, the registered capital of Guangxi Tangming Investment Co., Ltd. was increased from RMB204 million to RMB207,993,500.

On June 11, 2020, the registered capital of Guangxi Tangming Investment Co., Ltd. was increased from RMB207,993,500 to RMB259,991,875.

(k) Yueyang Tangyun Real Estate Development Co., Ltd.* (岳陽唐韻房地產開發有限公司)

On September 12, 2019, the registered capital of Yueyang Tangyun Real Estate Development Co., Ltd. was increased from RMB10 million to RMB50 million.

(l) Xiamen Tangjia

On October 29, 2019, the registered capital of Xiamen Tangjia was increased from US$1 million to US$30 million.

(m) Guangxi Tangpeng Investment Co., Ltd.* (廣西唐鵬投資有限公司)

On December 30, 2019, the registered capital of Guangxi Tangpeng Investment Co., Ltd. was increased from RMB50 million to RMB200 million.

Save as disclosed above and in "History, Reorganization and Corporate Structure" in this Prospectus, there has been no alteration in the registered capital of our subsidiaries during the two years preceding the date of this Prospectus.

6. Buyback by our Company of its own securities

This section includes information required by the Stock Exchange to be included in this Prospectus concerning the buyback 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 purchase their shares on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

(i) Shareholders' approval

The Listing Rules provide that all proposed buybacks of shares (which must be fully paid 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 its shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to the written resolutions passed by our Shareholders on November 20, 2020, a general unconditional mandate (the "**Buyback Mandate**") was granted to our Directors authorizing the buyback of shares by our Company on the Stock Exchange, or on any other 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, with the total number of Shares not exceeding 10% of the total number of Shares in issue and to be issued as mentioned herein, at any time until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by an applicable law or the Articles to be held or when such mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever is the earliest.

(ii) Source of funds

Buybacks must be funded out of funds legally available for the purpose in accordance with the Articles and the Companies Law. 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 from time to time.

(iii) Core connected persons

The Listing Rules prohibit our Company from knowingly buying back 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 sell Shares to our Company.

(b) Reasons for buybacks

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 buybacks 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 earnings per Share and will only be made when our Directors believe that such buybacks will benefit our Company and our Shareholders.

(c) Funding of buybacks

In buying back Shares, our Company may only apply funds legally available for such purpose in accordance with our Articles, the Listing Rules and the applicable laws of the Cayman Islands.

It is presently proposed that any buyback of Shares will be made out of the profits of our Company, the share premium amount of our Company or the proceeds of a fresh issue of Shares made for the purpose of the buyback or, subject to the Companies Law, out of capital and, in the case of any premium payable on the purchase over the par value of the Shares to be bought back must be provided for, out of either or both of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, subject to the Companies Law, out of capital.

Our Directors do not propose to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or its gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company. However, there might be a material adverse impact on the working capital or gearing level as compared with the position disclosed in this Prospectus in the event that the Buyback Mandate is exercised in full.

(d) Share capital

The exercise in full of the Buyback Mandate, on the basis of 1,333,400,000 Shares in issue immediately after the Listing (but without taking into account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the exercise of the options which may be granted under the Share Option Scheme), would result in up to 133,340,000 Shares being bought back by our Company during the period until:

(i) the conclusion of the next annual general meeting of our Company;

(ii) 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

(iii) the date on which the Buyback Mandate is varied or revoked by an ordinary resolution of our Shareholders in general meeting, whichever occurs first.

(e) General

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention if the Buyback 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 Buyback Mandate in accordance with the Listing Rules, the Memorandum and the Articles of Association and the applicable laws of the Cayman Islands.

If as a result of a buyback of Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes 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 may 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 other consequences that would arise under the Takeovers Code if the Buyback Mandate is exercised.

