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**时代中国**

**TIMES CHINA**

**TIMES CHINA HOLDINGS LIMITED**

**時代中國控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1233)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**ANNUAL RESULTS HIGHLIGHTS**

- Contracted sales for the year of RMB39.791 billion, representing a decrease of 58.4% as compared with last year; Average contracted sales price was RMB16,103 per square meter, representing a decrease of 13.4% as compared with last year;
- Revenue for the year of RMB24,423.7 million, representing a decrease of 44.0% as compared with last year;
- During the year, the Group has effectively controlled costs and expenses for cost management; and
- In 2022, the Group has delivered 38 projects with nearly 40,000 housing units.

## RESULTS

The board (the “Board”) of directors (the “Directors”) of Times China Holdings Limited (“Times China” or the “Company”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2022 (the “Reporting Period”) together with the comparative figures for the corresponding year of 2021 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2022

	Notes	2022 RMB'000	2021 RMB'000
<b>REVENUE</b>	4	<b>24,423,705</b>	43,635,218
Cost of sales		<u>(21,061,053)</u>	<u>(31,582,073)</u>
<b>Gross profit</b>		<b>3,362,652</b>	12,053,145
Other income and gains	4	<b>704,958</b>	943,980
Selling and marketing costs		<b>(717,292)</b>	(940,156)
Administrative expenses		<b>(990,140)</b>	(1,227,103)
Other expenses		<b>(9,537,914)</b>	(1,209,220)
Finance costs	6	<b>(840,203)</b>	(826,019)
Share of profits and losses of joint ventures and associates		<u>(616,644)</u>	<u>346,026</u>
<b>(LOSS)/PROFIT BEFORE TAX</b>	5	<b>(8,634,583)</b>	9,140,653
Income tax expense	7	<u>(984,959)</u>	<u>(4,386,752)</u>
<b>(LOSS)/PROFIT FOR THE YEAR</b>		<b><u>(9,619,542)</u></b>	<b><u>4,753,901</u></b>
Attributable to:			
Owners of the Company		<b>(9,936,286)</b>	3,260,190
Non-controlling interests		<u><b>316,744</b></u>	<u>1,493,711</u>
		<b><u>(9,619,542)</u></b>	<b><u>4,753,901</u></b>
<b>(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>	9		
Basic and diluted		<b><u>RMB(4.76)</u></b>	<b><u>RMB1.66</u></b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2022

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>(LOSS)/PROFIT FOR THE YEAR</b>	<b>(9,619,542)</b>	<b>4,753,901</b>
<b>OTHER COMPREHENSIVE (LOSS)/INCOME</b>		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of derivative financial instruments arising during the year	50,517	13,527
Hedging losses reclassified to profit or loss	(32,592)	21,957
Share of other comprehensive (loss)/income of a joint venture	(80,525)	23,764
Exchange differences on translation of foreign operations	(1,766,787)	591,116
	<b>(1,829,387)</b>	<b>650,364</b>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Changes in the fair value of equity investments designated at fair value through other comprehensive income, net of tax	1,362	(61,464)
<b>OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>	<b>(1,828,025)</b>	<b>588,900</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>	<b>(11,447,567)</b>	<b>5,342,801</b>
Attributable to:		
Owners of the Company	(11,764,311)	3,849,090
Non-controlling interests	316,744	1,493,711
	<b>(11,447,567)</b>	<b>5,342,801</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	<i>Notes</i>	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		960,701	1,087,550
Inventories of properties		458,258	689,026
Right-of-use assets		139,482	82,109
Investment properties		7,820,063	9,238,633
Goodwill		60,465	60,465
Other intangible assets		178,645	179,013
Interests in joint ventures		12,818,628	17,833,422
Interests in associates		3,244,484	6,017,228
Equity investments designated at fair value through other comprehensive income		415,603	359,594
Deferred tax assets		2,482,290	2,452,823
Prepayments, deposits and other receivables		3,241,022	4,318,787
		<hr/>	<hr/>
Total non-current assets		31,819,641	42,318,650
<b>CURRENT ASSETS</b>			
Inventories of properties		79,110,755	89,814,144
Trade receivables	10	1,088,701	5,457,337
Contract assets		153,711	249,147
Contract costs		1,017,608	880,409
Prepayments, deposits and other receivables		21,820,025	28,118,619
Amounts due from joint ventures		4,769,038	7,015,382
Amounts due from associates		410,778	1,297,828
Tax prepayments		2,987,694	2,584,347
Restricted bank deposits		4,010,980	5,938,896
Cash and cash equivalents		2,738,415	14,718,289
		<hr/>	<hr/>
Total current assets		118,107,705	156,074,398
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	11	12,886,311	18,385,441
Other payables and accruals		17,807,888	25,406,636
Contract liabilities		25,933,146	30,696,157
Amounts due to joint ventures		5,846,902	7,704,130
Amounts due to associates		2,481,820	2,492,378
Amounts due to immediate holding company		488,822	–
Interest-bearing bank and other borrowings and interest payable		34,623,030	11,830,405
Lease liabilities		11,067	28,419
Tax payable		12,555,131	12,445,597
		<hr/>	<hr/>
Total current liabilities		112,634,117	108,989,163
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		5,473,588	47,085,235
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		37,293,229	89,403,885
		<hr/>	<hr/>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)***As at 31 December 2022*

	<b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>37,293,229</b>	89,403,885
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing bank and other borrowings and interest payable	<b>13,208,348</b>	42,374,532
Derivative financial instruments	–	19,912
Other long-term payables	<b>95,194</b>	187,881
Lease liabilities	<b>2,440,144</b>	2,400,402
Deferred tax liabilities	<b>1,643,088</b>	1,766,346
Total non-current liabilities	<b>17,386,774</b>	46,749,073
Net assets	<b>19,906,455</b>	42,654,812
<b>EQUITY</b>		
Equity attributable to owners of the Company		
Share capital	<b>167,656</b>	158,054
Reserves	<b>5,581,006</b>	19,103,991
	<b>5,748,662</b>	19,262,045
Non-controlling interests	<b>14,157,793</b>	23,392,767
Total equity	<b>19,906,455</b>	42,654,812

## NOTES TO FINANCIAL STATEMENTS

### 1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 14 November 2007 under the name of Times Property (Holdings) Co., Limited as an exempted company with limited liability under the Companies Act, Cap. 22 of the Cayman Islands. Pursuant to a special resolution passed on 24 January 2008, the Company's name was changed from Times Property (Holdings) Co., Limited to Times Property Holdings Limited. Pursuant to a special resolution passed on 15 January 2018, the Company's name was changed from Times Property Holdings Limited to Times China Holdings Limited. The registered office address is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. During the year, the Company's subsidiaries were mainly involved in property development, urban redevelopment business and property leasing in the People's Republic of China (the "PRC").

In the opinion of the Directors, the immediate holding company of the Company is Asiaciti Enterprises Ltd., which was incorporated in the British Virgin Islands ("BVI"), and the ultimate holding company is Renowned Brand Investments Limited ("Renowned Brand"), which was incorporated in the BVI. Renowned Brand is wholly owned by Mr. Shum Chiu Hung ("Mr. Shum"), the founder of the Company and the Group.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 11 December 2013.

### 2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and certain financial instruments that are carried at fair value at the end of each reporting period.

#### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2022.

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### **Going concern basis**

The Group recorded a loss attributable to the owners of the Company of RMB9,936,286,000 for the year ended 31 December 2022. As at 31 December 2022, the Group's total bank and other borrowings amounted to RMB47,001,159,000, out of which RMB33,792,811,000 will be due for repayment within the next twelve months, while its cash and cash equivalents amounted to RMB2,738,415,000. As at 31 December 2022, the Group was in default of borrowings (the "Defaulted Borrowings") with principal amount totaling RMB226,690,000 and interest totaling RMB68,950,000 because of non-payment at their respective due dates. Such default event also triggered cross-defaults of certain bank and other borrowings with an aggregate amount of RMB16,767,530,000 becoming repayable on demand ("Cross Defaulted Borrowings"). Subsequent to 31 December 2022, the Group did not repay a principal of US\$300,000,000 (equivalent to RMB2,089,380,000) and an interest of US\$78,385,000 (equivalent to RMB545,920,000) for certain senior notes due in January and March 2023, respectively.

The above conditions indicate the existence of a material uncertainty which cast significant doubt over the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company have undertaken a number of plans and measures to improve the Group's liquidity and financial position, including:

- (i) the Group has appointed a financial adviser to assist it with a restructuring of its senior notes and corporate bonds, in order to reach a consensual solution with all the stakeholders as soon as practical.
- (ii) the Group is actively negotiating with several existing financial institutions on the renewal of certain borrowings.
- (iii) the Group will continue to implement measures to accelerate the sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables.
- (iv) the Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.
- (v) the Group will continue to seek opportunities to dispose its assets or urban redevelopment projects.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2022. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2022. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

- (i) successful and timely completion of the restructuring of the Group's Defaulted Borrowings and the Group's ability to continue complying with the terms and conditions in the respective loan restructuring agreements.
- (ii) successfully negotiating with the Group's existing lenders for the Defaulted Borrowings and Cross Defaulted Borrowings and reaching agreements with them for not taking any actions against the Group to exercise their right to demand immediate payment of the principals and interest of these borrowings.
- (iii) successfully negotiating with the borrowers for the renewal or extension for repayment of the Group's bank and other borrowings.
- (iv) the Group's ability to accelerate the sales of properties and urban redevelopment projects by carrying out the Group's business strategy plan and to accelerate the collection of outstanding sales proceeds.
- (v) successful and timely implementation of the plans to dispose of certain of its other assets, such as lands, equity interests in project development companies and timely collection of the proceeds.

Should the Group fail to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying amount of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.



## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to IAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to IAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
<i>Annual Improvements to IFRS Standards 2018-2020</i>	Amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41

The nature and the impact of the revised IFRSs that are applicable to the Group are described below:

- (a) Amendments to IFRS 3 replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the Conceptual Framework for Financial Reporting (the “Conceptual Framework”) issued in March 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group has applied the amendments prospectively to business combinations that occurred on or after 1 January 2022. As there were no business combinations during the year, the amendments did not have any impact on the financial position and performance of the Group.
- (b) Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Group has applied the amendments prospectively to contracts for which it has not yet fulfilled all its obligations at 1 January 2022 and no onerous contracts were identified. Therefore, the amendments did not have any impact on the financial position or performance of the Group.
- (c) *Annual Improvements to IFRS Standards 2018-2020* sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendment that are applicable to the Group are as follows:
- IFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Group has applied the amendment prospectively from 1 January 2022. As there was no modification or exchange of the Group's financial liabilities during the year, the amendment did not have any impact on the financial position or performance of the Group.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following reportable operating segments:

- (a) Property development: Development and sale of properties
- (b) Urban redevelopment business: Sale of land held for development and other related activities
- (c) Property leasing: Property leasing (including the leasing of self-owned properties and subleasing of leased properties) and other related activities

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit before tax except that bank interest income, non-lease-related finance costs, share of profits and losses of joint ventures and associates, as well as head office and corporate income and expenses are excluded from this measurement.

