

Dear shareholders, investors, clients, employees and business partners:

This is my fourth report as the Chairman of the Company's board of directors, and my first report as the chairman since the name change of Shougang Concord International Enterprises Company Limited to Shoucheng Holdings Limited ("Shoucheng Holdings").

This report was finished during my time in quarantine in Beijing, under the epidemic prevention and control regulations, in an isolated environment which was beneficial for reflection and writing, providing enough time to summarise the past year. In 2020, the pandemic has caused major changes to the world, which did not hinder us from moving forward with the difficult external environment due to the great support from all the employees and partners of the Company.

During the year, the Company generated HK\$706 million in revenue, representing a year-on-year increase of 78%; and established a leading position of the Company's parking business in the industry, revenue of which reached HK\$481 million, with a year-on-year increase of 172%. There has been a rapid growth and expansion in the scale of contracted parking space, with additions of the Shanghai Pudong International Airport, Qionghai Bo'ao Airport, Beijing Zoo and other iconic parking lot projects. The infrastructure and real estate fund management business is in a relatively leading position in the industry, with a revenue reaching HK\$213 million, which is an increase of 18% from 2019. The Company has steadily scaled up the fund management in infrastructure and real estate sector. At the same time, we are welcoming China's era of infrastructure REITs, and the Company will also seize the opportunity to enter this trillion-level market. Driven by the parking and infrastructure and real estate fund management business, the profit attributable to shareholders was HK\$659 million, representing a year-on-year increase of 49%.

尊敬的首程控股的股東、投資人、客戶、員工和伙伴們：

這是我擔任公司董事會主席的第四份報告，亦是首長國際企業有限公司更名為首程控股有限公司(「首程控股」)後的第一份主席報告。

根據疫情防控的要求，本報告是我在北京隔離期間完成的，封閉的環境有利於思考和寫作，讓我有充足的時間對過去的一年進行總結。2020年，疫情深刻的改變了世界，但得益於公司全體伙伴的努力，艱難的外部環境沒有阻擋我們前進的腳步。

年內，公司實現營業收入港幣7.06億元，同比增長78%；公司停車出行業務的行業領軍地位已經確立，該板塊收入達到港幣4.81億元，同比增長172%。停車位簽約規模迅速擴張，新增上海浦東國際機場停車場、瓊海博鳌機場停車場、北京動物園停車場等代表性項目。基礎設施不動產基金業務在行業中處於相對領先的地位，收入達到港幣2.13億元，相較於2019年增長18%。公司在基礎設施不動產領域的基金管理規模穩步增長，與此同時，我們正迎來中國基礎設施REITs時代，公司也將抓住機遇進入這一萬億級市場。在停車出行業務及基礎設施不動產基金業務的帶動之下，實現股東應佔溢利港幣6.59億元，同比增長49%。

CHAIRMAN'S STATEMENT

主席報告書

Over the last four years, we have firmly focused on executing the strategic reconfigurations of our core businesses. With the full support of our shareholders and the unremitting efforts of the employees, the Company divested the Qinhuangdao steel business, sold the equity interest of Shougang Concord Century Holdings Limited and ceased the iron ore trade by selling the long-term hematite ore sale agreement, and decided to divest the equity interest in Shougang Fushan Resources Group Limited in 2021, resulting in completing the preliminary reconfiguration of the Company's core businesses. With the divestiture and restructuring of assets, the Company's asset structure has overall improved, and the debt ratio has dropped from 115% at its peak to the current at 16%. The business structure of the Company has been fully transformed from a typical periodic business cycle to spanning economic business cycle, with good cashflow, health and a stable operation of the parking and infrastructure and real estate fund management business. Since the injection of the new core businesses in 2017, the Company's huge losses lasting for five years has come to its end, and we have achieved as promised, from 2018 to 2020, a compound annual growth rate of 45% in profit.

Over the past four years, the strategic focus of business has allowed us to enter into a stage of rapid growth. At present, the business structure of Shoucheng Holdings is in line with the strategic direction, the product structure is focused on the market demands, and the income structure reveals the capabilities of the operations. We have discovered the underlying logic of business development and profitable growth. During the year, the parking and infrastructure and real estate fund management revenue accounted for 98% of the total revenue. Our next step is to continue to concentrate on arming our strengths and advantages, and launching aggressively.

四年來，堅定執行主業戰略性重構，讓我們心無旁騖，力出一孔。在股東的傾力支持和團隊的不懈努力下，公司陸續剝離了秦皇島鋼鐵業務，出售了首長實佳集團有限公司股權、出售了鐵礦石長協合同並停止鐵礦石貿易業務，並於2021年決定剝離首鋼福山資源集團有限公司股權，主業戰略性重構已經初步完成。伴隨著資產的剝離和重組，公司的資產結構也全面好轉，負債率由最高峰時的115%，下降到今天的16%。公司的業務結構從典型的週期性行業全面轉型為跨越經濟週期、現金流良好、運營穩定健康的停車出行業務及基礎設施不動產基金業務。自2017年注入新主營業務後，公司持續五年的巨額虧損得以終止，2018–2020年利潤的年均複合增長率達到45%，實現了對股東、員工及合作伙伴的承諾。

四年來，業務的戰略聚焦，讓我們的发展進入快速增長階段。當下，首程控股的業務結構符合戰略方向，產品結構聚焦市場需求，收入結構體現了經營能力。我們已經找到商業發展和盈利性增長的底層邏輯。年內，停車出行業務和基礎設施不動產基金的收入佔比已經達到98%。下一步我們將繼續集中優勢火力，啟動總攻。

