

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



研祥智能科技股份有限公司

**EVOC Intelligent Technology Company Limited\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2308)**

**FURTHER ANNOUNCEMENT OF  
THE AUDITED ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

Reference is made to the announcements of EVOC Intelligent Technology Company Limited (the “**Company**”) dated 31 March 2022 and 4 April 2022, in relation to the unaudited consolidated financial results (the “**Unaudited Results Announcement**”) of the Company and its subsidiaries (collectively refer to as the “**Group**”) for the year ended 31 December 2021. Capitalised terms used herein shall have the same meanings as those defined in the Unaudited Results Announcement.

**AUDITED ANNUAL RESULTS**

The board of directors (the “**Board**”) of the Company is pleased to announce that Messrs. BDO Limited (“**BDO**”), the auditor of the Company, has completed its audit of the consolidated financial results of the Group for the year ended 31 December 2021 (the “**2021 Audited Annual Results**”) in accordance with Hong Kong Standards on Auditing (“**HKSA**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The 2021 Audited Annual Results were approved by the Board on 27 April 2022, details of which are reproduced below:

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 December 2021*

	<i>Notes</i>	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
Turnover	4	<b>1,296,192</b>	1,544,536
Cost of sales		<u><b>(729,287)</b></u>	<u>1,544,536</u>
Gross profit		<b>566,905</b>	568,193
Other income	4	<b>295,536</b>	343,613
Selling and distribution costs		<b>(45,460)</b>	(48,116)
Administrative expenses		<b>(152,724)</b>	(135,715)
Other operating expenses		<b>(32,654)</b>	(27,975)
Research and development costs	5	<b>(228,884)</b>	(266,177)
Fair value gain/(loss) on investment properties		<b>2,803</b>	(21,239)
Fair value gain on transfer of properties held for sale to investment properties		<b>1,202</b>	367
Finance costs		<b>(170,621)</b>	(162,995)
Share of loss for investment in an associated company		<u><b>(684)</b></u>	<u>—</u>
Profit before income tax	5	<b>235,419</b>	249,956
Income tax expense	6	<u><b>(69,239)</b></u>	<u>(39,418)</u>
<b>Profit for the year attributable to owners of the Company</b>		<u><b>166,180</b></u>	<u>210,538</u>
<b>Other comprehensive income, net of tax</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Surplus on revaluation of land and buildings		<b>24,356</b>	10,685
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations		<u><b>256</b></u>	<u>503</u>
Other comprehensive income for the year, net of tax		<u><b>24,612</b></u>	<u>11,188</u>
<b>Total comprehensive income for the year attributable to owners of the Company</b>		<u><u><b>190,792</b></u></u>	<u><u>221,726</u></u>
Earnings per share — Basic and diluted ( <i>RMB</i> )	8	<u><u><b>0.135</b></u></u>	<u><u>0.171</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	<i>Notes</i>	<b>2021</b> <b>RMB'000</b>	2020 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>764,018</b>	804,923
Investment properties		<b>2,164,623</b>	2,091,024
Right-of-use assets		<b>69,595</b>	81,059
Investment in an associate		<b>11,316</b>	—
Deferred tax assets		<b>27,202</b>	26,871
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>3,036,754</b>	3,003,877
<b>Current assets</b>			
Inventories		<b>81,486</b>	74,006
Properties under development		<b>845,067</b>	722,050
Properties held for sale		<b>1,269,343</b>	1,356,712
Trade receivables	<i>9</i>	<b>234,356</b>	253,991
Bills receivable	<i>9</i>	<b>105,862</b>	47,188
Other receivables, deposits and prepayments		<b>337,878</b>	231,779
Contract costs		<b>4,346</b>	3,232
Amounts due from related parties		<b>3,875</b>	1,757
Cash and bank balances		<b>2,445,429</b>	2,486,422
		<hr/>	<hr/>
<b>Total current assets</b>		<b>5,327,642</b>	5,177,137
<b>Current liabilities</b>			
Trade payables	<i>10</i>	<b>757,375</b>	908,520
Bills payable	<i>10</i>	<b>105,938</b>	100,000
Contract liabilities		<b>272,343</b>	326,002
Other payables, accruals and receipts in advance		<b>212,301</b>	200,441
Amounts due to related parties		<b>138</b>	339
Lease liabilities		<b>13,895</b>	12,703
Bank borrowings		<b>921,000</b>	1,623,687
Income tax payable		<b>147,359</b>	95,718
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>2,430,349</b>	3,267,410
<b>Net current assets</b>		<b>2,897,293</b>	1,909,727
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<b>5,934,047</b>	4,913,604