The Group's revenue from external customers is derived solely from its operations in Mainland China. Except for the Group's certain equity investments designated at FVOCI amounting to USD632,000 (approximately equivalent to RMB4,399,000) (2021: certain equity investments designated at FVOCI amounting to USD1,262,000 (approximately equivalent to RMB8,048,000)), the Group's certain right-of-use assets amounting to RMB25,062,000 (2021: RMB33,909,000), and the Group's certain property, plant and equipment of RMB5,726,000 (2021: RMB7,736,000), the Group's non-current assets are located in Mainland China.

Segment assets exclude interests in joint ventures, interests in associates, equity investments designated at FVOCI, deferred tax assets, amounts due from joint ventures, amounts due from associates, tax prepayments, restricted bank deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude amount due to the immediate holding company, amounts due to joint ventures, amounts due to associates, interest-bearing bank and other borrowings and interest payable, tax payable, deferred tax liabilities, other long-term payables and derivative financial instruments as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

During the year, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue (2021: Nil).

<u>Year ended 31 December 2022</u>	<u>Property development</u>	<u>Urban redevelopment business</u>	<u>Property leasing</u>	<u>Elimination</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Segment revenue</b>					
Sales to external customers	23,536,674	210,201	676,830	-	24,423,705
Intersegment sales	-	-	48,902	(48,902)	-
	<u>23,536,674</u>	<u>210,201</u>	<u>725,732</u>	<u>(48,902)</u>	<u>24,423,705</u>
<b>Segment results</b>	(989,820)	(1,283,060)	86,473	-	(2,186,407)
<i>Reconciliation:</i>					
Bank interest income					82,218
Unallocated corporate expenses					(242,624)
Finance costs (other than interest on lease liabilities)					(623,285)
Share of profits and losses of joint ventures and associates					(616,644)
Impairment loss of interests in joint ventures					(5,014,237)
Loss on disposals of a joint venture and an associate					(198,842)
Gain on repurchase of senior notes					165,238
Loss before tax					<u>(8,634,583)</u>
<b>Segment assets</b>	97,014,132	9,674,586	9,328,689	-	116,017,407
<i>Reconciliation:</i>					
Unallocated assets					33,909,939
Total assets					<u>149,927,346</u>
<b>Segment liabilities</b>	51,513,696	2,972,102	4,425,032	-	58,910,830
<i>Reconciliation:</i>					
Unallocated liabilities					71,110,061
Total liabilities					<u>130,020,891</u>
<b>Other segment information</b>					
Impairment on financial assets	(17,607)	(398,913)	(196)	-	(416,716)
Depreciation of property, plant and equipment	(58,488)	(3,021)	(30,386)	-	(91,895)
Depreciation of right-of-use assets	(53,771)	-	-	-	(53,771)
Amortisation of other intangible assets:					
Allocated amounts	(26,426)	-	(169)	-	(26,595)
Unallocated amounts					(667)
Fair value loss on investment properties, net	-	-	(139,378)	-	(139,378)

Year ended 31 December 2021	Property development	Urban redevelopment business	Property leasing	Elimination	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Segment revenue</b>					
Sales to external customers	38,708,745	4,406,934	519,539	–	43,635,218
Intersegment sales	–	–	52,144	(52,144)	–
	<u>38,708,745</u>	<u>4,406,934</u>	<u>571,683</u>	<u>(52,144)</u>	<u>43,635,218</u>
<b>Segment results</b>	6,289,202	3,009,172	87,635	–	9,386,009
<i>Reconciliation:</i>					
Bank interest income					313,552
Unallocated corporate expenses					(296,222)
Finance costs (other than interest on lease liabilities)					(608,712)
Share of profits and losses of joint ventures and associates					<u>346,026</u>
Profit before tax					<u>9,140,653</u>
<b>Segment assets</b>	114,531,165	15,186,364	10,449,028	–	140,166,557
<i>Reconciliation:</i>					
Unallocated assets					<u>58,226,491</u>
Total assets					<u>198,393,048</u>
<b>Segment liabilities</b>	69,231,133	2,858,858	4,827,064	–	76,917,055
<i>Reconciliation:</i>					
<i>Unallocated liabilities</i>					<u>78,821,181</u>
Total liabilities					<u>155,738,236</u>
<b>Other segment information</b>					
(Impairment)/reversal of impairment on financial assets	(127,481)	3,622	(563)	–	(124,422)
Impairment of goodwill	(17,853)	–	–	–	(17,853)
Depreciation of property, plant and equipment	(74,114)	(25)	(32,277)	–	(106,416)
Depreciation of right-of-use assets	(28,051)	–	(677)	–	(28,728)
Amortisation of other intangible assets:					
Allocated amounts	(22,197)	–	(174)	–	(22,371)
Unallocated amounts					(667)
Fair value losses on investment properties, net	<u>–</u>	<u>–</u>	<u>(201,691)</u>	<u>–</u>	<u>(201,691)</u>

#### 4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
<i>Revenue from contracts with customers</i>	<b>23,746,875</b>	43,115,679
<i>Revenue from other sources</i>		
Gross rental income from investment property operating leases:		
Leases of self-owned properties	<b>127,529</b>	56,803
Subleases of leased properties	<b>549,301</b>	462,736
	<b>676,830</b>	519,539
	<b>24,423,705</b>	43,635,218

#### Revenue from contracts with customers

##### For the year ended 31 December 2022

Segments	Property development <i>RMB'000</i>	Urban redevelopment business <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Types of goods or services</b>			
Sale of completed properties	23,536,674	–	23,536,674
Urban redevelopment income	–	210,201	210,201
Total revenue from contracts with customers	<b>23,536,674</b>	<b>210,201</b>	<b>23,746,875</b>

##### For the year ended 31 December 2021

Segments	Property development <i>RMB'000</i>	Urban redevelopment business <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Types of goods or services</b>			
Sale of completed properties	38,708,745	–	38,708,745
Urban redevelopment income	–	4,406,934	4,406,934
Total revenue from contracts with customers	<b>38,708,745</b>	<b>4,406,934</b>	<b>43,115,679</b>

All revenue from contracts with customers for the Group is recognised at a point in time when the completed properties for property sales or assets for urban redevelopment project are transferred to customers.

An analysis of the Group's other income and gains is as follows:

	<b>2022</b>	2021
	<b>RMB'000</b>	<b>RMB'000</b>
<i>Other income</i>		
Bank interest income	<b>82,218</b>	313,552
Interest income from third parties and joint ventures	<b>10,155</b>	186,959
Management fee income	<b>44,651</b>	45,638
Consultation fee income	<b>101,659</b>	153,870
Compensation income	<b>21,693</b>	63,320
Others	<b>88,259</b>	105,389
	<b>348,635</b>	868,728
<i>Gains, net</i>		
Gain on change from a joint venture to a subsidiary	–	2,868
Fair value gains on self-owned investment properties	<b>67,143</b>	9,933
Gain on repurchase of senior notes	<b>165,238</b>	–
Gain on a bargain purchase of a subsidiary	–	61,977
Gain on disposal of financial assets at fair value through profit or loss	<b>315</b>	474
Gain on disposal of an equity investment at fair value through other comprehensive income	<b>1,125</b>	–
Gain on termination of derivative financial instruments	<b>33,774</b>	–
Foreign exchange gain, net	<b>88,728</b>	–
	<b>356,323</b>	75,252
	<b>704,958</b>	943,980

## 5. (LOSS)/PROFIT BEFORE TAX

The Group's (loss)/profit before tax is arrived at after charging/(crediting):

	<b>2022</b>	2021
	<b>RMB'000</b>	RMB'000
Cost of completed properties sold	<b>20,585,483</b>	30,551,320
Cost of urban redevelopment business	<b>199,506</b>	788,101
Cost of rental service provided	<b>276,064</b>	242,652
Depreciation of property, plant and equipment**	<b>91,895</b>	106,416
Depreciation of right-of-use assets	<b>53,771</b>	28,728
Amortisation of other intangible assets**	<b>27,262</b>	23,038
Changes in fair value of self-owned investment properties	<b>(67,143)</b>	(9,933)
Changes in fair value of sub-leased investment properties**	<b>206,521</b>	211,624
Auditor's remuneration	<b>6,800</b>	7,300
Employee benefit expense (excluding Directors' and chief executive's remuneration):**		
Wages and salaries	<b>843,728</b>	1,578,440
Pension scheme contributions***	<b>56,111</b>	93,827
Less: Amount capitalised in inventories of properties	<b>(364,461)</b>	(869,644)
	<b>535,378</b>	802,623
Lease payments not included in the measurement of lease liabilities	<b>9,173</b>	19,111
Loss on disposal of subsidiaries*	<b>224,222</b>	–

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Loss on disposal of items of property, plant and equipment*	886	1,015
Write-down of inventories of properties to net realisable value*	1,686,578	598,473
Impairment losses on financial assets:		
Impairment loss on trade receivables*	7,515	43,840
Impairment loss on financial assets included in prepayments, deposits and other receivables*	409,201	80,582
Losses on write-off of trade receivables and financial assets included in prepayments, deposits and other receivables*	1,241,577	112,663
Changes in fair value of derivative financial instruments*	3,684	1,201
Impairment loss of interests in joint ventures*	5,014,237	–
Loss on disposal of a joint venture*	32,378	–
Loss on disposal of an associate*	166,464	–
Loss on disposal of land held for development*	429,104	–
Loss on disposal of self-owned investment properties*	180,358	–
Impairment of goodwill	–	17,853
Foreign exchange differences, net*	(88,728)	136,913
Premium paid on early redemption of senior notes*	–	54,735
	<u>                    </u>	<u>                    </u>

\* These items are included in “Other expenses” in the consolidated statement of profit or loss.