In the past four years, our good business growth and dividend income have won us more shareholders' support and greater market recognition. The market value of the Company has grown from the lowest point of HK\$1.8 billion to HK\$14.4 billion (as of 26 March 2021); and the trust and support of strategic shareholders have all contributed to the development of the Company. During the past year, shareholders such as Orix Group, NWS Holdings Limited, Matrix Partners China and Greater Bay Area Homeland Development Fund LP continued to increase their holdings, displaying their confidence in the Company's long-term growth. In March 2020, the Company's shares were included in the Hang Seng Composite Small Cap Index and trade in Shenzhen-Hong Kong Stock Connect, with an average daily stock trading volume in the year reaching 6.61 million shares, representing a year-on-year increase of 70%. In January 2021, the Company conducted a top-up placing, which introduced financial investors for the first time, bringing a better market operation. In order to repay the old and new investors, the Company has paid dividends of HK\$700 million to shareholders in 2020, and in the last three years, we have in total paid dividends of HK\$2.1 billion to shareholders. In the near future, with the increase of the Company's income and the improvement in operation quality, we continue to be firm in implementing long-term and high dividend payout plans, gradually increasing the dividend amounts.

We firmly believe in the strength of China, in the long-term power, and in the power of persistence. Looking back on the strategic restructuring in the past four years, we can see that the strategic direction of the industry is completely correct, and the market strategy and tactics are effective. Optimistic judgement by the previous annual reports at the healthy long term trend of China's economy, China's parking and infrastructure and real estate fund management market has a huge scale, coinciding in the time of changes happening in the industry, in which the market is like an ocean where the business is like a fish, and now the big fish is in big water, so there are unprecedented opportunities for us to become an enterprise of excellence.

四年來，良好的業務增長和分紅收益，讓我們贏得了更多的股東支援和更大的市場認可。公司市值從最低點的港幣18億元成長至港幣144億元（2021年3月26日）。戰略股東的信任和支助，對公司的發展功不可沒，年內歐力士集團、新創建集團有限公司、經緯創投和大灣區共同家園發展基金有限合夥等股東持續增持，體現了對公司長期發展的信心。2020年3月，公司股票被納入恆生綜合小型股指數，進入深港通進行交易，年內日均股票交易量達到661萬股，同比增長70%。2021年1月公司進行了閃電配售，首次引入財務投資人，促進更加良性的市場運行。為回饋新老投資人，公司2020年度實現股息分配港幣7億元，過去三年，我們累計給股東的分紅派息高達港幣21億元。後續隨著公司收益的增長和實際經營品質的提升，我們將繼續堅定執行長期、高額分紅計劃，並逐步提升分紅金額。

我們堅定相信中國的力量，相信長期的力量，相信堅持的力量。回顧四年來的戰略性重構，產業的戰略方向是完全正確的，市場的戰略戰術是行之有效的。正如往年報告中對中國經濟長期向好的趨勢判斷，中國停車出行和基礎設施不動產基金市場規模巨大，又恰逢其時地處在行業變革的過程中。市場像水，企業如魚，當下水大魚大，為我們成為卓越企業提供了歷史性機會。

CHAIRMAN'S STATEMENT

主席報告書

CHAPTER ONE: BORN FOR CHANGE, OUR MISSION AND RESPONSIBILITY

There are always certain changes that are our mission endowed by this era. In reviewing the journey of the last four years of growth, we are fully confident that Shoucheng Holdings will arise in becoming a strong leader in the industry. The question is, what makes a strong industry leader, and how does one become a strong industry leader?

Our Company endeavours to be China's leading company in parking, infrastructure and real estate fund management, and technological services industries. Being a leader means doing the things that bring benefits to the society, and doing the long-term things, which brings long-term values beneficial to the society and will definitely bring about fundamental changes to the industry. Change, in fact, is the mission and responsibility of the industry leader.

To become a strong leader, the core is to raise efficiency of the whole industry through first-class products and services, and actually creating value for the users and society. To be a strong leader, we must have determination, stand firm with the belief of "precise investment + lean operation", have the courage to invest sufficient resources, and have enough patience.

1. Product supply needs change, value creation remains constant

Parking asset management is an "old" large-scaled industry, but now this type of scale is in a scattered status, and there are not many companies with a nationwide scale. One of the important reasons is in the stock interests game, there exists many stereotypes and grey areas. Hence this market was once very strange, on one hand, parking fees seem to make big profits, on the other hand, almost all large and medium-sized cities have a problem with parking difficulties.

第一章：為改變而生，我們的使命與擔當

總有些改變是這個時代賦予我們的使命。回顧四年的發展歷程，我們信心滿滿，首程控股將順勢而起，成為領先行業的強者。問題是，何為領先的強者，如何成為領先的強者？

公司力圖成為中國停車出行與基礎設施不動產領域投資管理與科技服務的領先企業。作為一個領先者要做對社會有價值增值的事、做長期的事，這種為社會創造長期價值的事必將給行業帶來根本性的改變，改變正是領先企業的使命與責任。

首程控股要想成為領先的強者，核心是通過一流的產品和服務，提升整個行業的效率，真正給用戶和社會創造價值。要成為領先的強者，我們必須保持定力，堅持「精準投資+精益經營」的發展理念，敢於投入足夠的資源，能夠保持足夠的耐心。

1、產品供給需要改變，但不變的是價值創造

停車資產經營是一個「古老的」規模性行業，但現在，這種規模是「散小亂」的狀態，全國具備一定規模的企業並不多，其中一個重要原因就是存量利益博弈中，存在著大量的陳規陋習和灰色地帶。所以這個市場一度很奇怪，一方面停車收費似乎很賺錢，另一方面各個大中型城市幾乎都存在停車難的問題。

To this regard, I have raised three questions to the partners of the Company: firstly, whether our work has, in reality, increased the supply of more parking spaces, improved parking space usage efficiencies, and effectively solved problems with parking difficulty, which resulting in providing customers with more and better options; secondly, whether our products are good enough and have vitality to change people's lifestyle that making us often think of and feel excited when we are old; thirdly, will our children, years from now, be proud of our hard work and perseverance in the parking industry at Shoucheng Holdings? On the basis of the discussion of these three questions, what we need to achieve is to give customers the best products, to provide the market with the best solutions, and not to be trapped by the industry's outdated and conventional ways, not to be caught up with immediate interests, meanwhile insisting on creating more and better incremental projects to solve the problem of difficulties in parking and mobilizing the stock by the increments, benefiting others whilst benefiting ourselves. We have decided to persevere in working hard to improve operational efficiency, by insisting on a people-oriented concept and leveraging technological support to fully improve the parking lots usage efficiency, in addition, through a standardisation and scaled mode of operation, by giving users an improved efficient comfortable experience and introducing appropriately diversified value-added services. We are dedicated to create a parking lot with warmth, emotion and culture.