	<b>2021</b>	2020
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Non-current liabilities</b>		
Bank borrowings	<b>2,510,990</b>	1,672,410
Other payables, accruals and receipts in advance	<b>7,122</b>	15,410
Lease liabilities	<b>30,759</b>	43,172
Deferred tax liabilities	<b>394,984</b>	383,212
	<hr/>	<hr/>
<b>Total non-current liabilities</b>	<b>2,943,855</b>	2,114,204
	<hr/>	<hr/>
<b>NET ASSETS</b>	<b>2,990,192</b>	2,799,400
	<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>		
Share capital	<b>123,314</b>	123,314
Reserves	<b>2,866,878</b>	2,676,086
	<hr/>	<hr/>
<b>TOTAL EQUITY</b>	<b>2,990,192</b>	2,799,400
	<hr/> <hr/>	<hr/> <hr/>

*Notes:*

**1. CORPORATE INFORMATION**

The Company is a joint stock limited liability company established in the People's Republic of China (the "PRC"). The Group is principally engaged in the research, development, manufacture and distribution of special computer products, assembling and trading of electronic products and accessories and development of properties in the PRC.

**2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")**

**(a) Adoption of new or amended HKFRSs**

The below new standards impacting the Group that have been adopted in the annual financial statements for the year ended 31 December 2021:

- *Interest Rate Benchmark Reform — IBOR 'phase 2'* (Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16); and
- *Covid-19-Related Rent Concessions beyond 30 June 2021* (Amendments to HKFRS 16).

**(b) New or amended HKFRSs that have been issued but are not yet effective**

The following new or amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

The following amendments are effective for the period beginning 1 January 2022:

- *Onerous Contracts — Cost of Fulfilling a Contract* (Amendments to HKAS 37);
- *Property, Plant and Equipment: Proceeds before Intended Use* (Amendments to HKAS 16);
- *Annual Improvements to HKFRS 2018–2020* (Amendments to HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41); and
- *References to Conceptual Framework* (Amendments to HKFRS 3).

The following amendments are effective for the period beginning 1 January 2023:

- *Disclosure of Accounting Policies* (Amendments to HKAS 1 and HKFRS Practice Statement 2);
- *Definition of Accounting Estimates* (Amendments to HKAS 8); and
- *Deferred Tax Related to Assets and Liabilities arising from a Single Transaction* (Amendments to HKAS 12).

The Group does not expect any other new or amended HKFRS, issued by the HKICPA, but not yet effective, to have a material impact on the Group.

### 3. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers (the “CODM”) that are used to make strategic decisions.

The Group has two reportable and operating segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group’s reportable segments:

- Research and development, manufacture and distribution of special computer products, assembling and trading of electronic products and accessories
- Development of properties for sale and investment purposes

Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Corporate expenses, corporate assets and corporate liabilities are not allocated to the reportable segments as they are not included in the measure of the segments’ profit, segments’ assets and segments’ liabilities that are used by the CODM for assessment of segment performance.