\*\* An aggregate amount of RMB398,658,000 (2021: RMB552,077,000) which comprised employee benefit expense, depreciation of property, plant and equipment, amortisation of other intangible assets and changes in fair value of sub-leased investment properties was included in the cost of sales for the year. These amounts were also included in the respective expense items disclosed above.

\*\*\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Interest expense	3,378,486	4,088,966
Interest on lease liabilities	216,918	217,307
	<u>                    </u>	<u>                    </u>
Total interest expense on financial liabilities not at fair value through profit or loss	3,595,404	4,306,273
Less: Interest capitalised	(2,755,201)	(3,480,254)
	<u>                    </u>	<u>                    </u>
	<u>840,203</u>	<u>826,019</u>



## 7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and BVI, the entities of the Group which were incorporated in the Cayman Islands and BVI are not subject to any income tax.

### Hong Kong profits tax

The statutory rate of Hong Kong profits tax was 16.5% (2021: 16.5%) on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong during the year (2021: Nil).

### PRC corporate income tax (“CIT”)

The Group’s income tax provision in respect of its operations in Mainland China has been calculated at the applicable tax rates on the taxable profits for both years, based on the existing legislation, interpretations and practices in respect thereof. Certain of the Group’s PRC subsidiaries enjoyed a preferential CIT rate of 15% during both years.

### PRC land appreciation tax (“LAT”)

PRC LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of completed properties less deductible expenditures including cost of land, borrowing costs and relevant property development expenditures, and is included in the consolidated statement of profit or loss as income tax expense.

	2022 <i>RMB’000</i>	2021 <i>RMB’000</i>
Current:		
CIT	806,965	3,549,772
LAT	340,418	1,881,362
Deferred	<u>(162,424)</u>	<u>(1,044,382)</u>
Total tax charge for the year	<u><b>984,959</b></u>	<u><b>4,386,752</b></u>

## 8. DIVIDENDS

The Board has resolved not to declare any dividend for the year ended 31 December 2022.

The proposed 2021 final dividend (the “2021 Final Dividend”) of RMB7.87 cents per share, totalling RMB165,413,000, was approved by the Company’s shareholders at the annual general meeting held on 27 May 2022. The Board resolved to withdraw the payment of the 2021 Final Dividend on 29 September 2022.

## 9. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic (loss)/earnings per share amount is based on the (loss)/profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 2,089,562,000 (2021: 1,962,155,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2022 and 2021 respectively.

	2022	2021
(Loss)/profit attributable to ordinary equity holders of the Company ( <i>RMB’000</i> )	<u>(9,936,286)</u>	<u>3,260,190</u>
Weighted average number of ordinary shares in issue ( <i>in thousand</i> )	<u>2,089,562</u>	<u>1,962,155</u>
Basic and diluted (loss)/earnings per share ( <i>RMB per share</i> )	<u>(4.76)</u>	<u>1.66</u>

## 10. TRADE RECEIVABLES

Trade receivables mainly arise from the sale of completed properties, urban redevelopment business and property leasing. Considerations in respect of the completed properties sold are payable by the purchasers in accordance with the terms of the related sale and purchase agreements; receivables from urban redevelopment business are payable by the government in accordance with urban redevelopment contracts and rentals in respect of leased properties are generally received in accordance with the contracts.

	<b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
Trade receivables	<b>1,112,732</b>	5,566,701
Impairment	<b>(24,031)</b>	(109,364)
	<b><u>1,088,701</u></b>	<b><u>5,457,337</u></b>

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
Within 6 months	<b>728,623</b>	3,699,240
7 to 12 months	<b>57,610</b>	434,767
Over 1 year	<b>302,468</b>	1,323,330
	<b><u>1,088,701</u></b>	<b><u>5,457,337</u></b>

## 11. TRADE AND BILLS PAYABLES

The ageing analysis of the trade and bills payables is as follows:

	<b>2022</b> <i>RMB'000</i>	2021 <i>RMB'000</i>
Within 1 year	<b>9,265,554</b>	16,187,189
Over 1 year	<b>3,620,757</b>	2,198,252
	<b><u>12,886,311</u></b>	<b><u>18,385,441</u></b>

The trade and bills payables are unsecured, interest-free and repayable within the normal operating cycle or on demand.

## **EXTRACT OF INDEPENDENT AUDITOR’S REPORT**

### **Disclaimer of opinion**

We do not express an opinion on the consolidated financial statements of Times China Holdings Limited (the “Company”) and its subsidiaries (the “Group”). Because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Basis for Disclaimer of Opinion**

#### *Multiple uncertainties relating to going concern*

As set out in Note 2.1 to the consolidated financial statements, the Group recorded a loss attributable to the owners of the Company of RMB9,936,286,000 for the year ended 31 December 2022. As at 31 December 2022, the Group’s total bank and other borrowings amounted to RMB47,001,159,000, out of which RMB33,792,811,000 will be due for repayment within the next twelve months, while its cash and cash equivalents amounted to RMB2,738,415,000. As at 31 December 2022, the Group was in default of borrowings (the “Defaulted Borrowings”) with principal amount totaling RMB226,690,000 and interest totaling RMB68,950,000 because of non-payment at their respective due dates. Such default event also triggered cross-defaults of certain bank and other borrowings with an aggregate amount of RMB16,767,530,000 becoming repayable on demand (“Cross-Defaulted Borrowings”). Subsequent to 31 December 2022, the Group did not repay a principal of US\$300,000,000 (equivalent to RMB2,089,380,000) and an interest of US\$78,385,000 (equivalent to RMB545,920,000) for certain senior notes due in January and March 2023, respectively. These conditions, together with other matters disclosed in Note 2.1 to the consolidated financial statements, indicate the existence of material uncertainties which cast significant doubt on the Group’s ability to continue as a going concern.

The Directors of the Company have been undertaking restructuring plans and measures to improve the Group's liquidity and financial position, which are set out in Note 2.1 to the consolidated financial statements. The validity of the going concern assumptions on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple uncertainties, including:

- (i) successful and timely completion of the restructuring of the Group's Defaulted Borrowings and the Group's ability to continue complying with the terms and conditions in the respective loan restructuring agreements.
- (ii) successfully negotiating with the Group's existing lenders for the Defaulted Borrowings and Cross Defaulted Borrowings and reaching agreements with them for not taking any actions against the Group to exercise their right to demand immediate payment of the principals and interest of these borrowings.
- (iii) successfully negotiating with the borrowers for the renewal or extension for repayment of the Group's bank and other borrowings.
- (iv) the Group's ability to accelerate the sales of properties and urban redevelopment projects by carrying out the Group's business strategy plan and to accelerate the collection of outstanding sales proceeds.
- (v) successful and timely implementation of the plans to dispose of certain of its other assets, such as lands, equity interests in project development companies and timely collection of the proceeds.

As a result of these multiple uncertainties, their potential interaction, and the possible cumulative effect thereof, we were unable to form an opinion as to whether the going concern basis of preparation is appropriate. Should the Group fail to achieve the abovementioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying amount of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

## CHAIRMAN'S STATEMENT

Dear Shareholders,

Time flies like an arrow, year changes as usual. Now we have bid farewell to 2022 and are again back to the brand new starting point of history.

Looking back at 2022, we bumped in the turbulence and moved forward in the growing pains. It has been an extraordinary and challenging year, whether to individuals, enterprises or nations.

The transformation and pandemic, both once-in-a-century, continued to interweave this year, during which society, economy and livelihood have all been faced with profound and complex changes. The real estate industry, where we are operating, also continued to undergo deeper transformation, which altered the direction and landscape of the market and brought about unprecedented upheavals.

Although there was a tempest, we walked without fear. The harder the challenges, the stronger the resilience a company demonstrates. In 2022, as we moved forward in the transformation, we acquired a better understanding in the overriding logic of the industry. By returning to the origin of the industry, we grew steadily in the challenging environment through solid foundation and sound operation.

In 2022, we delivered 38 quality projects (nearly 40,000 housing units) as scheduled, fulfilled our commitment in “guaranteed delivery” to the best of our ability and honored our promise to customers.

In 2022, we stiffly strengthened our efforts in enhancing the quality of products and services, as well as upgrading ancillaries of business and education, to create real value for customers.

In 2022, we conducted debt management proactively and determined to lower the gearing level with an aim to maintain healthy operation of the Company.

In 2022, we persisted in the balance of development and responsibilities, kept focusing on four major areas, namely education, arts, medical care and poverty relief, and carried out charitable activities. We also lent our hands and heart in rural revitalization by pushing forward “Flowers Blooming on Field Ridges”, our quality arts and education project, in rural areas vigorously, helping more than 600,000 children in rural areas.

By the end of 2022, having fought the pandemic for three years, the epidemic prevention and control has entered a new phase. The real estate industry has also come to a turning point with favorable policies successively launched. The dawn is eventually breaking the night.

Looking forward to 2023, economy of the PRC is expected to recover generally. As the real estate industry remains the largest and long-lasting industry, there is no doubt that real estate will continue to be a pillar industry.

However, the real estate industry will continue to stay in the stage of structural reforms for a while. We will not be overoptimistic and are not seeing improvement of external environment. In 2023, we must focus on organic growth, adhere to long-termism and firmly practice the corporate mission of “empowering more people to live with a lifestyle they aspire to”. We will gradually adjust and optimize our strategies and business model, so as to continuously facilitate the transformation and upgrading of the corporate for a high-quality development.

The pines do not shed their needles in cold weather, the ocean gets even clearer in its vastness. Spring shall not disappoint every stickler in winter. Let us draw strength from our beliefs and derive tenacity from challenges, so we, with firm confidence, will never slacken our efforts to aim high and head towards our common aspirations hand in hand!

Victory is ensured when people put their heads together. We would like to thank the Times people who have worked hard and forged ahead in their respective positions over the past year, the new and existing customers who firmly choose and have trust in us, and the partners, institutions and shareholders who have understood us, helped us, and joined hands with us last year!

**Shum Chiu Hung**

*Chairman of the Board, Executive Director and Chief Executive Officer*

30 March 2023

## BUSINESS REVIEW

### Overview

For 2022, the Group's operations recorded a revenue of RMB24,423.7 million, representing a decrease of 44.0% when compared with that of 2021. Loss for 2022 amounted to RMB9,619.5 million, representing a decrease of RMB14,373.4 million from the profit for 2021. The core net loss for 2022 (net loss less changes in fair value of self-owned investment properties, excluding the impact of the related deferred tax, loss on disposal of self-owned investment properties, gain on termination of derivative financial instruments, changes in fair value of derivative financial instruments and the premium paid on early redemption of senior notes) was RMB9,564.7 million, representing a decrease of RMB14,367.1 million from the core profit for 2021. Loss attributable to the owners of the Company for 2022 amounted to RMB9,936.3 million, representing a decrease of RMB13,196.5 million from the profit attributable to the owners of the Company for 2021. Basic loss per share for 2022 was RMB4.76 (basic earnings per share for 2021: RMB1.66).