If the Buyback Mandate is fully exercised immediately following completion of the Capitalization Issue and the Global Offering (but without taking into account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the exercise of the options which may be granted under the Share Option Scheme), the total number of Shares which will be bought back pursuant to the Buyback Mandate will be 133,340,000 Shares, being 10% of the total number of Shares based on the aforesaid assumptions. The percentage shareholding of our Controlling Shareholders will be increased to approximately 64.82% of the issued share capital of our Company immediately following the full exercise of the Buyback Mandate. Any buyback of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of our Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public float under Rule 8.08 of the Listing Rules. However, our Directors have no present intention to exercise the Buyback Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

No core connected person of our Company has notified our Group that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Buyback Mandate is approved and exercised by our Directors.

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 and are or may be material:

(a) an equity transfer agreement of Xiamen Tangshao Trading Co., Ltd. (廈門市唐劭貿易有限公司股權轉讓協議) dated April 10, 2019 entered into between Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) and Gu Zhijiang (辜志江), pursuant to which Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) agreed to transfer its 80% equity interest (representing the registered capital contribution commitment (認繳註冊資本) of RMB24.0 million) in Xiamen Tangshao Trading Co., Ltd. (廈門市唐劭貿易有限公司) to Gu Zhijiang (辜志江) at a consideration of RMB24.0 million;

(b) an equity transfer agreement of Xiamen Tangshao Trading Co., Ltd. (廈門市唐劭貿易有限公司股權轉讓協議) dated April 10, 2019 entered into between Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) and Fang Ziqiang (方自強), pursuant to which Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) agreed to transfer its 20% equity interest (representing the registered capital contribution commitment (認繳註冊資本) of RMB6.0 million) in Xiamen Tangshao Trading Co., Ltd. (廈門市唐劭貿易有限公司) to Fang Ziqiang (方自強) at a consideration of RMB6.0 million;

(c) an equity transfer agreement of Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司股權轉讓協議) dated April 15, 2019 entered into between Dynasty International Co. Ltd. (大唐國際有限公司) and Datang Group Holdings Limited (大唐集團控股有限公司), pursuant to which Dynasty International Co. Ltd. (大唐國際有限公司) agreed to transfer its 100% equity interest (representing the registered capital contribution commitment (認繳註冊資本) of US$111,941,200) in Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) to Datang Group Holdings Limited (大唐集團控股有限公司) at a consideration of US$13,957,854.16, which was satisfied by the issuance and allotment of shares of Datang Group Holdings Limited (大唐集團控股有限公司) equivalent to US$13,957,854.16 to Dynasty International Co. Ltd. (大唐國際有限公司);

(d) an equity transfer agreement of Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司股權轉讓協議) dated May 10, 2019 entered into between Datang Group Holdings Limited (大唐集團控股有限公司) and Datang Investment Limited (大唐投資(香港)有限公司), pursuant to which Datang Group Holdings Limited (大唐集團控股有限公司) agreed to transfer its 100% equity interest representing the registered capital contribution commitment (認繳註冊資本) of US$111,941,200) in Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) to Datang Investment Limited (大唐投資(香港)有限公司) at a consideration of US$13,957,854.16, which was satisfied by the issuance and allotment of shares of Datang Investment Limited (大唐投資(香港)有限公司) equivalent to US$13,957,854.16 to Datang Group Holdings Limited (大唐集團控股有限公司);

(e) an equity transfer agreement of Shaanxi Datang Real Estate Co., Ltd. (陝西大唐房地產有限公司股權轉讓協議) dated August 25, 2019 entered into between Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) and Xiamen Gefusite Real Estate Co., Ltd. (廈門歌福斯特地產有限公司), pursuant to which Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司) agreed to transfer its 70% equity interest (representing the registered capital contribution commitment (認繳註冊資本) of RMB40.0 million) in Shaanxi Datang Real Estate Co., Ltd. (陝西大唐房地產有限公司) to Xiamen Gefusite Real Estate Co., Ltd. (廈門歌福斯特地產有限公司) at a consideration of RMB36,415,934.16;