#### For the year ended 31 December 2021

	<b>Special computer products and electronic products and accessories RMB’000</b>	<b>Property development RMB’000</b>	<b>Total RMB’000</b>
External revenue	<u>1,096,337</u>	<u>199,855</u>	<u>1,296,192</u>
Reportable segment profit	<u>315,373</u>	<u>81,719</u>	<u>397,092</u>
Amounts included in the measure of segment profit or loss or segment assets:			
Interest income	40,299	1,014	41,313
Research and development costs	(228,884)	—	(228,884)
Government subsidies income	45,988	71	46,059
Gain on disposal of property, plant and equipment	141	—	141
Rental from investment properties, net	132,133	19,837	151,970
Other income — others	29,226	6,562	35,788
Depreciation:			
— Property, plant and equipment	(45,981)	(4,125)	(50,106)
— Right-of-use assets	(13,752)	—	(13,752)
Fair value gain/(loss) on investment properties	6,867	(4,064)	2,803
Fair value gain on transfer of properties held for sale to investment properties	—	1,202	1,202
Reportable segment assets	3,504,273	3,139,689	6,643,962
Additions to non-current assets	33,680	7,200	40,880
Reportable segment liabilities	<u>(858,631)</u>	<u>(730,404)</u>	<u>(1,589,035)</u>

**For the year ended 31 December 2020**

	Special computer products and electronic products and accessories <i>RMB'000</i>	Property development <i>RMB'000</i>	Total <i>RMB'000</i>
External revenue	<u>1,319,424</u>	<u>225,112</u>	<u>1,544,536</u>
Reportable segment profit	<u>313,706</u>	<u>82,407</u>	<u>396,113</u>
Amounts included in the measure of segment profit or loss or segment assets:			
Interest income	15,701	646	16,347
Research and development costs	(266,177)	—	(266,177)
Government subsidies income	100,757	81	100,838
Gain on disposal of property, plant and equipment	727	3	730
Rental from investment properties, net	138,323	18,550	156,873
Other income — others	37,371	6,685	44,056
Depreciation:			
— Property, plant and equipment	(28,497)	(14,831)	(43,328)
— Right-of-use assets	(12,903)	(721)	(13,624)
Impairment on inventories	(191)	—	(191)
Fair value loss on investment properties	(2,405)	(18,834)	(21,239)
Fair value gain on transfer of properties held for sale to investment properties	—	367	367
Reportable segment assets	3,200,103	3,341,048	6,541,151
Additions to non-current assets	27,822	3,202	31,024
Reportable segment liabilities	<u>(962,719)</u>	<u>(893,480)</u>	<u>(1,856,199)</u>

*Notes:*

- (a) The following is an analysis of the Group's revenue from its major customers which represent 10% or more of the Group's revenues during the year and is attributable to the reportable segment of "research and development, manufacturing and distribution of special computer products, assembling and trading of electronic products and accessories":

	<b>2021</b> <b><i>RMB'000</i></b>	2020 <i>RMB'000</i>
Customer A	<b>281,492</b>	665,156
Customer B	<b>158,440</b>	—

(b) Reconciliation of reportable segment revenues, results, assets and liabilities

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Revenue</b>		
Total of reportable segments' external revenue and consolidated revenue	<u>1,296,192</u>	<u>1,544,536</u>
	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Profit before income tax</b>		
Total of reportable segments' profit	397,092	396,113
Unallocated other income	20,265	24,769
Unallocated corporate expenses	(11,317)	(7,931)
Finance costs	<u>(170,621)</u>	<u>(162,995)</u>
Profit before income tax	<u>235,419</u>	<u>249,956</u>
	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Total of reportable segments' assets</b>		
Reportable segment assets	6,643,962	6,541,151
Deferred tax assets	27,202	26,871
Unallocated property, plant and equipment	244,988	245,355
Unallocated investment properties	1,374,778	1,315,093
Unallocated corporate assets	<u>73,466</u>	<u>52,544</u>
Consolidated total assets	<u>8,364,396</u>	<u>8,181,014</u>
	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Total of reportable segments' liabilities</b>		
Reportable segment liabilities	1,589,035	1,856,199
Unallocated bank borrowings	3,242,826	3,046,485
Deferred tax liabilities	394,984	383,212
Income tax payables	<u>147,359</u>	<u>95,718</u>
Consolidated total liabilities	<u>5,374,204</u>	<u>5,381,614</u>

(c) **Geographic information**

All revenue from external customers and non-current assets other than deferred tax assets are located in the PRC (place of domicile).