### *Property Development*

The Group focuses on the major core cities in the Guangdong-Hong Kong-Macau Greater Bay Area. As at 31 December 2022, the Group had 138 major projects in total at various stages, including 126 projects in major cities of Guangdong province, namely, Guangzhou, Foshan, Jiangmen, Dongguan, Huizhou, Zhuhai, Zhongshan, Qingyuan, Zhaoqing, Shantou, Shanwei and Heyuan, and 6 projects in Changsha, Hunan province, 1 project in Wuhan, Hubei province, 2 projects in Chengdu, Sichuan province, 2 projects in Hangzhou Area, Zhejiang province and 1 project in Nanjing, Jiangsu province. For 2022, the Group's contracted sales<sup>(1)</sup> amounted to approximately RMB39.791 billion with total GFA of approximately 2,471,000 sq.m.. The Group focuses on its projects on peripheral facilities, seeking to enhance customers' experience in art and to fulfill the needs of the middle to upper class households.

*Note 1:* Contracted sales is summarised based on sale and purchase agreements and purchase confirmation agreements.



The table below illustrates the contracted sales achieved by the Group by region for 2022:

<b>Region</b>	<b>Available for sale project numbers</b>	<b>Contracted sales area (sq.m.)</b>	<b>Contracted sales amount (RMB million)</b>	<b>Percentage of amounts (%)</b>
Guangzhou	35	748,546	17,068	42.9
Foshan	28	500,791	7,878	19.8
Dongguan	10	290,816	5,570	14.0
Changsha	6	211,442	2,465	6.2
Zhuhai	13	120,627	1,326	3.3
Qingyuan	6	157,487	1,067	2.7
Jiangmen	7	132,652	990	2.5
Zhongshan	7	58,545	744	1.9
Zhaoqing	3	79,795	681	1.7
Nanjing	1	18,414	600	1.5
Huizhou	5	36,518	445	1.1
Heyuan	1	39,827	273	0.7
Chengdu	2	30,295	246	0.6
Jiaxing	1	7,206	153	0.4
Shanwei	1	20,268	130	0.3
Shantou	1	7,045	77	0.2
Wuhan	1	9,927	54	0.1
Hangzhou	1	809	24	0.1
<b>Total</b>	<b>129</b>	<b>2,471,010</b>	<b>39,791</b>	<b>100.0</b>

#### *Urban redevelopment business*

The Group's income from urban redevelopment business for the year amounted to RMB210.2 million. The income was mainly generated from urban redevelopment projects in Foshan etc..

#### *Properties for leasing and sub-leasing*

As at 31 December 2022, the Group held a GFA of approximately 29,648 sq.m. and 218 car parking spaces at Times Property Center and a GFA of approximately 37,567 sq.m. and 242 car parking spaces at Block No. 26 of Times King City (Zhongshan) and a GFA of approximately 64,800 sq.m. at Times E-Park (Tianhe) Phase II for rental purposes and the GFA for Guangzhou Times Commercial Management Co., Ltd. and other subsidiaries for sub-leasing purposes was approximately 777,631 sq.m.. For 2022, the Group's rental income amounted to RMB676.8 million, contributing to 2.8% of the total revenue.

## Land Reserves

As at 31 December 2022, the Group had total land reserves of approximately 15.6 million sq.m., which the Group believes will be sufficient to support the Group's development needs for the next three years. The table below sets forth the information of land reserves in major cities that the Group has established footholds:

<b>Region</b>	<b>Land reserves (sq.m.)</b>	<b>Percentage (%)</b>
Guangzhou	3,317,445	21.2
Foshan	2,451,625	15.7
Jiangmen	1,352,611	8.7
Zhuhai	388,983	2.5
Zhongshan	268,301	1.7
Qingyuan	2,744,566	17.6
Changsha	899,067	5.8
Dongguan	1,067,647	6.8
Huizhou	1,312,793	8.4
Chengdu	149,227	1.0
Zhaoqing	860,444	5.5
Shantou	46,438	0.3
Shanwei	62,893	0.4
Hangzhou Area	272,404	1.7
Heyuan	53,783	0.3
Wuhan	284,027	1.8
Nanjing	97,686	0.6
	<hr/>	<hr/>
	15,629,940	100.0

## Portfolio of Property Development Projects

The table below is a summary of the Group's portfolio of property development projects as at 31 December 2022<sup>(1)</sup>.

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Guangzhou</b>								
Times Bund	Residential and commercial	2013-2016	92,123	1,728	31,178	–	–	99
Ocean Times	Residential and commercial	2011-2015	354,156	4,842	22,764	–	–	91
Yun Du Hui	Apartment and commercial	2015	17,480	–	38	–	–	50
Times Cloud Atlas (Guangzhou)	Residential and commercial	2016	45,593	–	6,019	–	–	100
Times Bridges (Zengcheng)	Residential and commercial	2017	93,756	–	66,337	–	–	100
Times Centralpark Living (Guangzhou)	Residential and commercial	2017	70,648	561	67,616	–	–	100
Nansha Times Long Island Project	Residential and commercial	2016-2018	71,310	–	1,007	–	–	100
Times Cloud Port (Huadu)	Residential and commercial	2020	29,959	–	9,630	–	–	100
Times Park Laurel (Guangzhou)	Residential and commercial	2018	45,537	1,046	9,201	–	–	100
Times Aerobic City (Guangzhou)	Residential and commercial	2018	64,374	4,602	332	–	–	95
B2-2 land parcel, Sino-Singapore Knowledge City	Residential and commercial	2019	61,145	4,271	54,860	–	–	100
B2-1 land parcel, Sino-Singapore Knowledge City	Residential and commercial	2016-2019	103,890	4,075	74,084	–	–	100
Times Cambridge (Huadu)	Residential and commercial	2017-2018	31,665	145	8,517	–	–	100
Project of Shigang Road, Haizhu District	Residential and commercial	2022-2024	20,211	–	7,451	–	37,420	100
Times Fairy Land	Residential and commercial	2019	20,076	2,466	17,483	–	–	91
Times Forture	Residential and commercial	2018	20,177	203	33,356	–	–	100
Times The Shore	Residential and commercial	2020	53,985	108	27,728	–	–	100
Times Elegance (Zengcheng)	Residential and commercial	2020	24,825	–	33,324	–	–	87
Times King City (Sino-Singapore)	Residential and commercial	2020-2021	90,976	85,254	139,372	–	–	100

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Times King City (Sino-Singapore)	Residential and commercial	2024	31,509	–	–	98,138	52,970	100
Times City (Guangzhou)	Residential and commercial	2021-2027	178,038	43,125	29,283	127,516	201,503	51
Times Yunlai (Guangzhou)	Residential and commercial	2021-2023	67,695	70,540	78,661	–	9,798	60
Times Realm (Guangzhou)	Residential and commercial	2023	44,995	508	3,618	57,500	52,019	100
Times Impression (Guangzhou)	Residential and commercial	2021-2024	102,948	24,472	804	198,788	138,646	75
Times Classic (Zengcheng)	Residential and commercial	2021-2024	77,530	51,809	–	92,503	93,707	75
Times Horizon (Huangpu)	Residential and commercial	2023-2024	100,321	–	–	361,639	167,812	70
Times Flourism (Huangpu)	Residential and commercial	2023	23,467	3,821	3,023	–	28,403	100
Times Rhythm (Guangzhou)	Residential and commercial	2022-2023	110,168	3,544	1,256	260,666	108,148	50
Golden Field Yuefu	Residential and commercial	2021-2023	33,321	57,047	9,873	23,935	53,019	50
Times Realm (Huadu)	Residential and commercial	2023	20,819	–	–	41,182	11,151	69
<b>Foshan</b>								
Times King City (Shunde)	Residential and commercial	2016-2017	125,782	207	37,230	–	–	100
Times City (Foshan)	Residential and commercial	2010-2017	505,776	10,030	86,303	–	–	100
Times City (Foshan) Phases V, VI	Residential and commercial	2016	12,860	–	5,665	–	–	100
Times King City (Foshan) Phase IV	Residential and commercial	2015	34,308	68	–	–	–	91
Goden Lotus (Foshan)	Residential and commercial	2017	20,464	–	1,059	–	–	100
Times Prime (Foshan)	Residential and commercial	2016	17,148	–	783	–	–	100
Times Riverbank (Foshan)	Residential and commercial	2017	64,697	70	16,011	–	–	100
Times The Shore (Foshan)	Residential and commercial	2017	51,457	31	2,014	–	–	100
Times Classic (Foshan)	Residential and commercial	2018	35,383	–	5,162	–	–	100

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
Times Riverbank (Foshan) Phase II	Residential and commercial	2018-2019	111,658	–	866	–	–	100
Ocean Times (Foshan) Phase I	Residential and commercial	2018	105,553	1,232	21,129	–	–	91
Timing Home	Residential and commercial	2019	40,794	11,555	20,549	–	–	100
Ocean Times (Foshan) Phase II	Residential and commercial	2019	89,927	967	38,658	–	–	100
Mt. Tittlis (Foshan)	Residential and commercial	2019	117,893	–	2,873	–	–	100
Project of Juxian, Nanshan, Sanshui, Foshan	Residential and commercial	2020	49,125	5,882	45,883	–	–	100
Project of Aoli Garden, Datang, Sanshui, Foshan	Residential and commercial	2018-2019	91,760	6,076	64,262	–	–	80
Project of Xinya Project, Nanhai, Foshan	Residential and commercial	2020	41,772	126	15,530	–	–	100
Times Starry Mansion (Foshan)	Residential and commercial	2018-2019	37,835	4,741	34,133	–	–	75
Times Merchants Tianxi (Foshan)	Residential and commercial	2021	43,518	3,955	16,050	–	–	50
Times Realm (Foshan)	Residential and commercial	2021-2022	67,579	658	71,947	–	–	100
Poly Times (Foshan)	Residential and commercial	2022	48,498	9,636	36,040	–	–	49
Toplus (Foshan)	Residential and commercial	2021-2024	120,487	23,093	4,924	186,782	98,756	33
Times Memory (Foshan)	Residential and commercial	2021-2023	62,063	68,445	44,090	45,754	31,337	51
Foshan Dali Yanjiang Road Project	Residential and commercial	2021-2022	36,313	232	13,664	–	–	100
Hexiquan Project in Shuitou Industrial Zone, Nanhai, Foshan	Residential and commercial	2021	12,688	68	3,917	–	–	33
Foshan's Shunde Lunjiao Project	Residential and commercial	2022	38,654	26,683	35,731	–	–	100
Times Global Chuangke Town	Residential and commercial	2022-2023	223,952	62,137	17,320	409,930	185,528	75
Panjian Project in Shuitou Industrial Zone, Nanhai, Foshan	Residential and commercial	2023	11,304	–	–	36,413	11,617	33
Times Cloud Atlas (Sanshui) Phase II	Residential and commercial	2022	26,658	14,049	10,165	–	–	100
Chuangke Phase II	Residential and commercial	2023-2024	119,035	–	–	327,074	110,778	40
Chabo City, Nanhai, Foshan	Residential and commercial	2024	31,120	–	–	91,707	14,050	67