對此，我向公司的伙伴們提出三個問題：一是我們的工作是否真實增加了停車供給、提升了停車位利用效率，有效解決了停車難的問題，從而為客戶提供更多、更好的選擇；二是我們的產品是否足夠優秀，這些產品是否具有生命力，能夠改變人們生活方式，讓我們在垂垂老矣之時還經常想起並為之激動？三是若干年後我們的子女是否為我們從事停車出行產業，在首程控股努力工作、拼搏奮鬥感到驕傲？基於這三個問題的討論，我們要做的是為客戶提供最好的產品，給市場提供最好的解決方案，不身陷於行業的陳規陋習，不糾纏於眼前的利益得失，堅持為社會創造更多、更好的增量項目，解決停車難的問題，並用增量帶動存量，利他而利己。我們決定努力在提升運營效率上下苦功夫，以人為根本，借助科技的力量，全面提升停車場的使用效率，通過標準化、規模化的運營模式向使用者提供高效舒適的服務體驗，適度引入多元化的增值服務，打造有溫度、有情感、有文化的停車場。

Such values and concepts are recognised by more and more customers, and more and more companions are joining us. During the year, in Nanjing, the Company through various ways, such as franchise, PPP, setting up guiding funds, at Nanjing city's Qinhuai District, Jianye District, and Gulou District, simultaneously implemented laying out the urban nodes such as public parking lot and implemented comprehensive traffic management of the area, in which the public parking lot of PPP project that we had partnered together with the Qinghui District was enlisted as a Jiangsu Province trial project.

2. Business model needs optimisation, efficiency improvement remains constant

The Company stands firm with the concept of "precise investment + lean operation", whilst precise investment is not easy and lean operation is even harder; combining the two enables the building of a moat mechanism for the Company's long-term development.

Investment is not as easy as we think. Investment comes from profound understandings, and is a process of conversion from knowing to reality. In the past few years, in the area of equity investment alone, tens of thousands of fund management companies have emerged, although unsure of how many are still operating, I believe that the majority of them are struggling, and many institutions will even become in the end for ultimate investors a baptism. Along with accumulation of capital, resources and talents, investment must be capitalised to the leading companies, and if not being the dominant company, the chances of survival and growth will be very low. We know deep down that the Company's resources base and capability circle require us to stay focused on our individual lanes. We must use the Tianji's horse racing strategy, we must give our hearts into research, be in-depth and detailed in raising the efficiency of resource allocations, and finally head towards being a leading company.

這樣的價值理念得到了越來越多客戶的認可，越來越多的同路人和我們堅定的走到了一起。年內，公司在南京通過特許經營、PPP、設立引導基金等多樣化方式，在南京市秦淮區、建鄴區、鼓樓區同時開展實施公共停車場等城市節點的佈設和片區的綜合交通治理，其中我們與秦淮區合作的公共停車場PPP項目更被列入江蘇省試點項目。

2、商業模型需要優化，不變的是效率提升

公司堅持「精準投資+精益經營」的理念，但精準投資不易，精益經營更難，兩者結合才能構築公司長期發展的護城河。

我們有時會把投資想容易了。投資來自於對事物的深刻認知，是一個認知再變現的過程。單單在股權投資領域全國過去幾年就誕生了幾萬家基金管理公司，雖然不確定還有多少家仍在運行，但相信最終絕大部分公司都將是苦苦掙扎，乃至於相當多的機構會變成對最終投資人的洗禮。伴隨著資本、資源和人才的積聚，投資必然頭部化，不成為頭部企業，生存和發展的概率是很低的。我們深知，公司的資源基礎和能力圈要求我們必須無比專注在個別賽道，我們必須採取田忌賽馬的策略，潛心研究、深耕細作、提升資源配置效率，並最終走向頭部。

Operation is not as simple as we think. Operation is not simply choosing one or two professional managers by matching with a market-oriented system that could achieve business targets. Even more so today, is the era that advanced production capabilities rapidly overtakes outdated production capabilities. Whether choosing a general in an army, or training an army in an organisation, or whether technology, capital, etc. in the type of armoury equipping, these all require in-depth thinking, splitting every valuable piece of work, in accordance with the right rhythm, into the smallest units, into each individual's work habits. In this way there can be a continual increase in operational efficiency, there can be opportunities to stand out amongst the killings in the ruthless market.

"Precise investment + lean operation" is where our biggest feature lies. Just like hunting and farming are complementary, so are mutual support and mutual promotion; and will create much greater long-term value for investors when we persevere in it.

3. Investment environment needs change, principles remains constant

There is nothing permanent except change, and we react to unlimited changes by sticking to a fundamental principle. Behind the "precise investment + lean operation" business model is our "low frequency, large amounts, no empowerment no investment" principle.