The geographical location of customers is based on the location at which the goods were delivered and the services were provided. The geographical location of non-current assets other than deferred tax assets is based on the physical location of the assets.

In the following table, revenue is disaggregated by major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segment.

	Special computer products and electronic products and accessories		Property development		Total	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
<b>Major products and services</b>						
Sales of special computer products	813,785	650,511	—	—	813,785	650,511
Sales of mobile phones and accessories	282,552	668,913	—	—	282,552	668,913
Sales of properties	—	—	199,855	225,112	199,855	225,112
	<u>1,096,337</u>	<u>1,319,424</u>	<u>199,855</u>	<u>225,112</u>	<u>1,296,192</u>	<u>1,544,536</u>
<b>Timing of revenue recognition</b>						
At a point in time	<u>1,096,337</u>	<u>1,319,424</u>	<u>199,855</u>	<u>225,112</u>	<u>1,296,192</u>	<u>1,544,536</u>

**4. TURNOVER AND OTHER INCOME**

Turnover represents the invoiced value of goods sold and services provided to customers and excludes value added tax. The amounts of each significant category of revenue recognised during the year are as follows:

	2021 RMB'000	2020 RMB'000
Turnover		
Sales of special computer products	813,785	650,511
Sales of mobile phones and accessories	282,552	668,913
Sales of properties	199,855	225,112
	<u>1,296,192</u>	<u>1,544,536</u>

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	2021 RMB'000	2020 RMB'000
Receivables	234,356	253,991
Contract liabilities	<u>272,343</u>	<u>326,002</u>

The contract liabilities mainly relate to the advance consideration received from customers. RMB184,359,000 of the contract liabilities as of 31 December 2020 has been recognised as revenue for the year ended 31 December 2021 at the point in time when the customers obtained control of the assets.

### Unsatisfied performance obligations

As at 31 December 2021, the performance obligation that are unsatisfied were approximately RMB272,343,000 (2020: RMB326,002,000). The Group will recognise the expected revenue in future based on the appropriate accounting policies, which is expected to occur within next 24 months from the end of the reporting period.

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Other income		
Gross rentals from investment properties	153,114	157,689
Less: direct operating expenses (including repairs and maintenance) arising from leasing of investment properties reimbursed from tenants	<u>(1,144)</u>	<u>(816)</u>
	151,970	156,873
Interest income	41,313	16,347
Value-added tax (“VAT”) concessions ( <i>Note (a)</i> )	20,265	25,236
Government subsidies ( <i>Note (b)</i> )	46,059	100,838
Repairs and maintenance income	4,572	4,992
Exchange gain/(loss)	2,693	(778)
Compensation for termination of lease	1,274	9,596
Material and scrap sales income	2,307	4,707
Gain on disposal of property, plant and equipment	141	728
Service income	8,935	5,403
Sundry income	<u>16,007</u>	<u>19,671</u>
	<u><u>295,536</u></u>	<u><u>343,613</u></u>

#### Notes:

- (a) VAT refunds were obtained from local tax authority in respect of sales of approved software and integrated circuit products.
- (b) Financial incentives were granted by the PRC government for development of high-technology products and purchases of specified property, plant and equipment for development of specified projects. Included in the amount of government grants recognised as other income for the year ended 31 December 2021, RMB36,457,000 (2020: RMB22,952,000) related to grants that the Group has fulfilled the relevant granting criteria immediately upon receipt of payment and the grant was not capital in nature and RMB9,602,000 (2020: RMB12,229,000) related to grants that are recognised over the expected useful lives of the relevant specified property, plant and equipment for development of specified project.