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Jiangmen</b>								
Times King City (Heshan)	Residential and commercial	2019-2020	120,804	52,661	78,870	–	–	70
Lake Forest	Residential and commercial	2020-2023	316,980	93,241	115,520	123,981	3,926	51
Central Park Living	Residential and commercial	2019	90,034	1,532	37,967	–	–	100
Times Horizon (Heshan)	Residential and commercial	2020-2022	49,735	679	35,569	–	–	90
Central Park Living (Heshan) Phase II	Residential and commercial	2020-2024	119,153	7,368	32,652	110,335	25,293	91
Times Elegance (Heshan)	Residential and commercial	2023-2028	187,782	–	–	477,223	127,673	51
Times King City (Jiangmen)	Residential and commercial	2020	34,674	85	28,036	–	–	100
<b>Zhuhai</b>								
Times King City (Zhuhai) Phase I	Residential and commercial	2015	52,950	3,535	5,952	–	–	100
Times King City (Zhuhai) Phases II, III, IV	Residential and commercial	2016-2017	198,204	779	7,271	–	–	100
The Shore (Zhuhai)	Residential and commercial	2016-2017	119,169	96	3,592	–	–	100
Baoli Xiangbin Huayuan Project	Residential and commercial	2017	77,206	–	22,870	–	–	49
West of Tin Ka Ping Secondary School, Zhuhai	Residential and commercial	2018	85,363	2,079	48,988	–	–	100
Zhuhai Times Eolia City (Zhuhai)	Residential and commercial	2018	53,963	–	9,685	–	–	100
Times King City (Zhuhai) Phase V	Residential and commercial	2018	17,791	2,156	14,422	–	–	80
Times Poly TOPlaza (Zhuhai)	Residential and commercial	2019-2023	60,138	64,825	74,988	1,238	–	50
West of Heyi Road (Middle), Baijiao Township, Doumen District, Zhuhai	Residential and commercial	2020	20,000	1,002	9,488	–	–	100
Times Horizon II	Residential and commercial	2020	11,393	474	8,206	–	–	50
Times Horizon III	Residential and commercial	2021	23,712	7,649	18,565	–	–	50
Times Horizon I	Residential	2020	9,540	10,536	5,288	–	–	38
Times Horizon IV	Residential and commercial	2021-2023	48,432	28,195	276	–	36,828	38

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Zhongshan</b>								
Times King City (Zhongshan)	Residential and commercial	2013-2015	101,821	1,468	50,655	–	–	100
Times Cloud Atlas (Zhongshan)	Residential and commercial	2015-2016	46,667	–	68	–	–	100
Jin Sha Project (Zhongshan)	Residential and commercial	2020-2022	132,290	50,309	118,590	–	–	93
Sanxi Village Project (Zhongshan)	Residential and commercial	2019	39,351	518	31	–	–	91
Baoyi Project (Zhongshan)	Residential and commercial	2020	26,256	–	13,290	–	–	100
Jieyue Project of Times North Shore (Zhongshan)	Residential and commercial	2019	25,672	294	15,763	–	–	73
Guanfu Project of Times North Shore (Zhongshan)	Residential and commercial	2020	24,328	1,322	15,993	–	–	73
<b>Qingyuan</b>								
Times King City (Qingyuan)	Residential and commercial	2014-2019	301,368	10,130	81,547	–	–	100
Times Garden (Qingyuan) (Phase I)	Residential and commercial	2016	70,650	–	35,994	–	–	100
Times Garden (Qingyuan) (Phase II)	Residential and commercial	2019-2020	84,440	–	375	–	–	100
Fogang Huanghua Lake Project	Residential and commercial	2028	477,020	–	–	490,363	19,706	100
The Shore (Qingyuan) Jiada Feilai Lake Project	Residential and commercial	2026	91,127	–	–	331,466	103,810	100
The Shore (Qingyuan) Wanda West Project	Residential and commercial	2019	68,840	4,476	80,621	–	–	90
Fogang Songfeng Project (Qingyuan)	Residential and commercial	2021-2028	118,164	45,383	32,405	235,500	83,726	70
Times The Shore II (Qingyuan) Hengda Feilai Lake Project	Residential and commercial	2019-2023	133,102	1,735	69,915	238,789	83,013	100
Feilai South Road Project (Qingyuan)	Residential and commercial	2024-2025	23,137	–	–	71,498	30,832	100
Times Sweet (Qingyuan)	Residential and commercial	2019-2020	28,620	8,256	34,384	–	–	100
Xinteng Project (Qingyuan)	Residential and commercial	2022-2025	123,987	64,773	1,100	285,758	105,117	75
Project of Hengfeng (Qingyuan)	Residential and commercial	2024	53,164	–	–	143,663	50,231	100

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Changsha</b>								
Times King City (Changsha)	Residential and commercial	2013-2024	649,862	784	127,006	195,762	69,297	100
Times Prime (Changsha)	Residential and commercial	2020	48,017	429	37,646	–	–	100
Times Memory (Changsha)	Residential and commercial	2021	39,722	1,881	525	–	22,005	100
Times Mt. Tittlis (Meixi)	Residential and commercial	2021-2023	71,041	1,611	420	–	54,439	100
Project of Huangtuling, Yuhua District, Changsha	Commercial	2022-2023	8,848	56,583	776	–	12,050	80
S16 Series Land Parcel, Moon Island, Changsha	Residential and commercial	2023-2024	121,666	–	–	244,293	73,560	51
<b>Dongguan</b>								
Times King City (Dongguan)	Residential and commercial	2018	55,792	1,363	263	–	–	100
Times Realm (Dongguan)	Residential and commercial	2018-2020	79,190	7,000	39,024	–	–	100
Times Thriving City (Dongguan)	Residential and commercial	2018-2020	42,519	1,000	7,216	–	–	100
Acquisition Project of Xiaohe Road, Daoqiang Town (Dongguan)	Residential and commercial	2019-2023	56,298	29,651	38,421	–	11,942	60
Project of Luwu Village, Changping Town (Dongguan)	Residential and commercial	2019-2020	26,345	6,324	7,589	–	–	17
Shipai Town Project (Dongguan)	Residential and commercial	2019-2023	95,977	709	–	–	22,435	13
Project of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2021	22,451	2,391	9,998	–	–	51
Project of Land Parcel II of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2021-2023	38,096	13,363	24,149	2,001	–	49
Project of Dingshan, Houjie Town, Dongguan	Residential and commercial	2023	69,524	–	–	213,279	64,976	33
Land Parcel 014 of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2022-2023	41,837	68,159	–	577	33,760	51
Land Parcel 016 of Douchizhou, Zhongtang Town, Dongguan	Residential and commercial	2023-2024	27,572	–	–	83,494	27,385	49
Project of Liaoxia, Houjie, Dongguan	Residential and commercial	2024	104,561	–	–	136,642	88,774	15
Times Brilliance	Plant and commercial	2021-2023	51,886	97,550	–	5,819	22,393	100



Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Huizhou</b>								
Desai Land Parcel of Gutang'ao	Residential and commercial	2020-2024	284,414	175,488	79,039	194,630	147,886	49
Golden Totus (Huizhou)	Residential and commercial	2020	23,459	8,582	25,615	–	–	80
Vantin Casa (Huiyang)	Residential and commercial	2020	71,274	388	40,756	–	–	100
Sanhe Road Housing Estate (Huizhou)	Residential and commercial	2025	62,000	–	–	121,389	45,783	80
Project of Baiyunshan Town, Zhongkai District, Huizhou	Residential and commercial	2023-2026	93,628	–	–	345,239	127,998	100
<b>Chengdu</b>								
Times Blossom (Chengdu)	Residential and commercial	2020	30,429	1,794	25,099	–	–	100
Times Realm (Chengdu)	Residential and commercial	2021-2023	38,338	–	109	63,822	58,403	100
<b>Zhaoqing</b>								
Times Bund (Zhaoqing)	Residential and commercial	2020	59,677	–	3,116	–	–	100
Project of Fenghuang Avenue, Zhaoqing New District	Residential and commercial	2023-2028	51,385	–	–	181,709	40,700	100
Times Shimao Riverbank (Zhaoqing)	Residential and commercial	2023-2026	59,394	–	–	168,382	47,097	50
Times Xinghu Memory (Zhaoqing)	Residential and commercial	2023-2024	43,031	–	–	128,972	36,840	100
Times Impression (Zhaoqing)	Residential and commercial	2025	69,999	–	–	208,739	44,889	100

Project	Project type	Actual/expected completion dates	Site area (sq.m.)	Completed		Under development/ future development		Ownership interest <sup>(5)</sup> (%)
				GFA for sale <sup>(2)(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	GFA for sale <sup>(4)</sup> (sq.m.)	Other GFA <sup>(3)</sup> (sq.m.)	
<b>Shantou</b>								
Times Horizon (Shantou)	Residential and commercial	2022	36,230	4,015	42,423	–	–	100
<b>Shanwei</b>								
Times Riverbank (Haifeng)	Residential and commercial	2021	27,612	20,273	42,620	–	–	100
<b>Hangzhou Area</b>								
Times Realm (Hangzhou)	Residential and commercial	2023	26,861	–	–	61,843	31,871	100
Project of Longduhu, Xucun Town, Haining	Residential and commercial	2023	46,938	–	–	128,394	50,296	51
<b>Heyuan</b>								
Times King City (Heyuan)	Residential and commercial	2021	44,470	133	53,650	–	–	60
<b>Wuhan</b>								
Times Mark (Wuhan)	Residential and commercial	2023-2024	78,037	–	–	202,546	81,481	50
<b>Nanjing</b>								
Land Parcel from East to Zhijia Garden, West to Magao Road, Maqun Street, Qixia District, Nanjing	Residential	2023	32,844	–	–	71,035	26,651	55
Total			<u>10,997,009</u>	<u>1,579,135</u>	<u>3,103,169</u>	<u>7,627,908</u>	<u>3,319,728</u>	

- (1) The table above includes properties for which (i) the Group has obtained the relevant land use rights certificate(s), but has not obtained the requisite construction permits, or (ii) the Group has signed a land grant contract with the relevant government authority, but has not obtained the land use rights certificate(s). The figures for total and saleable GFA are based on figures provided in the relevant governmental documents, such as the property ownership certificates, the construction work planning permits, the pre-sale permits, the construction land planning permits or the land use rights certificate. The categories of information are based on our internal records.
- (2) Certain completed projects have no GFA available for sale by the Group as all saleable GFA have been sold, pre-sold or rented out.
- (3) “Other GFA” mainly comprises car parks and ancillary facilities.
- (4) “GFA for sale” and “GFA under development and GFA held for future development” are derived from the Group’s internal records and estimates.
- (5) “Ownership interest” is based on the Group’s effective ownership interest in the respective project companies.