我們有時也把經營想簡單了。經營不是簡單選上一至兩個職業經理人，配上市場化的機制就能達成目標。今天更是先進生產力迅速打掉落後生產力的時代。無論從選將、練兵等組織反覆迭代，還是科技、資本等武器裝備，都需要深度思考，把每一項有價值的工作，按照正確的節奏，拆分到最小單元，並成為公司每一個伙伴的工作習慣，才能持續提升運營效率，才有機會在殘酷的市場競爭中脫穎而出。

「精準投資+精益經營」是我們最大的特點所在，如打獵和耕田，相互補充，相互依靠，相互促進，久久為功，才能為投資人創造更大的長期價值。

3、投資環境需要應變，不變的是堅守原則

這個世界唯一不變的是變化，以不變應萬變，不變的就是我們的原則。「精準投資+精益經營」的商業模式背後是我們「低頻、大額、不賦能不投資」的原則。

CHAIRMAN'S STATEMENT 主席報告書

Investment is a job with very high challenge and puts human nature to the test. Hidden with imaginative predictions of future returns, filled with unlimited possibilities, it is easy for people to be lost in it and hence the investment reports usually only focus on the potential opportunities, while indifferent or even ignoring the risks involved, and after an investment is made, it lets luck decide on the win or loss. In this way, the chance of success is very low, and even if there is a success, the sustainability is questionable. Only by grabbing onto the inherent logic of industry evolution, understanding the changes caused by innovative technology, and increasing chances of catching hot projects, the real opportunity will become visible. Only when better industries and excellent enterprises are found and the most amount of investment funds is placed, making a large-scaled saturated investment, will there be a greater chance of making profit. At the same time, only together with the invested team and with the strategic patience to stay planted in the industry, to jointly lift the long-term production value of the operation capability, there will be continuous profit opportunities.

Those who are content and don't put up a fight, they win well without fighting. Many opportunities may be missed with this type of strategy, however, we fight a dull battle, putting in honest hard work to build a stronghold. We are not that clever, and many things are not as far-sighted as fire or wind, but the long-term accumulation of subdivisions of the industry allow us to do enough thinking. Even if at the investment stage in some areas we have not thought through clearly, enhancements can be made after in the post investment management phase. This is the investment and business operations relationship of mutual internal correlation, and we are simultaneously having two perspectives, fulfilling two types of practices, equipped with two types of abilities to properly invest in and empower good businesses.

投資是一項極具冒險性和考驗人性的工作，蘊藏著充滿想像力的未來預期收益，充滿著無限的可能性，很容易讓人迷失，投資報告裡通常只盯著潛在的機會，而淡漠乃至忽略了風險，投完之後把輸贏交給了運氣。如此，成功的概率是很低的，即便成功，可持續性也存疑。我們只有抓住了產業演進的內在邏輯，理解了技術創新引發的變革，提升捕獲爆款項目的概率，才能看到真正的機會，只有找到優勢行業和卓越企業，把最多的資金配置上去，做好大規模的飽和投入，盈的概率才會更大。同時，我們只有和擁有戰略耐心的被投團隊一起深耕產業，共同提升長期創造價值的經營能力，盈的機會才會源源不斷。

居下不爭，不爭而善勝。採取這樣的策略可能會錯失很多機會。但我們就是在如此認真的結硬寨、打呆仗。我們沒那麼聰明，很多東西也未必那麼有遠見並足夠如風如火，但長期的細分行業積累讓我們可以更加從容的思考，即便投資階段沒想清楚的地方，也會在躬身入局的投後管理中得到完善，這就是投資和經營相互促進的內生關係，我們同時擁有兩種視角，豐富兩種實踐，具備兩種能力，認認真真投出好企業，賦能出好企業。

During the year, the invested enterprises Beijing Bayi Space LCD Technology Co., Ltd. (“**Bayi Space**”, SH.688181), Li Auto Inc. (Li), etc. went to the capital market, and the three equity investment funds managed by the Company had total fund yields of 42%, 132%, and 21%, with cash return rates of 45%, 442%, and 105% respectively. The Company equity investment business is expected to bring excess returns. I would like to sincerely thank the founders and teams of the invested enterprises, as they are truly great value creators!

We choose the toughest way, but we believe that this is also the correct way. In response to competition, it is of utmost importance to survive, surviving means having a chance to be the strongest leader, and all the work revolves around how to create value. The cohesion and synergy of precise investment and lean operation is the core competitiveness of the Company, just as Sun Tzu's concept of using soldiers to fight together then winning by innovation, those that are conventional and unconventional will switch roles with one another in turn in time and place, and will achieve outstanding growth and outcome.

年內，隨著八億時空、理想汽車等被投資企業走向資本市場，公司管理的三隻股權投資基金的全基金收益率分別是年化42%、132%、21%，現金回流率分別是45%、442%、105%。公司股權投資業務預計將帶來可觀的超額收益。要由衷感謝被投資企業的創始人和團隊，他們是真正偉大的價值創造者！

我們主動選擇了最難的路，但我們認為這也是一條正確的路。應對競爭，最重要的是活下去，活下去就有機會成為領先的強者，一切工作需要圍繞如何創造價值展開。精準投資與精益經營的融合與協同是公司的核心競爭能力，正如孫子兵法中的正合奇勝，正奇之間也會因時因地相互轉換，以圖卓越長青。

CHAPTER TWO: BORN FOR INNOVATION, OUR PRODUCTS AND SERVICES

第二章：為創新而生，我們的產品和業務

Products must win over customers. The positions of our products shall face the future, hence continuous product improvements are necessary and the speed to marketing and promotion needs to accelerate.

贏得客戶的必將是產品。我們產品的定位要面向未來，產品的打磨要日精日進，產品的推廣要倍道而行。

1. Parking products evolve continuously

City level products are the point of entry in speedily occupying the parking market in regional core cities and surrounding satellite cities. The focus is placed on the city's concentrated core areas to create a network of urban travel nodes.