(f) a capital injection agreement of Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司增資擴股協議) dated October 20, 2019 entered into between Datang Investment Limited (大唐投資(香港)有限公司) and Xiamen Tangjia Business Management Co., Ltd. (廈門唐嘉企業管理有限公司), pursuant to which Xiamen Tangjia Business Management Co., Ltd. (廈門唐嘉企業管理有限公司) agreed to contribute US$75,561,800 to the registered capital of Xiamen Datang Real Estate Group Co., Ltd. (廈門大唐房地產集團有限公司);

(g) a cornerstone investment agreement dated November 23, 2020 entered into among Datang Group Holdings Limited (大唐集團控股有限公司), Xiamen ITG Holding Group Co., Ltd. (廈門國貿控股集團有限公司), ICBC International Capital Limited and Guodu Securities (Hong Kong) Limited, pursuant to which Xiamen ITG Holding Group Co., Ltd. (廈門國貿控股集團有限公司) agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot) which may be purchased in the aggregate amount of HK$380.0 million less brokerage and levies at the Offer Price;

(h) the Deed of Non-Competition;

(i) the Deed of Indemnity; and

(j) the Hong Kong Underwriting Agreement.

2. Intellectual property rights of our Group

(a) Trademarks

As of the Latest Practicable Date, our Group was the registered proprietor of the following trademarks which, in the opinion of our Directors, are or may be material to our business:

No.	Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
1.	大唐	304517550	36 , 37 , 42	Xiamen Datang	Hong Kong	May 7, 2018	May 6, 2028
2.	大唐	304517541	36 , 37 , 42	Xiamen Datang	Hong Kong	May 7, 2018	May 6, 2028
3.		304517532	36 , 37 , 42	Xiamen Datang	Hong Kong	May 7, 2018	May 6, 2028
4.	大唐地产	304517488	36 , 37 , 42	Xiamen Datang	Hong Kong	May 7, 2018	May 6, 2028
5.	大唐地产 DYNASTY PROPERTY	304517451	37 , 42	Xiamen Datang	Hong Kong	May 7, 2018	May 6, 2028
6.	A DATANG B Datang C datang	304857247AA	36	Xiamen Datang	Hong Kong	March 14, 2019	March 13, 2029
7.	A DATANG B Datang C datang	304857247AB	37	Xiamen Datang	Hong Kong	March 14, 2019	March 13, 2029

No.	Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
8.	A DATANG B Datang C datang	304857238	42	Xiamen Datang	Hong Kong	March 14, 2019	March 13, 2029
9.		3844221	36	Xiamen Datang	PRC	May 14, 2006	May 13, 2026
10.	大唐果	11054044	36	Xiamen Datang	PRC	October 21, 2013	October 20, 2023
11.	大唐地产 DYNASTY PROPERTY	17134986	37	Xiamen Datang	PRC	August 21, 2016	August 20, 2026
12.	大唐世家	16078066	36	Xiamen Datang	PRC	March 14, 2016	March 13, 2026
13.	大唐房地产	1987983	37	Xiamen Datang	PRC	April 7, 2003	April 6, 2023
14.	大唐世家	3844224	37	Xiamen Datang	PRC	June 7, 2006	June 6, 2026
15.	大唐	3844222	37	Xiamen Datang	PRC	June 7, 2006	June 6, 2026
16.	大唐中心	27435370	41	Xiamen Datang	PRC	October 21, 2018	October 20, 2028
17.	大唐	21068840	36	Xiamen Datang	PRC	October 21, 2017	October 20, 2027
18.	大唐金字街	25551846	37	Xiamen Datang	PRC	August 14, 2018	August 13, 2028
19.	大唐名门印象	24938723	36	Xiamen Datang	PRC	July 7, 2018	July 6, 2028