### Acquisition of Land Parcel during the Year 2022

The Group expanded its land reserves through conversion of urban redevelopment projects during the Reporting Period. For the year ended 31 December 2022, the Group acquired 1 parcel of land in Guangzhou, and the land acquisition cost attributable to the Company amounted to a total of approximately RMB413.0 million.

<b>Location (City) of projects</b>	<b>Number of projects</b>	<b>Expected total GFA (sq.m.)</b>	<b>Total land costs (RMB million)</b>	<b>Total land costs (Attributable to the Company) (RMB million)</b>
Guangzhou	1	52,334	596	413
<b>Total</b>	<b>1</b>	<b>52,334</b>	<b>596</b>	<b>413</b>

## **MARKET REVIEW**

For the year ended 31 December 2022, the transaction volume has shrunk across the whole real estate industry. According to the National Bureau of Statistics, the saleable area of commercial properties reached 1,358.37 million sq.m. nationwide, representing a decrease of 24.3 percentage points on a year-on-year basis. The transaction volume of commercial properties reached RMB13,330.8 billion, representing a decrease of 26.7 percentage points on a year-on-year basis. Among them, the sales growth rates of commercial properties in Zhejiang, Jiangsu and Guangdong province were -34%, -31% and -29% respectively, which were lower than the year-on-year sales growth rates of the whole country.

The national residential land market remained sluggish. According to statistics from the China Index Academy, the national residential land transaction value was RMB4.2 trillion, which decreased by 31% on a year-on-year basis. Among them, the growth rates of residential land transaction value in first-tier cities, second-tier cities and third- and fourth-tier cities were -19%, -35% and -30%, respectively.

## **PROSPECTS**

Looking forward to 2023, as the pandemic prevention and control entered a new stage, the introduction and implementation of macro policies focusing on stable economic growth, and the continuous implementation and refinement of various policies, production activities and people's daily lives are expected to return to normal sooner than expected. It is expected that the economy in the PRC will generally improve in 2023.

Real estate as a pillar industry of the national economy, the government will continue to introduce more policies to promote market expectations and the recovery of market confidence. As the city-specific policies supported rigid demand and demand from upgraders, the regulatory and control policies for the real estate industry are expected to remain relaxed. The mortgage interest rate and loan to value ratio are expected to further decrease. With the promulgation of various policies for the stabilization of the real estate market, the real estate market is expected to bottom out and stabilize. The regional market experienced differentiation. With the support from the industrial population and strong policy relaxation, the market in first- and second-tier cities recovered in a faster pace, while the downward pressure on other cities remains relatively high.

The Group will adhere to the aggressive sales strategies, closely monitor receivables, reduce costs and enhance efficiency, and maintain a stable operating cash flow. The Group will continue to optimize the structure of urban redevelopment projects, accelerate the conversion of urban redevelopment project and investment return. We will actively manage our debt, optimize debt structure, accelerate the disposal of non-core assets and sustain stable operation.

## Financial Review

### Revenue

The Group's revenue is primarily generated from property development, urban redevelopment business and property leasing and sub-leasing, which contributed approximately 96.3%, 0.9% and 2.8% respectively of the revenue of 2022. The Group's revenue decreased by RMB19,211.5 million, or 44.0%, to RMB24,423.7 million for 2022 from RMB43,635.2 million for 2021. This decrease in revenue was primarily attributable to the decrease in the delivered area in property sales.

The table below sets forth the breakdown of the Group's revenue by operating segments as indicated:

	Year 2022		Year 2021	
	(RMB in millions)	(%)	(RMB in millions)	(%)
Sales of properties	<b>23,536.7</b>	<b>96.3</b>	38,708.7	88.7
Income from urban redevelopment business	<b>210.2</b>	<b>0.9</b>	4,406.9	10.1
Rental income	<b>676.8</b>	<b>2.8</b>	519.6	1.2
	<b><u>24,423.7</u></b>	<b><u>100.0</u></b>	<b><u>43,635.2</u></b>	<b><u>100.0</u></b>

### Property development

The Group's revenue from sales of properties decreased by RMB15,172.0 million, or 39.2%, to RMB23,536.7 million for 2022 from RMB38,708.7 million for 2021. The decrease was primarily due to the decrease in delivered gross floor area for the year. The projects that contributed substantially to the Group's revenue for 2022 mainly included Golden Field Yuefu, Times Global Chuangke Town, Times Master (Guangzhou), Times Realm (Huangpu), Times Flourism (Huangpu) and Times Memory (Foshan).

### Urban redevelopment business

In 2022, the Group's income from urban redevelopment business decreased by RMB4,196.7 million, or 95.2%, to RMB210.2 million for 2022 from RMB4,406.9 million for 2021. The income was mainly generated from urban redevelopment projects in Foshan etc..

### *Property leasing and sub-leasing*

The Group's gross rental income increased by RMB157.2 million, or 30.3%, to RMB676.8 million for 2022 from RMB519.6 million for 2021. The increase was primarily due to the increase in the number of projects and areas for lease during the year.

### *Cost of sales*

The Group's cost of sales decreased by RMB10,521.0 million, or 33.3%, to RMB21,061.1 million for 2022 from RMB31,582.1 million for 2021. The decrease was primarily attributable to the decrease in the delivered floor area in property sales.

### *Gross profit and gross profit margin*

The Group's gross profit decreased by RMB8,690.4 million, or 72.1%, to RMB3,362.7 million for 2022 from RMB12,053.1 million for 2021. The Group's gross profit margin decreased from 27.6% in 2021 to 13.8% in 2022. The decrease in gross profit margin was primarily attributable to the decrease in gross profit margin for property sales and urban redevelopment business.

### *Other income and gains*

The Group's other income and gains decreased to RMB705.0 million for 2022 from RMB944.0 million for 2021 which is primarily attributable to the decrease in bank interest income.

### *Selling and marketing costs*

The Group's selling and marketing costs decreased by RMB222.9 million, or 23.7%, from RMB940.2 million for 2021 to RMB717.3 million for 2022. The decrease was mainly due to the strict control over the marketing expenses by the Group.

### *Administrative expenses*

The Group's administrative expenses decreased by RMB237.0 million, or 19.3%, to RMB990.1 million for 2022 from RMB1,227.1 million for 2021. Such decrease was mainly attributable to the strict control of administrative expenses by the Group.

### *Other expenses*

The Group's other expenses increased by RMB8,328.7 million to RMB9,537.9 million for 2022 from RMB1,209.2 million for 2021. The increase was primarily due to the increase in impairment of certain assets.

### *Finance costs*

The Group's finance costs increased by RMB14.2 million, or 1.7%, to RMB840.2 million for 2022, which remained stable compared to that of RMB826.0 million for 2021.

### *Income tax expenses*

The Group's income tax expenses decreased by RMB3,401.8 million, or 77.5%, to RMB985.0 million for 2022 from RMB4,386.8 million for 2021. The decrease was primarily attributable to the decrease in the Group's profit before tax for the year.

### *(Loss)/profit for the year*

The Company's loss for the year for 2022 amounted to RMB9,619.5 million, representing a decrease of RMB14,373.4 million as compared to the Company's profit for the year for 2021. Basic loss per share for 2022 was RMB4.76 (basic earnings per share in 2021: RMB1.66).

### *(Loss)/profit attributable to the owners of the Company*

Loss attributable to the owners of the Company for 2022 was RMB9,936.3 million, representing a decrease of RMB13,196.5 million as compared to the profit attributable to the owners of the Company for 2021. Core net loss attributable to the owners of the Company for 2022 (net loss attributable to shareholders less changes in fair value of self-owned investment properties, excluding the impact of the related deferred tax, loss on disposal of self-owned investment properties, gain on termination of derivative financial instruments, changes in fair value of derivative financial instruments and the premium paid on early redemption of senior notes) was RMB9,881.5 million, representing a decrease of RMB13,190.2 million from the core net profit attributable to the owners of the Company for 2021.

## **Liquidity, Financial and Capital Resources**

### *Cash position*

As at 31 December 2022, the carrying balance of the Group's cash and bank deposits was approximately RMB6,749.4 million (31 December 2021: RMB20,657.2 million), representing a decrease of 67.3% when compared with that of 31 December 2021. Under relevant PRC laws and regulations, some of the Group's project companies are required to place a certain amount of pre-sale proceeds in designated bank accounts as guarantee deposits for construction of the relevant properties. These guarantee deposits may only be used for payments to construction contractors in the project development process and for other construction-related payments, such as purchase of materials. The remaining guarantee deposits are released when certificates of completion for the relevant properties have been obtained. In addition, a portion of the Group's bank deposits represented loan proceeds in the monitoring accounts designated by the banks, in which case the use of the restricted bank deposits, subject to the banks' approval, is restricted to the purposes as set out in the relevant loan agreements. As at 31 December 2022, the Group's restricted bank deposits was RMB4,011.0 million (31 December 2021: RMB5,938.9 million).