Parking lots as city node links between cities, serving online connects, and face the future. From a city point of view, it is where dynamic and static traffic points meet, information and data flows are generated and merged into one another. From an online connect point of view, it is where online virtualization with offline reality meets, where online businesses are grounded and offline business are upgraded to clouds. From a future point of view, it is where the new changes to transport modes meet old fixed modes of transport, where today's "one dimensional and two-dimensional parking lot" will be changed into "three-dimensional and four-dimensional city node", turning into the best place to carry out the transport industry's new services, new energy, new technology, new consumptions, and new infrastructure.

1、停車產品在持續進化

我們以城市級產品為切入點，迅速佔領區域核心城市與周邊衛星城市的停車市場，在城市內聚焦核心區域打造網路化的城市出行節點。

停車場作為連結城市、承接線上、面向未來的城市節點，從城市的角度，它是動態交通與靜態交通的結合點，信息流、數據流在這裡產生並互相轉化；從線上看，它是線上虛擬和線下現實的結合點，線上業務在這裡兩滴落地，線下業務上雲端昇華；從未來看，它是新的變革的交通出行方式與舊的固化的交通出行模式的結合點，今天的「一維二維平面停車場」，將變身為「三維四維立體城市節點」，成為承接出行交通產業新服務、新能源、新科技、新消費、新基建的最佳場所。

Since the Company entered into the parking industry, it has always been acknowledging parking spaces as an important node of urban city travel. We uphold the principle of “key cities, core locations, quality parking spaces”, and in key urban regions, we continue to steadily dig deep and keep on promoting the municipal parking products, bringing commercial parking products and roadside parking products to the ground, constructing a regional grade static all-in-one integrated traffic combined service network.

The Company is not blindly planning in entering a new city as we strongly believe that only in a centralised area can the service density be strong, service locations become more, and this is how we can truly create a parking lot that can face the future. We insist on investing in technology, and begin with improvements in operational efficiency, we have the courage to be the first with technological investments to lead the industry in development.

2. Market expansion is in acceleration

The perfecting of the products and the maturing of the team has brought about an increased efficiency in expansion.

Some parts of this asset were greatly impacted by the epidemic. However, the temporary difficulties did not suspend our innovative footsteps, instead making us improve operational efficiency, seek change and innovate under pressure. Acquiring long-term operation rights can ensure transportation hub project operations will go through the tough times and silently wait for flowers to bloom, while improving the operation team's ability will bring us more seasons of spring in our garden of projects.

自進入停車出行產業以來，我們一直將停車空間視作城市出行的重要節點，秉持「重點城市、核心位置、優質車位」的原則，在重點城市區域不斷做實打深，持續推廣市政配套類停車產品、商業類停車產品和路側類停車產品的落地，構建區域級的一體化靜態交通綜合服務網路。

公司沒有盲目佈局和進入新城市，我們深信只有在一個集中區域內把服務密度做強，服務場景做多，才可以真正打造出面向未來的停車場。我們堅持科技投入，以提升運營效率為出發點，以敢為人先的科技投入引領行業發展。

2、市場拓展在加快速度

產品的完善和團隊的成熟帶來了拓展效率的提升。年內，公司在交通樞紐類項目的領先地位進一步夯實，合計新增交通樞紐停車位7,000個。

這部分資產儘管受到疫情巨大衝擊，但暫時的困難不但沒有阻止我們創新的步伐，更促使我們在壓力下創新求變，提升運行效率。長期經營權的獲取確保交通樞紐項目在經營面上穿越低谷、靜待花開，而運營團隊的能力提升將使我們在更多項目上迎來春色滿園。

CHAIRMAN'S STATEMENT 主席報告書

In addition, we have obtained the parking spaces management rights of Shanghai Pudong International Airport P1 and P2 parking lots, Qionghai Bo'ao Airport parking lots, echoing with Beijing Daxing International Airport, Beijing Capital International Airport, forming a chain type operation covering nationwide six-airport parking facilities.

During the year, the Company further solidified the leading position in the transport hub project, with a total of 7,000 new transport hub parking spaces added. Among them, the high-speed railway station parking lot continued to exert its strength. On the basis of having the right to operate the parking lot of Beijing and Tangshan stations, we also obtained all the parking space operation rights of the three high-speed railway stations in Beijing and Chengdu during the year. The high-speed railway stations are usually close to the centre of the city, where population is dense and the combined surrounding environment is complicated, hence made immediate impacts on the surrounding traffic. The Company is recognised by customers with positive feedback on solving the issues related to parking lot traffic flow and in bearing a high volume turnover rate.

During the year, new BOT projects were fully accelerated. After stepping on many trenches, and accumulating a considerable amount of experience, we have a better understanding of the new BOT projects. In China's large and medium size cities, there exists a great shortage of car parking spaces, especially in the older areas of the large cities, which aggravates the conditions of traffic congestion of large cities, and through the building of parking complexes.

此外，我們還獲取了上海浦東國際機場P1和P2停車場以及瓊海博鰲機場停車場的運營權，與北京大興國際機場、北京首都國際機場遙相呼應，形成了涵蓋全國6個機場停車設施的連鎖型經營規模。

其中，高鐵站停車場持續發力，在已擁有北京站和唐山站停車場運營權基礎上，年內又一舉獲得了北京和成都三座高鐵站的全部停車位運營權。高鐵站通常靠近城市中心，人群密集，綜合環境複雜，對周邊交通的瞬時衝擊較為明顯，公司在解決進出停車場的通暢性和承載高周轉率方面的能力，得到了客戶的廣泛認可。

年內新建BOT類項目全面加速。在踩了很多坑，積累了相當的經驗以後，我們對於新建BOT項目的理解更為深刻。車位供給在中國大中型城市，尤其在大城市的老舊區域，存在大量的缺口。這些缺口加劇了大型城市交通的擁堵。

The Company helps to provide the cities additional parking spaces, reforming structurally on the side, providing the city's static traffic supply. Single standalone parking building is at the same time an open building, and the building is an important urban node that can provide more than parking, including convenient services for the local public, for example, at the start of the design of our newly built BOT parking building, we reserved space for different types of parking scenario choices, such as suitable for providing a solution to electric charging services, which can extend easily with the parking management to make charging service available for new energy vehicles.