No.	Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
20.	大唐臻观	24836500	37	Xiamen Datang	PRC	July 7, 2018	July 6, 2028
21.	大唐水云间	22372643	36	Xiamen Datang	PRC	February 7, 2018	February 6, 2028
22.		26980850	45	Xiamen Datang	PRC	October 7, 2019	October 6, 2029
23.		39018502	36	Xiamen Datang	PRC	February 14, 2020	February 13, 2030
24.		39000334	37	Xiamen Datang	PRC	February 14, 2020	February 13, 2030
25.		39000227	35	Xiamen Datang	PRC	February 14, 2020	February 13, 2030
26.		38998597	42	Xiamen Datang	PRC	February 14, 2020	February 13, 2030
27.		38996496	45	Xiamen Datang	PRC	February 14, 2020	February 13, 2030

No.	Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
28.	大名唐	17134410	37	Xiamen Tangmen	PRC	July 21, 2017	July 20, 2027
29.	大唐天街	42428189	35	Xiamen Datang	PRC	August 7, 2020	August 6, 2030
30.	大唐天街	42426923	36	Xiamen Datang	PRC	August 7, 2020	August 6, 2030
31.	大唐天街	42450879	37	Xiamen Datang	PRC	August 7, 2020	August 6, 2030
32.		36011452	44	Xiamen Datang Commercial Management Co., Ltd. (廈門大唐商業管理有限公司) (“**Xiamen Datang Commercial**”)	PRC	September 7, 2019	September 6, 2029
33.	丛悦	36011801	36	Xiamen Datang Commercial	PRC	September 7, 2019	September 6, 2029
34.	丛悦酒店 CONG YUE HOTEL	36012190	44	Xiamen Datang Commercial	PRC	September 7, 2019	September 6, 2029
35.	亼悦 JI YUE	39000947	43	Xiamen Datang Commercial	PRC	March 7, 2020	March 6, 2030
36.	亼悦 JI YUE	39008407	30	Xiamen Datang Commercial	PRC	March 7, 2020	March 6, 2030
37.	亼悦 JI YUE	39000920	30	Xiamen Datang Commercial	PRC	May 7, 2020	May 6, 2030
38.		39008820	43	Xiamen Datang Commercial	PRC	March 14, 2020	March 13, 2030
39.	亼悦 JI YUE	39012574	43	Xiamen Datang Commercial	PRC	May 7, 2020	May 6, 2030

No.	Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
40.		38992826	30	Xiamen Datang Commercial	PRC	July 21, 2020	July 20, 2030
41.	京鼎	6586939	41	Xiamen Jingding Sports Culture Development Co., Ltd. (廈門京鼎體育文化發展有限公司)	PRC	September 7, 2010	September 6, 2030

(b) Domain names

As of the Latest Practicable Date, our Group had registered the following domain names which are material to our business:

No.	Domain name	Name of Registered Proprietor	Date of Registration	Expiry Date
1.	www.dyna888.com	Xiamen Datang	May 17, 2000	May 17, 2022
2.	www.dt-ginlanhotel.com	Xiamen Datang Hotel Co., Ltd. (廈門大唐酒店有限公司)	December 29, 2018	December 29, 2020
3.	www.dtjxsj.com	Zhangzhou Tangyi Real Estate Development Co., Ltd. (漳州唐毅房地產開發有限公司)	March 23, 2020	March 23, 2021

(c) Copyright

As of the Latest Practicable Date, our Group had registered the following copyright which we consider to be or may be material to our business:

No.	Copyright	Registration Number	Registered owner	Place of Registration	Date of Registration
1.	Artwork of Chinese opera mask – Huang Longji	2008-F-013378	Xiamen Datang	PRC	October 8, 2008
2.	Tangtang – the animation series drawing I	2019-I-00946116	Xiamen Datang	PRC	November 29, 2019
3.	Tangtang – the static drawing series I	2019-F-00946117	Xiamen Datang	PRC	November 29, 2019
4.	Tangtang – the static drawing series drawing in Tang suit II	2020-F-01021721	Xiamen Datang	PRC	April 17, 2020
5.	Tangtang – the static drawing series in sportswear II	2020-F-01021722	Xiamen Datang	PRC	April 17, 2020