### *Borrowings and pledged assets*

The Group had aggregate interest-bearing bank loans and other borrowings (excluding interest payable) of approximately RMB47,001.2 million as at 31 December 2022. Borrowings that are due within one year increased from RMB11,019.6 million as at 31 December 2021 to RMB33,792.8 million as at 31 December 2022, and approximately RMB12,611.0 million of borrowings are due within two to five years and approximately RMB597.4 million of borrowings are due in over five years. As at 31 December 2022, the Group's outstanding borrowings were secured by certain of investment properties, trade receivables, inventories of properties and property, plant and equipment with carrying values of approximately RMB918.8 million, RMB59.9 million, RMB8,732.1 million and RMB663.8 million respectively.

Details of the equity or debt securities issued by the Company and/or its subsidiaries are set out below:

#### (a) Placing

Reference is made to the announcement of the Company dated 27 January 2022 (the "2022 Placing Announcement"). The Group successfully raised gross proceeds of approximately HKD400.2 million through the placing of 117,700,000 existing shares of the Company (the "Shares") (the "2022 Placing") at the placing price of HKD3.40 per Share for debt repayment and general corporate purposes. The Company subsequently allotted and issued 117,700,000 new Shares to Asiaciti Enterprises Ltd.

Upon the completion of the 2022 Placing, the Company received gross proceeds of approximately HKD400.2 million. The net proceeds, after deducting all applicable costs and related expenses, amounted to approximately HKD393.6 million, representing a net issue price of approximately HKD3.34 per Share.

As at the date of this announcement, the Group has utilized 50% of the net proceeds from the 2022 Placing for debt repayment and 50% of the net proceeds for general corporate purposes, which were consistent with the purposes disclosed in the 2022 Placing Announcement.

#### (b) USD 5.55% Senior Notes due 2024

On 4 June 2021, the Company issued 5.55% senior notes due 2024 in a principal amount of USD400,000,000 (equivalent to approximately RMB2,785,840,000) (the "USD 5.55% Senior Notes issued in June 2021"). On 27 July 2021, the Company issued 5.55% senior notes due 2024 in a principal amount of USD100,000,000 (equivalent to approximately RMB696,460,000) (the "USD 5.55% Senior Notes issued in July 2021"). The USD 5.55% Senior Notes issued in June 2021 and the USD 5.55% Senior Notes issued in July 2021 were consolidated and formed a single series, collectively as the "USD 5.55% Senior Notes due 2024". The USD 5.55% Senior Notes due 2024 are listed on the Stock Exchange and bear interest from and including 4 June 2021 at the rate of 5.55% per annum, payable semi-annually in arrears.



(c) USD 5.30% Senior Notes due 2022

On 22 April 2021, the Company issued 5.30% senior notes due 2022 in a principal amount of USD200,000,000 (equivalent to approximately RMB1,392,920,000) (the “USD 5.30% Senior Notes due 2022”). The USD 5.30% Senior Notes due 2022 are listed on the Stock Exchange and bear interest from and including 22 April 2021 at the rate of 5.30% per annum, payable semi-annually in arrears. The Company has repaid all the principal amount and interest on 20 April 2022.

(d) USD 5.75% Senior Notes due 2027

On 14 January 2021, the Company issued 5.75% senior notes due 2027 in a principal amount of USD350,000,000 (equivalent to approximately RMB2,437,610,000) (the “USD 5.75% Senior Notes due 2027”). The USD 5.75% Senior Notes due 2027 are listed on the Stock Exchange and bear interest from and including 14 January 2021 at the rate of 5.75% per annum, payable semi-annually in arrears.

(e) USD 6.20% Senior Notes due 2026

On 22 September 2020, the Company issued 6.20% senior notes due 2026 in a principal amount of USD350,000,000 (equivalent to approximately RMB2,437,610,000) (the “USD 6.20% Senior Notes issued in September 2020”). On 17 March 2021, the Company issued 6.20% senior notes due 2026 in a principal amount of USD100,000,000 (equivalent to approximately RMB696,460,000) (the “USD 6.20% Senior Notes issued in March 2021”). The USD 6.20% Senior Notes issued in September 2020 and the USD 6.20% Senior Notes issued in March 2021 are consolidated and formed a single series, collectively as the “USD 6.20% Senior Notes due 2026”. The USD 6.20% Senior Notes due 2026 are listed on the Stock Exchange and bear interest from and including 22 September 2020 at the rate of 6.20% per annum, payable semi-annually in arrears.

(f) RMB 5.94% Non-Public Domestic Corporate Bonds due 2024

On 21 August 2020, Guangzhou Times Holdings Group Co., Ltd.\* (廣州市時代控股集團有限公司) (“Guangzhou Times”), a wholly-owned subsidiary of the Company, issued non-public domestic corporate bonds at a coupon rate of 5.94% per annum at a par value of RMB1,100,000,000 (“RMB 5.94% Non-Public Domestic Corporate Bonds due 2024”) for a term of four years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the second year and the end of third year, while investors are entitled to sell back. RMB 5.94% Non-Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 24 August 2020 at the rate of 5.94% per annum, payable annually in arrears. On 24 August 2022, the Company has made the first installment payment, repaying 10% of the total principal amount and the total amount of the outstanding payable interest of the RMB 5.94% Non-Public Domestic Corporate Bonds due 2024.

(g) RMB 5.68% Non-Public Domestic Corporate Bonds due 2024

On 3 August 2020, Guangzhou Times issued non-public domestic corporate bonds at a coupon rate of 5.68% per annum at a par value of RMB500,000,000 (“RMB 5.68% Non-Public Domestic Corporate Bonds due 2024”) for a term of four years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the second year and the end of third year, while investors are entitled to sell back. RMB 5.68% Non-Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 4 August 2020 at the rate of 5.68% per annum, payable annually in arrears. On 4 August 2022, the Company has made the first installment payment, repaying 10% of the total principal amount and the total amount of the outstanding payable interest of RMB 5.68% Non-Public Domestic Corporate Bonds due 2024.

(h) RMB 5.94% Public Domestic Corporate Bonds due 2025

On 16 July 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.94% per annum at a par value of RMB1,600,000,000 (“RMB 5.94% Public Domestic Corporate Bonds due 2025”) for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB 5.94% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 17 July 2020 at the rate of 5.94% per annum, payable annually in arrears.

(i) USD 6.75% Senior Notes due 2025

On 8 July 2020, the Company issued 6.75% senior notes due 2025 in a principal amount of USD300,000,000 (equivalent to approximately RMB2,089,380,000) (the “USD 6.75% Senior Notes issued in July 2020”). On 30 October 2020, the Company issued 6.75% senior notes due 2025 in a principal amount of USD250,000,000 (equivalent to approximately RMB1,741,150,000) (the “USD 6.75% Senior Notes issued in October 2020”). The USD 6.75% Senior Notes issued in July 2020 and the USD 6.75% Senior Notes issued in October 2020 were consolidated and formed a single series, collectively as the “USD 6.75% Senior Notes due 2025”. The USD 6.75% Senior Notes due 2025 are listed on the Stock Exchange and bear interest from and including 8 July 2020 at the rate of 6.75% per annum, payable semi-annually in arrears.

(j) RMB 5.24% Public Domestic Corporate Bonds due 2025

On 26 May 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.24% per annum at a par value of RMB2,500,000,000 (“RMB 5.24% Public Domestic Corporate Bonds due 2025”) for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB 5.24% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 27 May 2020 at the rate of 5.24% per annum, payable annually in arrears.

(k) RMB 5.10% Public Domestic Corporate Bonds due 2025

On 26 March 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.10% per annum at a par value of RMB1,550,000,000 (“RMB 5.10% Public Domestic Corporate Bonds due 2025”) for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while

investors are entitled to sell back. RMB 5.10% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 30 March 2020 at the rate of 5.10% per annum, payable annually in arrears.

(l) RMB 6.30% Public Domestic Corporate Bonds due 2027

On 26 March 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 6.30% per annum at a par value of RMB950,000,000 (“RMB 6.30% Public Domestic Corporate Bonds due 2027”) for a term of seven years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the fifth year, while investors are entitled to sell back. RMB 6.30% Public Domestic Corporate Bonds due 2027 are listed on the Shanghai Stock Exchange and bear interest from and including 30 March 2020 at the rate of 6.30% per annum, payable annually in arrears.

(m) RMB 5.00% Public Domestic Corporate Bonds due 2025

On 21 February 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 5.00% per annum at a par value of RMB740,000,000 (“RMB 5.00% Public Domestic Corporate Bonds due 2025”) for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB 5.00% Public Domestic Corporate Bonds due 2025 are listed on the Shanghai Stock Exchange and bear interest from and including 24 February 2020 at the rate of 5.00% per annum, payable annually in arrears.

(n) RMB 6.20% Public Domestic Corporate Bonds due 2027

On 21 February 2020, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 6.20% per annum at a par value of RMB575,000,000 (“RMB 6.20% Public Domestic Corporate Bonds due 2027”) for a term of seven years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the fifth year, while investors are entitled to sell back. RMB 6.20% Public Domestic Corporate Bonds due 2027 are listed on the Shanghai Stock Exchange and bear interest from and including 24 February 2020 at the rate of 6.20% per annum, payable annually in arrears.

(o) USD 6.75% Senior Notes due 2023

On 16 July 2019, the Company issued 6.75% senior notes due 2023 in a principal amount of USD400,000,000 (approximately equivalent to RMB2,785,840,000) (the “USD 6.75% Senior Notes issued in July 2019”). On 4 September 2019, the Company issued 6.75% senior notes due 2023 in a principal amount of USD100,000,000 (approximately equivalent to RMB696,460,000) (the “USD 6.75% Senior Notes issued in September 2019”). The USD 6.75% Senior Notes issued in July 2019 and the USD 6.75% Senior Notes issued in September 2019 were consolidated and formed a single series which are referred to as the “USD 6.75% Senior Notes due 2023”. The USD 6.75% Senior Notes due 2023 are listed on the Stock Exchange and bear interest from and including 16 July 2019 at the rate of 6.75% per annum, payable semi-annually in arrears.

(p) RMB 6.80% Public Domestic Corporate Bonds due 2024

On 6 June 2019, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 6.80% per annum at a par value of RMB500,000,000 (“RMB 6.80% Public Domestic Corporate Bonds due 2024”) for a term of five years in the PRC. RMB 6.80% Public Domestic Corporate Bonds due 2024 are listed on the Shanghai Stock Exchange and bear interest from and including 10 June 2019 at the rate of 6.80% per annum, payable annually in arrears.