During the year, we began construction projects in Beijing-Tianjin-Hebei Area, the southeast region, and Chengdu Chongqing region. 3,000 parking spaces have been put into operation with a building area of 151.7 thousand square meters, and a total of 10 construction projects are in construction; and it is estimated that in 2021, there will be 50 construction projects with a construction area of 758.5 thousand square meters. The new BOT projects can gather advantages on all fronts, helping the cities to alleviate parking problems, improving the urban space environments, making better the efficiency of transport operations, and also form a wholistic closed loop of investment, finance, management and withdrawal, reducing financial pressure. This is the Company's key focus of future work.

公司通過建設停車綜合體，幫助城市增加車位供給，實現城市靜態交通的供給側結構性改革。同時，單體停車樓作為開放的建築空間體，又是重要的城市節點，可以為市民提供除停車以外的各類便民服務，例如我們的新建BOT停車樓在設計之初，就為不同類型停車場景預留了選擇適合的充電服務解決方案的空間，可以將停車管理順利延伸至新能源車充電服務。

年內，我們在京津冀區域、東南區域和成渝區域合計開工建設項目10個，投入運營3,000個停車位，建築面積達15.17萬平方米；預計2021年開工建設項目達50個，建築面積達75.85萬平方米。新建BOT類項目能聚合各方的優勢，幫助城市緩解停車難的問題，在改善城市空間環境、提升交通運行效率的同時，也能形成完整的投融管退閉環，減少財政的壓力。這將是未來公司工作的重點。

CHAIRMAN'S STATEMENT

主席報告書

During the year, we rapidly developed urban roadside parking spaces with 18,800 new spaces. Roadside products are an important way to establish “from one point to an area” and “combine inside and outside” avenues. With roadside products, the urban node parking buildings become static traffic city service networks, the “base stations” in urban city traffic service networks, unifying the management of both inside and outside parking spaces, and forming a longitude and latitude of an urban city traffic service network that further strengthens the service capacity and expansion of the service radius.

Our team's market development ability continues rising towards maturity, however, this speed of improvement is still not fast enough. In the next three years, the Company will reach the yearly expansion target of 150,000 parking spaces. To this end, during the year, four regional companies were established in Beijing-Tianjin-Hebei Area, Chengdu-Chongqing Area, Southeast region and the Greater Bay Area to meet the needs of regionalising the layout of parking business. We study the establishment of the battle systems to ensure the regional team's operation, and decentralise the decision making process according to the implementation of the regional business and the regional team's maturity level, so that those who can hear the gunfire can call for gunfire and direct the battle from the ground, which ensures flexibility and mobility in landing the business regionally.

年內，我們迅速開拓城市路側停車位，年度內新增路側停車位18,800個。路側類停車產品是實現「由點及面」以及「內外結合」的重要途徑，通過路側類停車產品將城市節點停車樓納入靜態交通城市服務網路，成為城市交通服務網路中的「基站」，將路側內外的車位納入統一管理，形成一個城市交通服務網路的經緯線，進一步強化服務能力和擴大服務半徑。

團隊的市場拓展能力不斷提升，正在走向成熟，但是，速度還不夠快。未來三年，公司要達到每年拓展15萬個車位的目標。為此，年內成立京津冀、成渝、東南、大灣區四個區域公司，以滿足停車業務區域化佈局的要求。我們將深度研究和建立保障區域團隊運作的作戰體系，根據區域事業的落地情況和區域團隊的成熟程度，將決策權逐級下放，讓聽得見炮聲的人來呼喚炮火、指揮戰鬥，以保證業務落地過程的靈活性和機動性。

3. Business collaboration value is visible

Shoucheng Holdings has already made parking, and infrastructure and real estate fund management its core businesses. Our parking business is mainly long-term operating rights, new BOT projects and property rights holding projects, having high demand and low operational cost characteristics. The long-term stable leases bring in steady cash flow, and this is considered as very high quality infrastructure and real estate. At the same time, in the field of infrastructure and real estate fund management, we use the "fund + base + industry" model, using the fund investment to send out industrial resources and effectively increase the asset values.

Our main business is naturally synergistic with each other. On one hand, through infrastructure and real estate fund business, more high level strategic partnerships are built, consolidating our partners' parking resources and bringing collaborations, effective in bringing about growth to the parking business development. On the other hand, through the infrastructure and real estate fund, there is an accumulated resource pool of customer experiences, thereby parking assets can be effectively changed from heavy to light, to support for further expansion of parking business. The Company established a parking lot fund during the year, expecting a subsequent setup for parking fund to bring about new growth profit points for the Company.

In the future, our infrastructure and real estate fund business will welcome a new dividend policy, along with the nation's pilot work in infrastructure and real estate investment trust fund (REITs). Good quality infrastructure assets in parking, the urban city renewal, together with our ability in the fund management field, being in line with national policy orientation, the regional layout of the existing good quality assets is also highly consistent with the key areas of policy focus which indicates promising prospects.