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Directors

(a) Disclosure of Interests — Interests and short positions of the Directors and the chief executive of our Company in the Shares, underlying Shares and debentures of our Company and its associated corporations

Immediately following completion of the Capitalization Issue and the Global Offering and assuming that the Over-allotment Option is not exercised and without taking into account Shares to be issued and allotted upon the exercise of any options which may be granted under the Share Option Scheme, the interests or short positions of our Directors or chief executives of our Company in the shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were 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 entered in the register referred to therein, or which 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, once our Shares are listed will be as follows:

Name of Director	Nature of interest	Number of shares[1]	Approximate percentage of interest
Mr. Wu Di	Interest in a controlled corporation[2]	212,121,000 (L)	15.91%
Mr. Hao Shengchun	Interest in a controlled corporation[3]	2,000,000 (L)	0.15%
Mr. Tang Guozhong	Interest in a controlled corporation[3]	1,000,000 (L)	0.075%
Ms. Zhang Jianhua	Interest in a controlled corporation[3]	1,000,000 (L)	0.075%

Notes:

(1) The Letter "L" denotes the person's long position in our Shares.

(2) MeiDi is wholly owned by Mr. Wu Di. By virtue of the SFO, Mr. Wu is deemed to be interested in the Shares held by MeiDi.

(3) Tangjia is owned as to 20% by Mr. Hao Shengchun, and 10% by each of Ms. Zhang Jianhua and Mr. Tang Guozhong. By virtue of the SFO, each of Mr. Hao Shengchun, Mr. Tang Guozhong and Ms. Zhang Jianhua is deemed to be interested in the 2,000,000, 1,000,000 and 1,000,000 Shares held by Tangjia.

(b) Particulars of service agreements and letters of appointment

Each of our executive Directors has entered into a service agreement with our Company for a term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either party on the other.

Each of our independent non-executive Directors has entered into a letter of appointment with our Company for a term of three years commencing from the date of his/her appointment, which may be terminated by not less than three months' notice in writing served by either party on the other.

(c) Directors' remuneration

Each of our executive Directors is entitled to a remuneration and shall be paid on the basis of a twelve-month year. The aggregate remuneration (including fees, salary benefit, housing allowance and contributions to retirement benefit scheme and share-based compensation) paid to our Directors in respect of the three years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020 were approximately RMB3.6 million, RMB37.2 million, RMB26.5 million and RMB16.1 million. See Note 47 of the Accountant's Report in Appendix I to this Prospectus for more details.

Each of our independent non-executive Directors have been appointed for a term of three years. We intend to pay a director's fee of HK$200,000 per annum to each of Mr. Qu Wenzhou, Ms. Xin Zhu and Mr. Tam Chi Choi. Save for directors' fees, none of our independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

Under the arrangement currently in force, the aggregate remuneration (including fees, salary and benefit, housing allowance and contribution to retirement benefit scheme and share-based compensation) of our Directors for the year ending December 31, 2020 is estimated to be no more than RMB33.2 million.

2. Substantial shareholders

Save as disclosed in the section headed "Substantial Shareholders" in this Prospectus, so far as our Directors are aware, immediately following the completion of the Capitalization Issue and the Global Offering assuming that the Over-allotment Option is not exercised and without taking into account of any Shares that may be issued pursuant to the exercise of options which were granted under the Share Option Scheme, no persons (other than our Directors and chief executives of our Company) will have or be deemed or taken to have an interest and/or short position in our Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

3. Agency fees or commissions received

Save as disclosed in this Prospectus, no commissions, discounts, brokerages or other special terms were granted in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this Prospectus.