(q) RMB 7.50% Public Domestic Corporate Bonds due 2023

On 7 December 2018, Guangzhou Times issued public domestic corporate bonds at a coupon rate of 8.10% per annum at a par value of RMB1,900,000,000 (“RMB 8.10% Public Domestic Corporate Bonds due 2023”) for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB 8.10% Public Domestic Corporate Bonds due 2023 are listed on the Shanghai Stock Exchange and bear interest from and including 10 December 2018 at the rate of 8.10% per annum, payable annually in arrears. In November 2021, the holders of RMB 8.10% Public Domestic Corporate Bonds due 2023 have registered to sell back 14,000,000 bonds at a price of RMB100 each. The Group has repaid these registered sold-back bonds in the amount of RMB1,400,000,000 on 10 December 2021. Since 10 December 2021, the annual interest rate of the bonds has been reduced from 8.10% to 7.50% (“RMB 7.50% Public Domestic Corporate Bonds due 2023”). The RMB 7.50% Public Domestic Corporate Bonds due 2023 was delisted on 7 February 2023.

(r) USD 6.60% Senior Notes due 2023

On 30 November 2017, the Company issued 6.60% senior notes due 2023 (the “USD 6.60% Senior Notes due 2023”) in a principal amount of USD300,000,000 (equivalent to approximately RMB2,089,380,000). The USD 6.60% Senior Notes due 2023 are listed on the Stock Exchange and bear interest from and including 30 November 2017 at the rate of 6.60% per annum, payable semi-annually in arrears.

(s) RMB 5.50% Non-Public Domestic Corporate Bonds due 2024

On 8 September 2017, Guangzhou Times issued non-public domestic corporate bonds at a coupon rate of 8.20% per annum at a par value of RMB1,100,000,000 (“RMB 8.20% Non-Public Domestic Corporate Bonds due 2022”) for a term of five years in the PRC. Guangzhou Times is entitled to adjust coupon rate at the end of the third year, while investors are entitled to sell back. RMB 8.20% Non-Public Domestic Corporate Bonds due 2022 are listed on the Shanghai Stock Exchange and bear interest from and including 8 September 2017 at the rate of 8.20% per annum, payable annually in arrears. On 8 September 2020, Guangzhou Times adjusted the coupon rate of the bonds to 5.50%. From 5 to 7 September 2022, Guangzhou Times held a meeting of bondholders to extend the bond maturity date to 2024 (“RMB 5.50% Non-Public Domestic Corporate Bonds due 2024”). On 8 September 2022, the Company has made the first installment payment, repaying 2.5% of the total principal amount and the total amount of the outstanding payable interest of RMB 5.50% Non-Public Domestic Corporate Bonds due 2024.

(t) USD 5.75% Senior Notes due 2022

On 26 April 2017, the Company issued 5.75% senior notes due 2022 (the “USD 5.75% Senior Notes due 2022”) in a principal amount of USD225,000,000 (equivalent to approximately RMB1,567,035,000). USD 5.75% Senior Notes due 2022 are listed on the Stock Exchange and bear interest from and including 26 April 2017 at the rate of 5.75% per annum, payable semi-annually in arrears. On 26 April 2022, the Company has repaid all the principal amount and interest.

*Contingent liabilities*

As at 31 December 2022, the outstanding guarantee mortgage loans that domestic banks provided to purchasers of the Group’s properties amounted to approximately RMB29,764.1 million (31 December 2021: approximately RMB36,972.9 million). These guarantees are released upon the earlier of (i) the relevant certificates of registration of mortgage or the certificates of other interests with respect to the relevant properties being delivered to the mortgagor banks; and (ii) the settlement of mortgage loans between the mortgagor banks and the purchasers of the Group’s projects. If a purchaser defaults on a mortgage loan before the guarantees are released, the Group may have to repurchase the underlying property by paying off mortgage. If the Group fails to do so, the mortgagor bank may auction the underlying property and recover any outstanding amount from the Group if the amount of outstanding loan exceeds the net foreclosure sales proceeds from the auction. In line with industry practices, the Group does not conduct independent credit reviews of our customers but rely on the credit reviews conducted by the mortgagor banks.

As at 31 December 2022, the Group provided guarantees in respect of certain bank loans of approximately RMB2,288,760,000 (2021: approximately RMB3,814,985,000) for its joint ventures and associated companies.

*Foreign currency risks*

The Group mainly operates in the PRC and conducts its operations mainly in RMB. The Group will closely monitor the fluctuations of the RMB exchange rate and give prudent consideration as to entering into any currency swap arrangement as and when appropriate for hedging corresponding risks. As at 31 December 2022, the Group had not engaged in hedging activities for managing foreign exchange rate risk.

**Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plans for Material Investments or Capital Assets**

Save as disclosed in this announcement, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year, nor was there any plan authorised by the Board for other material investments or additions of capital assets at the date of this announcement.

## **Events After the Reporting Period**

The Group aims to achieve a holistic management of its offshore debts that ensures a fair and equitable treatment to its creditors, and provides a sustainable capital structure. To this end, the Group has suspended payments under certain offshore debts (details of which can be found in the announcements of the Company dated 30 December 2022 and 4 January 2023). As at the date of this announcement, the Company has not received any notice regarding acceleration of payment by holders of the relevant offshore USD denominated senior notes issued by the Company.

Trading in the offshore USD denominated senior notes of the Company was suspended from 9:00 a.m. on 5 January 2023 until further notice.

Save as disclosed above, the Company does not have other details of important events affecting the Group which have occurred since the end of the Reporting Period.

## **Employees and Remuneration Policy**

As at 31 December 2022, the Group had 2,656 employees (31 December 2021: 5,934 employees). The remunerations of the employees are commensurate with their performance, skills, knowledge, experience and the market trend. Employee benefits provided by the Group include provident fund schemes, medical insurance scheme, unemployment insurance scheme and housing provident fund. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustments that accommodate the pay levels in the industry. In addition to basic salaries, the employees may be offered with discretionary bonuses and cash awards based on individual performances. The Group also provides training programs for the employees with a view to constantly upgrading their skills and knowledge. Further, the Company adopted a share option scheme on 19 November 2013 (the “Share Option Scheme”) as incentives or rewards for the employees’ contributions to the Group. Further information of the Share Option Scheme will be available in the Company’s annual report for the year ended 31 December 2022. The Group’s employee benefit expense (excluding Directors’ and chief executive’s remuneration) is approximately RMB899.8 million for the year ended 31 December 2022 (2021: RMB1,672.3 million).

## **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended 31 December 2022 (2021: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 22 May 2023 (Monday) to 25 May 2023 (Thursday), both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the forthcoming annual general meeting of the Company (the “AGM”). In order to be eligible to attend and vote at the forthcoming AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on 19 May 2023 (Friday).

## **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as its own code of corporate governance.

The Company has been conducting its business according to the principles of the CG Code. Save for the deviation disclosed below, in the opinion of the Directors, the Company has complied with all the applicable code provisions as set out in the CG Code during the year ended 31 December 2022.

The code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Shum currently assumes the roles of both the chairman and the chief executive officer of the Company. Mr. Shum is one of the founders of the Group and has extensive experience in property development. The Board believes that by holding both roles, Mr. Shum will be able to provide the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group. Furthermore, the Directors have regular discussions in relation to major matters affecting the operations of the Group and the Group has effective risk management and internal control systems in place for providing adequate checks and balances. Based on the foregoing, the Board believes that a balance of power and authority has been and will be maintained.

## **Compliance with Code of Conduct Regarding Directors' Securities Transactions**

The Company has also adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code for the year ended 31 December 2022.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of inside information in relation to the Company or its securities, on no less exacting terms than the required standard set out in the Model Code.

## **Audit Committee and Review of Financial Statements**

The Board has established the audit committee of the Company (the "Audit Committee") which comprises three independent non-executive Directors, namely Mr. Wong Wai Man (chairman), Mr. Jin Qingjun and Ms. Sun Hui.

The Audit Committee has reviewed the annual report and the consolidated annual results of the Group for the year ended 31 December 2022 in conjunction with the Company's management. The Audit Committee has also reviewed the effectiveness of the risk management and the internal control systems of the Company and considers the risk management and internal control systems to be effective and adequate.

## **Purchase, Sale or Redemption of Listed Securities**

### *USD 5.30% Senior Notes due 2022*

As at 31 December 2021, an aggregate principal amount of USD200,000,000 of the USD 5.30% Senior Notes due 2022 (Stock code: 40654) remained outstanding.

During the six months ended 30 June 2022, the Group repurchased and cancelled the USD 5.30% Senior Notes due 2022 with an aggregate principal amount of USD33,200,000, and USD166,800,000 remained outstanding after the cancellation. On 20 April 2022, the Company fully repaid the outstanding principal amount plus accrued and unpaid interest.

### *USD 5.75% Senior Notes due 2022*

As at 31 December 2021, an aggregate principal amount of USD225,000,000 of the USD 5.75% Senior Notes due 2022 (Stock code: 5445) remained outstanding.

During the six months ended 30 June 2022, the Group repurchased and cancelled the USD 5.75% Senior Notes due 2022 with an aggregate principal amount of USD49,576,000, and USD175,424,000 remained outstanding after the cancellation. On 26 April 2022, the Company fully repaid the outstanding principal amount plus accrued and unpaid interest.



Save as disclosed above, there was no purchase, sale and redemption of any listed securities of the Company by the Company or any of its subsidiaries during the year ended 31 December 2022.

## **REVIEW OF PRELIMINARY ANNOUNCEMENT OF RESULTS BY THE INDEPENDENT AUDITOR**

The figures in respect of the Group's results for the year ended 31 December 2022 as set out in this preliminary announcement of results have been agreed by the Group's independent auditor, Ernst & Young, Certified Public Accountants of Hong Kong ("Ernst & Young") to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by Ernst & Young on this preliminary announcement of results.

## **ANNUAL GENERAL MEETING**

The AGM for the year ended 31 December 2022 is scheduled to be held on 25 May 2023 (Thursday). A notice convening the AGM will be issued and disseminated to the Shareholders in due course.

## **PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.timesgroup.cn](http://www.timesgroup.cn)), and the annual report for the year ended 31 December 2022 containing all the information required by the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**Times China Holdings Limited**  
**Shum Chiu Hung**  
*Chairman*

Hong Kong, 30 March 2023

*As at the date of this announcement, the executive Directors are Mr. Shum Chiu Hung, Mr. Guan Jianhui, Mr. Bai Xihong, Mr. Li Qiang, Mr. Shum Siu Hung and Mr. Niu Jimin; and the independent non-executive Directors are Mr. Jin Qingjun, Ms. Sun Hui, and Mr. Wong Wai Man.*

\* *For identification purpose only*