3、業務協同已顯現價值

首程控股已經形成了以停車出行和基礎設施不動產基金管理為核心的主營業務。我們的停車出行業務大都是長期經營權、新建BOT和產權持有項目，具有高需求量、低運營成本的特點，長期穩定的租約帶來穩定的現金流，屬於極為優質的基礎設施資產。與此同時，我們在基礎設施不動產基金管理領域，採取「基金+基地+產業」的模式，以基金投資輻射產業資源，有效提升資產的價值。

我們主業的發展模式，具有天然的業務協同關係。一方面，通過基礎設施不動產基金業務，構建更多高層的戰略合作伙伴關係，從而實現合作伙伴間停車資源的整合和合作，有效的促進停車出行業務的業務拓展；另一方面，通過基礎設施不動產基金所積累的經驗和客戶資源，可以有效的將停車資產由重變輕，為進一步拓展停車出行業務提供支撐。年內公司已經設立了一支停車基金，預計後續停車基金的設立也將為公司帶來新的利潤增長點。

未來，我們的基礎設施不動產基金業務又將迎來新的政策紅利，隨著國家關於基礎設施領域不動產投資信託基金（REITs）試點相關工作的推進，我們在停車出行、城市更新等基礎設施領域優質資產，配合我們在基金管理領域的能力，迎著國家政策導向的東風，現有優質資產的區域佈局與政策聚焦的重點區域的高度吻合，都讓我們在這一領域的前景可期。

CHAIRMAN'S STATEMENT

主席報告書

During the year, the infrastructure and real estate fund management business focused on the quality of its building ability and on product refinement, whilst upholding the “precise investment + lean operation” belief, and turned fund management to asset management. Three urban renewal projects were managed by the Company and three special funds were set up respectively. We honoured the policy of customer first, and started with the end in mind, we developed project positioning, architectural designs, and civil construction work, based on the customer needs. Judging by the current project progress, it is expected that we will be bringing reasonable good profits for the fund investors.

Beijing's Chang'an Street “Chang'an Mills” project will start business operation at the end of 2021, the total construction area is 224 thousand square meters. As of February 28, the rate of contracts signed is over 29%. “Chang'an Mills” is different to the traditional “big box” commercial with office building structure. 23 individual buildings spread out around the landscapes of West Beijing, amongst which, Shanghai NEOBIO Enterprise Management Co., Ltd. (“NEOBIO”), a one stop brand for growing families, catering specially to children, providing fun international family experiences, will open its first super flagship store in Beijing at the “Chang'an Mills”. A leader of the China's catering industry, namely Yum China will also build their first concept fusion store in “Chang'an Mills”.

The construction area of Shouying International Center on Chang'an Street is 388 thousand square meters, which is located on the Chang'an's golden axis to boost finance and capital, web and technology, and upgrade the manufacturing industry, which demonstrates a new benchmark for innovative integration.

年內，基礎設施不動產基金業務專注於能力的建設和產品的打磨，秉持「精準投資+精益經營」的理念，實現了由基金管理向資產管理的轉變。三個在管城市更新項目由公司擔任管理人，分別搭建了三支專項基金，我們堅持客戶第一、以始為終，以終端客戶的需求開展項目定位、建築設計、土木施工，從目前項目的進展情況看，預計將為基金投資人帶來較好收益。

北京西長安街「六工匯」項目將於2021年底開業運營，項目總建築面積22.4萬平方米，截至2月28日，簽約率已經超過29%，「六工匯」不同於傳統「大盒子」商寫業態，23棟獨棟小樓分佈在美妙的京西山水之間，其中，上海奈爾寶企業管理有限公司(「NEOBIO」)作為專為兒童提供國際化體驗式親子玩樂的一站式家庭成長品牌，將在「六工匯」開啟其北京首家超級旗艦店，百勝中國作為中國餐飲領軍者，也將在「六工匯」打造中國首家概念融合店。

長安街首鷹國際中心項目建築面積達38.8萬平方米，定位於長安金軸上，促進金融資本、互聯網科技和製造業升級三方面融合創新的示範標杆。

The construction area of the new Shougang International Talent Community project is 200 thousand square meters and is positioned with focus on the digital entertainment industry, via co-empowerment of art, technology and IP, building West Beijing a traffic flowing landmark.

These three projects will take the Company on a qualitative leap in asset management of office buildings and commercial complexes.

Furthermore, the Company's joint venture Vstartup completed round B of investment this year, with a valuation of almost HK\$1 billion, in comparison to the Company's founding of Vstartup, there is a substantial valuation increase. The main business of Vstartup is property management operation, including apartments, office buildings and other commercial buildings, with an operation area covering over 500,000 square meters in Beijing. Vstartup has served customers including Bytedance, Industrial and Commercial Bank of China, New Oriental, TAL Education Group and many other well-known companies. In creating better return on investment for the Company, Vstartup also established an operation team for parking service in smart communities and Hutongs, and infrastructure and real estate fund project, contributing to the Company's main business development.

長安街新首鋼國際人才社區項目建築面積20萬平方米，定位於聚焦數位娛樂產業，通過藝術、科技與IP共同賦能，打造京西城市流量新地標。

這三個項目也將使公司在寫字樓及商業綜合體資產管理方面產生質的飛躍。

此外，公司旗下附屬企業創業公社年內完成B輪投資，估值近港幣10億元，相較公司創辦創業公社時有大幅度的估值增長。創業公社主營業務以物業運營為主，涵蓋公寓、辦公樓等業態，北京地區運營面積超過50萬平方米，已服務客戶包括字節跳動、中國工商銀行、新東方、好未來等眾多知名企業。創業公社在為公司創造較好投資收益的情況下，還設立了專注於智慧社區及胡同的停車服務企業和服務於基礎設施不動產基金持有項目的運營團隊，為公司主營業務發展貢獻了力量。

CHAPTER THREE: BORN FOR EXCELLENCE, OUR OPERATION AND TECHNOLOGY

I believe an excellent operation system is built on three essential elements, these are product, operation, and technological strength. In this past year, our products are continuously evolving, as at present and in the future, continuous improvements of operational capabilities and technological strengths are critical to staying competitive.

1. Operational Optimisation

Parking spaces are the basics of a mobile vehicle's essential supporting facility, in the same way that railway transits need stations, planes need airports, and steamships need harbours. As cars move with a high degree of freedom and personalised trips, thus, the last three types of movement distribution is a point or line trip type, different from the parking spaces, which in the city must be mapped out as net shaped distribution and ensure sufficient density.