4. Disclaimers

Save as disclosed in this Prospectus:

(a) none of our Directors or chief executives of our Company has any interest or short position in our shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning 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 or which will be required, pursuant to section 352 of the SFO, to be entered 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 once our Shares are listed;

(b) none of our Directors or experts referred to under the paragraph headed "— D. Other Information — 9. Qualifications of experts" in this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this Prospectus been 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;

(c) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of our Group taken as a whole;

(d) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));

(e) without taking into account of Shares which may be taken up under the Global Offering, none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the Global Offering, have an interest or short position in our Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the issued voting shares of our Company;

(f) none of the experts referred to under the paragraph headed "— D. Other Information — 9. Qualifications of experts" in this Appendix 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; and

(g) so far as is known to our Directors as of the Latest Practicable Date, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders of our Company who are interested in more than 5% of the issued share capital of our Company has any interests in the five largest customers or the five largest suppliers of our Group.

D. OTHER INFORMATION

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 Shareholders passed on November 20, 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 non-executive directors and independent non-executive directors) of our Company or any of its subsidiaries; and

(iii) any advisers, consultants, suppliers, customers, distributors and such other persons who, in the sole opinion of the Board, will contribute or have contributed to our Company and/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.

(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 or payment 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 remittance or 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 or payment 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 or payment and, where appropriate, receipt of the certificate by the auditors to our Company or the approved independent financial adviser as the case may be pursuant to paragraph (r), our Company shall issue and allot 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 133,340,000 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 in compliance with Rules 17.03(3) and 17.06 of the Listing Rules 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 to be 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 adviser 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 capitalization issue, rights issue, sub-division or consolidation of shares 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 to our Shareholders which small comply with Rules 17.03(4) and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time. The circular to be issued by our Company shall contain 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 Rule 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 close associates (as defined in the Listing Rules) (or his/her associates (as defined in the Listing

Rules) if the Eligible Participant is a core connected person (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:

a) the Eligible Participant's name, address and occupation;

b) 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;

c) the date upon which an offer for an option must be accepted;

d) the date upon which an option is deemed to be granted and accepted in accordance with paragraph (c);

e) the number of Shares in respect of which the option is offered;

f) the subscription price and the manner of payment of such price for our Shares on and in consequence of the exercise of the option;

g) the date of the expiry of the option as may be determined by the Board;

h) the method of acceptance of the option which shall, unless the Board otherwise determines, be as set out in paragraph (c); and

i) other terms and conditions (including, without limitation, any minimum period for which an option must be held before it can be exercised and/or any performance targets which must be achieved before the option can be exercised) relating to the offer of the option which in the opinion of the Board are fair and reasonable but not being inconsistent with Share Option Scheme and the Listing Rules.

(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 a director, chief executive or substantial shareholder of our Company or any of their respective associates

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 any of 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, canceled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(i) representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of our Shares in issue on the date of offer of the option; and

(ii) having an aggregate value, based on the official closing price of our Shares as stated in the daily quotation sheets of the Stock Exchange on the date of such grant, in excess of HK$5 million or such other sum as may be from time to time provided under the Listing Rules.

Such further grant of options will be subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting on a poll at which the grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of our Company shall abstain from voting in favor, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by our Company to our Shareholders pursuant to the above paragraph shall contain the following information:

(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 shall not be made after inside information has come to the knowledge of our Company until it has announced such inside information pursuant to the requirements of the Listing Rules and the Inside Information Provisions of Part XIVA of the SFO. In particular, no options shall 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 our Company's results for half-year, or 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 our annual results or our Company's result for half-year, quarterly or other interim period (whether or not required under the Listing Rules), and ending on the date of actual publication of the results for such year, half-year, quarterly or interim period (as the case may be),

and where an option is granted to a Director notwithstanding the above:

(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 and an offer to grant an option shall be personal to the grantee and shall not be transferrable or assignable and 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 held by him or any offer relating to the grant of an option made to him 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 Listing Date. 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 Listing Date.