For the year ended 31 December 2020, RMB43,772,000 and RMB21,885,000 related to grants that compensated for research and development costs that were incurred and expensed for development of high-technology products during the current year and the preceding year respectively. There were no such grant as at 31 December 2021.

## 5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Auditor's remuneration	2,008	2,049
Cost of inventories recognised as an expense ( <i>Note (a)</i> )	646,779	876,953
Cost of sales of properties recognised as an expense	82,508	99,390
Depreciation:		
— Property, plant and equipment	50,106	43,328
— Right-of-use-assets	13,752	13,624
Foreign exchange difference	416	778
Gain on disposal of property, plant and equipment	(141)	(728)
Loss on written off of property, plant and equipment	495	4
Impairment on inventories	8,077	191
Research and development costs ( <i>Note (b)</i> )	228,884	266,177
Short-term leases expenses	1,937	2,103
Staff costs (including directors' emoluments):		
Wages, salaries and allowances	117,867	98,849
Bonus	12,091	7,293
Contributions to retirement benefits schemes ( <i>Note (c)</i> )	14,114	4,490
	<u>144,072</u>	<u>110,632</u>

*Notes:*

- (a) Cost of inventories sold includes, but not limited to, the staff costs of RMB14,602,000 (2020: RMB14,203,000), depreciation charges of RMB1,204,000 (2020: RMB1,152,000), costs of raw materials and parts used in assembling of mobiles phones of RMB269,416,000 (2020: RMB601,213,000) and subcontracting fees in assembling of mobile phones of RMB7,532,000 (2020: RMB6,073,000).
- (b) Research and development costs are included in other operating expenses and mainly consists of depreciation charges of RMB4,758,000 (2020: RMB4,050,000), consumable and material expenses amounting to RMB106,708,000 (2020: RMB190,799,000), staff costs amounting to RMB57,413,000 (2020: RMB37,848,000) and inspection fee amounting to RMB33,120,000 (2020: RMB7,261,000).
- (c) At 31 December 2021, the Group had no forfeited contributions available to reduce its future contributions to the retirement benefits schemes (2020: Nil).

## 6. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statement of comprehensive income represents:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Current tax — the PRC</b>		
Enterprise income tax (“EIT”)		
— Current year	23,671	8,265
— Over provision in respect of prior years	—	(2,558)
Land appreciation tax (“LAT”)		
— Current year	<u>42,248</u>	<u>39,038</u>
	<u>65,919</u>	<u>44,745</u>
<b>Deferred taxation</b>		
Origination and reversal of temporary differences, net	<u>3,320</u>	<u>(5,327)</u>
Income tax expense	<u><u>69,239</u></u>	<u><u>39,418</u></u>

The Company and a subsidiary which have been approved as new and high technology enterprise are entitled to a concessionary tax rate of 15% for a period of three years. The Company and a subsidiary need to re-apply for the preferential tax treatment when the preferential tax period expires on 10 December 2023.

The income tax charge for the year of RMB23,671,000 (2020: RMB8,265,000) is after deduction of the effect of the super deduction of research expenses.

Other subsidiaries are subject to income tax rate of 25% (2020: 25%) during the reporting period.

The PRC LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax under a two-tiered profits tax rates regime. The first HK\$2 million of profits are taxed at 8.25%, and the remaining profits above HK\$2 million are taxed at 16.5%.

No Hong Kong profits tax has been provided for the years ended 31 December 2021 and 2020 as there was no estimated assessable profit.

## 7. DIVIDENDS

The board of directors do not recommend the payment of final dividend for the year ended 31 December 2021 (2020: Nil).