(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/her 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/she has been guilty of serious misconduct, or has been convicted of any criminal offense involving his/her integrity or honesty or in relation to an employee of our Group (if so determined by the Board), or has become insolvent, bankrupt or has made arrangements or compositions with his/her creditors generally, or on any other ground on which an employee would be entitled to terminate his/her employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group, his/her option will lapse and not be exercisable after the date of termination of his/her 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/her legal personal representative(s)) shall be entitled to exercise all or any of his/her 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 or payment 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 compromise or arrangement and any grantee may by notice in writing to our Company accompanied by a remittance or payment 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, issue and allot 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 shall not carry voting, dividend or other rights until completion of the registration of the grantee (or any other person nominated by the grantee) as the holder thereof. Subject to the aforesaid, Shares issued and allotted on the exercise of options shall be subject to the provisions of the articles of association of the Company shall 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 issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

(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 (if there is a price dilutive element), 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 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 adviser shall certify in writing to the Board to be in their/his/her 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 adviser, 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/her 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 will be made 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/her employment or contract on any one or more of the grounds that he or he/she has been guilty of serious misconduct, or has been convicted of any criminal offense involving his/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/her 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 ground 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 the options are canceled 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; or

(ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted,

must 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) ***Cancelation of options***

Subject to paragraph (i) above, any cancelation 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 canceled 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) ***Conditions of the Share Option Scheme***

The Share Option Scheme shall take effect subject to and is conditional upon:

(i) the passing of the necessary resolutions by our Shareholders to approve and adopt the rules of the Share Option Scheme;

(ii) the Listing Committee of the Stock Exchange granting the approval for 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;

(iii) 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) by the Sole Global Coordinator (on behalf of the Underwriters)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise;

(iv) the commencement of dealings in our Shares on the Stock Exchange.

If the conditions in paragraph (x) above are not satisfied within six 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 granting of the approval 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 133,340,000 Shares in total.

2. Tax and other indemnities

Our Controlling Shareholders have entered into a deed of indemnity with and in favor of our Company (for itself and as trustee for each of its subsidiaries) (being the contract referred to in paragraph (i) 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, taxation resulting from income, profits or gains earned, accrued or received as well as any property claim or estate duty to which any member of our Group may be subject and payable on or before the Listing Date and any expenses, costs, fines, penalties or other liabilities which any member of our Group may suffer.

In addition, our Controlling Shareholders have also given indemnities to our Company (for itself and as trustee for each of its subsidiaries) against (i) all fines, penalties, claims, costs, expenses and losses (to the extent that provision, reserve or allowance has not been made for such fines, penalties, claims, costs, expenses or losses in the accounts of the Group) suffered by any member of our Group as a result of or in connection with the non-compliance incidents as disclosed in "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations" and (ii) all liabilities to pay social insurance and housing provident fund contributions for or in relation to the employees of our Group prior to the date on which the conditions stated in the paragraph headed "Structure of the Global Offering — Conditions of the Global Offering" being fulfilled as required by applicable laws and regulations in the PRC.

3. Litigation

As of the Latest Practicable Date, we were not 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.

4. Sole Sponsor

The Sole Sponsor satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules. The Sole Sponsor will receive an aggregate fee of HK$5 million for acting as the sponsor for the Listing.

The Sole Sponsor has made an application on our Company's behalf to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this Prospectus. All necessary arrangements have been made for the Shares to be admitted into CCASS.

5. Preliminary expenses

The preliminary expenses relating to the incorporation of our Company are approximately US$4,300 and are payable by our Company.

6. No material adverse change

Saved as disclosed in this Prospectus, our Directors confirm that there has been no material adverse change in our Group's financial or trading position since June 30, 2020 (being the date on which the latest audited consolidated financial information of our Group was prepared).

7. Promoter

Our Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this Prospectus, 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.

8. 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. Our Directors have been advised that no material liability or estate duty under the laws of China or Hong Kong would be likely to fall upon any member of our Group.

(b) Cayman Islands

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfer of Shares.

(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.

9. Qualifications of experts

The following are the qualifications of the experts who have given opinions or advice which are contained in this Prospectus:

Name	Qualifications
ICBC International Capital Limited	Licensed under the SFO and permitted to conduct Type 1 (Dealing in securities), Type 4 (Advising on securities) and Type 6 (Advising on corporate finance) of the regulated activities as defined under the SFO
PricewaterhouseCoopers	Certified public accountants under Professional Accountant Ordinance (Cap. 50) and Registered Public Interest Entity Auditor under Financial Reporting Council Ordinance (Cap. 588)
Appleby	Legal advisors to our Company as to Cayman Islands laws
Jingtian & Gongcheng	Legal advisors to our Company as to the PRC laws
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Independent property valuer
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Industry consultant

10. Consents of experts

Each of the experts named in paragraph 9 of this Appendix has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion 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.

11. Interests of experts in our Company

None of the persons named in paragraph 9 of this Appendix is interested beneficially or otherwise in any Shares or shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any shares or securities in any member of our Group.

12. Binding effect

This Prospectus shall have the effect, in an application is made in pursuance of it, 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.

13. 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) save as disclosed in this Prospectus, 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 Appleby Global Services (Cayman) Limited 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 our Company's share register in Hong Kong 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 the Companies Law the use of a Chinese name by our Company does not contravene the Companies Law;

(g) our Company has no outstanding convertible debt securities or debentures;

(h) there is no arrangement under which future dividends are waived or agreed to be waived; and

(i) there is no restriction affecting the remittance of profits or repatriation of capital into Hong Kong and from outside Hong Kong.

14. 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.

A. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to a copy of this Prospectus and delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of each of the **WHITE, YELLOW** and **GREEN** Application Forms;

(b) the written consents referred to in "Statutory and General Information — D. Other Information — 9. Qualifications of experts" in Appendix V to this Prospectus; and

(c) a copy of each of the material contracts referred to in "Statutory and General Information — 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 Center, 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:

(a) the Memorandum of Association and the Articles of Association;

(b) the Accountant's Report prepared by PricewaterhouseCoopers, the text of which is set out in Appendix I to this Prospectus;

(c) the report from PricewaterhouseCoopers in respect of the unaudited pro forma financial information, the text of which is set out in Appendix II to this Prospectus;

(d) the audited consolidated financial statements of our Group for the three financial years ended December 31, 2017, 2018, 2019 and the six months ended June 30, 2020;

(e) the legal opinion issued by Jingtian & Gongcheng, our legal advisors as to PRC law, in respect of certain general corporate matters and property interests of our Group;

(f) the letter of advice issued by Appleby, our legal advisors as to Cayman Islands law, summarizing the constitution of our Company and certain aspects of the Companies Law referred to in "Summary of the Constitution of our Company and Cayman Islands Companies Law" in Appendix IV to this Prospectus;

(g) the letter, summary of valuations and valuation certificates relating to the property interests of our Group prepared by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, the text of which is set out in Appendix III to this Prospectus;

(h) the industry report issued by Jones Lang LaSalle Corporate Appraisal and Advisory Limited;

(i) the Companies Law;

(j) copies of the material contracts referred to in "Statutory and General Information — B. Further Information about Our Business — 1. Summary of material contracts" in Appendix V to this Prospectus;

(k) service agreements and letters of appointment entered into between our Company and each of the Directors (as applicable);

(l) the written consents referred to in "Statutory and General Information — D. Other Information — 9. Qualifications of experts" in Appendix V to this Prospectus; and

(m) the rules of the Share Option Scheme.

大唐地产
DYNASTY PROPERTY

大唐集團控股有限公司
DATANG GROUP HOLDINGS LIMITED