## 8. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2021	2020
Profit for the year attributable to the owners of the Company for the purpose of earnings per share calculation ( <i>RMB'000</i> )	<b>166,180</b>	210,538
Weighted average number of domestic and H shares in issue	<b>1,233,144,000</b>	1,233,144,000
Basic and diluted earnings per share ( <i>RMB</i> )	<b>0.135</b>	0.171

There was no potential domestic and H shares in issue during the reporting period, the amount of diluted earnings per share is the same as basic earnings per share for both years.

## 9. TRADE AND BILLS RECEIVABLES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Trade receivables, net ( <i>Note</i> )	<b>234,356</b>	253,991
Bills receivable	<b>105,862</b>	47,188
Total	<b>340,218</b>	301,179

Goods sold to customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period generally ranged from 30 days to 90 days, extending up to 180 days for major customers. Each customer has a maximum credit limit.

*Note:*

The ageing analysis of gross trade receivables at the end of reporting period, based on the invoice date, is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
0 to 90 days	<b>219,817</b>	249,803
91 to 180 days	<b>7,457</b>	797
181 to 365 days	<b>2,585</b>	753
Over 1 year	<b>4,497</b>	2,638
Gross trade receivables	<b>234,356</b>	253,991

## 10. TRADE AND BILLS PAYABLES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Trade payables	757,375	908,520
Bills payable	<u>105,938</u>	<u>100,000</u>
	<u><b>863,313</b></u>	<u><b>1,008,520</b></u>

The ageing analysis of trade payables, based on invoice date, as of the end of reporting period is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
0 to 90 days	545,946	715,731
91 to 180 days	14,755	3,345
181 to 365 days	47,259	27,183
Over 1 year	<u>149,415</u>	<u>162,261</u>
	<u><b>757,375</b></u>	<u><b>908,520</b></u>

## MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED ANNUAL RESULTS

The auditing process for the Annual Results 2021 had not been completed as at the date of publication of the Unaudited Results Announcement. Since subsequent adjustments have been made to the unaudited Annual Results 2021 of the Group contained in the Unaudited Results Announcement upon the completion of audit, shareholders and potential investors of the Company are advised to pay attention to certain material differences of certain material account balances between the unaudited Annual Results 2021 of the Group contained in the Unaudited Results Announcement and the audited Annual Results 2021 of the Group in this announcement. Set forth below are principal details and reasons for the material differences in such financial information.

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Audited Annual Results 2021 RMB'000</b>	<b>Unaudited Annual Results 2021 RMB'000</b>	Difference RMB'000	<i>Notes</i>
Cost of sales	(729,287)	(721,710)	(7,577)	
Other income	295,536	289,928	5,608	
Selling and distribution costs	(45,460)	(41,759)	(3,701)	
Administrative expenses	(152,724)	(139,363)	(13,361)	<i>(i)</i>
Other operating expenses	(32,654)	(281,399)	248,745	<i>(ii)</i>
Research and development costs	(228,884)	—	(228,884)	<i>(ii)</i>
Fair value gain/(loss) on investment properties	2,803	9,119	(6,316)	
Fair value gain on transfer of properties held for sale to investment properties	1,202	—	1,202	
Finance costs	(170,621)	(226,712)	56,091	<i>(iii)</i>
Income tax expense	(69,239)	(66,478)	(2,761)	
Surplus on revaluation of land and buildings	24,356	38,924	(14,568)	<i>(iv)</i>
Exchange difference on translating foreign operations	256	222	34	
	<u>256</u>	<u>222</u>	<u>34</u>	

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<b>Audited Annual Results 2021 RMB'000</b>	<b>Unaudited Annual Results 2021 RMB'000</b>	Difference RMB'000	Notes
<b>Non-current assets</b>				
Property, plant and equipment	764,018	787,682	(23,664)	(v)
Investment properties	2,164,623	2,168,950	(4,327)	
Right-of-use assets	69,595	70,316	(721)	
Deferred tax assets	27,202	26,871	331	
<b>Current assets</b>				
Properties under development	845,067	900,507	(55,440)	(vi)
Properties held for sale	1,269,343	1,276,480	(7,137)	
Trade receivables	234,356	234,166	190	
Bills receivable	105,862	108,572	(2,710)	
Other receivables, deposits and prepayments	337,878	305,353	32,525	(vii)
Contract costs	4,346	3,232	1,114	
Amounts due from related parties	3,875	3,877	(2)	
<b>Current liabilities</b>				
Trade payables	757,375	766,295	(8,920)	
Contract liabilities	272,343	182,524	89,819	(viii)
Other payables, accruals and receipts in advance	212,301	403,739	(191,438)	(ix)
Bank borrowings	921,000	816,000	105,000	(x)
Income tax payable	147,359	138,655	8,704	
<b>Non-current liabilities</b>				
Bank borrowings	2,510,990	2,615,990	(105,000)	(x)
Other payables, accruals and receipts in advance	7,122	—	7,122	(ix)
Deferred tax liabilities	394,984	394,625	359	
<b>Capital and reserves</b>				
Reserve	<u>2,866,878</u>	<u>2,832,365</u>	<u>34,513</u>	(xi)

*Notes:*

- (i) The difference in administrative expenses was approximately RMB13.4 million mainly due to reclassification of administrative expenses from other operating expenses.
- (ii) The difference in other operating expenses was approximately RMB248.7 million mainly because research and development costs are reclassified from other operating expenses.
- (iii) The difference in finance costs was approximately RMB56.1 million mainly due to over-accruals.
- (iv) The difference in surplus on revaluation of land and buildings was approximately RMB14.6 million mainly due to adjustment on revaluation.
- (v) The difference in property, plant and equipment was approximately RMB23.7 million mainly due to adjustment on revaluation.
- (vi) The difference in properties under development was approximately RMB55.4 million mainly due to reclassification to other payables, accruals and receipts in advance.
- (vii) The difference in other receivables, deposits and prepayments was approximately RMB32.5 million mainly due to reclassification from trade payables.
- (viii) The difference in contract liabilities was approximately RMB89.8 million mainly due to reclassification from other payables, accruals and receipts in advance.
- (ix) The differences in other payables, accruals and receipts in advance for current portion and non-current portion were approximately RMB191.4 million and RMB7.1 million respectively mainly due to reclassification from/to contract liabilities, properties under development and finance costs.
- (x) The difference in bank borrowings was approximately RMB105 million mainly due to reclassification from non-current liabilities to current liabilities.
- (xi) The difference in reserve was approximately RMB34.5 million mainly due to net increase in profit for the year which arose from the differences as shown in the “Consolidated Statement of Comprehensive Income” under the “Material Differences Between Unaudited and Audited Annual Results” above.

## **SCOPE OF WORK OF MESSRS. BDO LIMITED**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2021 as set out in this further announcement have been agreed by the Company’s auditor, BDO, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with HKSA, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO on this further announcement.

## **THE AUDIT COMMITTEE**

The Company has established an audit committee which comprises three independent non-executive Directors, including Ms. Wu Yan Nan, Ms. Li Qian and Ms. Xu Hai Hong. Ms. Xu Hai Hong is the Chairman of the audit committee. The Audit Committee has reviewed together with the management the accounting principles and policies adopted by the Group, discussed risk management, internal controls and financial reporting matters and the audited annual results of the Group for the year ended 31 December 2021.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT**

This annual results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.evoc.com](http://www.evoc.com). The annual report of the Company for the year ended 31 December 2021 will also be published on the aforesaid websites in due course.

By Order of the Board  
**EVOC Intelligent Technology Company Limited\***  
**Chen Zhi Lie**  
*Chairman*

Shenzhen, the PRC, 27 April 2022

*As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chen Zhi Lie and Mr. Geng Wen Qiang; and three independent non-executive directors, namely Ms. Wu Yan Nan, Ms. Li Qian and Ms. Xu Hai Hong.*

\* *For identification purpose only*