Parking spaces serve cars and drivers and the number of car drivers is similar to the number of middle-income population in China. This customer group has characteristics of an eagerness to travel by car, and highly valuing time. At the same time in Chinese cities, there is coexisting dilemma of serious insufficiencies of parking space supply and a low usage rate of existing parking spaces. The Company upholds the principle of "precise investment + lean operation", and returns to the origin of the parking space, taking account of many years of hard work and exploration by our team to establish the concept of modern parking management in China:

第三章： 為卓越而生，我們的運 營與科技

卓越的運營體系建構在三個要素之上，分別是產品、運營與科技力量。過去一年，我們的產品在不斷進化，當下和未來不斷提升運營能力和科技力量是贏得競爭的關鍵。

1、 運營優化

停車位本質上是汽車出行必需的配套設施，其意義類似於車站之於軌道交通，機場之於飛機，港口之於輪船。因汽車出行的個性化和高自由度，與後三者呈點、線式分佈不同，城市裡停車位的部署在呈網狀分佈的同時，還需確保足夠的密度。

停車位是服務於汽車和駕駛人的，汽車駕駛人的數量與中國中等收入人群高度重合。該客群具有汽車出行意願強、時間價值高等特徵。同時，目前中國城市存在停車位總體供給嚴重不足與存量車位使用率低下並存的兩難境地。公司堅持「精準投資+精益經營」的原則，回歸停車位的出行本源，經過團隊多年的艱苦探索，樹立了中國現代停車經營理念：

i) Awaken vitality of parking assets, conversion from extensive property facilities management towards professional asset management.

A majority of the parking lots in the market service mainly tenants and owners of the building on the ground, caring less about surrounding static traffic or potential customers, meanwhile the parking lots management personnels and owners of the parking lots use a short-term rewards based cooperation model, which is the reason why currently cities in China do not have over 20% of usage of parking spaces. We have established a long-term business collaboration model with owners, fully utilising the enthusiasm of the parking lot managers, putting additional traffic planning in place, marketing and managing the relationship of the public and government, and on the premise of ensuring the customers in the main building receive quality service, better the surrounding traffic signage, increase the surrounding dynamic and static traffic management and marketing efforts to customers, in order to provide service to more drivers and cars, and design diversified parking operation products according to the surrounding profiles of customers.

(1) 喚醒停車資產活力，從粗放物業設施管理向專業資產經營轉變。

市場上大部分停車場主要服務於地面建築裡的租戶和業主，對主體建築周邊靜態交通和潛在客戶缺乏重視，同時車場管理者與業主採用的是短期酬金合作模式，以上因素導致目前中國城市裡存量車位利用率不足20%。針對市場現在的問題，我們與業主建立利益綁定的長期合作模式，並充分發揮場庫經理的積極性，加強交通規劃、市場行銷以及政府公共關係管理，在保證主體建築客戶停車服務品質的前提下，完善周邊道路交通引導標識，加大周邊動靜態交通治理和客戶行銷力度，為更多的車主提供便利服務，並根據周邊客戶畫像設計多元停車運營產品。

ii) Leverage parking price and provide diversified products ranging from single hourly rent and monthly rent to flexible pricing.

Parking service products are similar to airline seating service and hotel room service, these belong to “perishable goods” in terms of economics, as when these goods are unsold within a specified period of time, their value will return to zero. In 2020, the Company increased research and reforming efforts for the parking price system, trialing flexible price of diversified products in several projects, increasing parking pricing combinations on parking lots with low usage rate of parking spaces, promoting efficiency in parking lot usage and increase in total revenues. In 2021, the Company, on the basis of successful experiences, plans to further develop the flexible pricing system, decentralise the power of price setting and operation product design to regional offices or parking lot managers, together with a comprehensive project assessment and incentivised system, in an endeavour to take another step up on the Company's parking lot utilisation and total revenue.

*(2) 發揮停車價格槓杆，提供從單一
時租、月租定價到靈活定價的多
樣化產品。*

停車服務產品與航空公司的座位服務以及酒店的客房服務類似，屬於經濟學上的「易腐爛商品」，如果在特定時間段沒有賣出，則價值歸零。2020年公司加大對停車服務產品定價機制的研究和改革力度，在若干項目上試點靈活多樣的定價產品，在泊位利用率低的車場推出停車定價組合產品，使旗下相關車場的泊位利用率和總收入均有不同比例的提升。2021年公司將在總結成功經驗的基礎上，進一步推廣靈活定價機制，並將運營產品的設計和定價權力進一步下放到區域公司或場庫經理，配套完善的項目考核和激勵機制，爭取進一步提高公司各車場的泊位利用率和總收入。

2. Technological empowerment

Due to traditional parking operations in the past being based on single parking lot and short-term cost-oriented contracts, the current parking management systems mostly cannot fulfil the modern parking management needs. Hence, the Company developed the "SONIC" parking management system, and in 2020 implemented it across the board and it was obvious that the operational efficiency rose. The Company's research and development ability kept improving throughout the development of the "SONIC" system, and the Company's subsidiaries have gained access to the qualification of new high tech enterprises, and the technological product systems continue to be enhanced, basically completing the development work of system platform with various application scenes and our own intellectual property rights. Presently, the digital parking system has solved problems of entering and exiting parking lots, search for car and parking fees "leaking" problems, effectively relieving the main pain point for drivers currently, which is how easy it is to find a parking lot with available parking spaces, and whether the parking lots can provide more enjoyable and convenient travel services.

2、科技賦能

由於傳統的停車運營往往是基於單個車場且為成本導向的短期合約模式，市面現存大部分停車管理系統無法滿足現代停車經營的要求。為此，公司自行研發「速驛客」停車經營管理系統，並在2020年實現了在管車場的全面部署，運營效率得到顯著提升。公司科技研發能力在「速驛客」系統開發過程中不斷提升，旗下附屬公司已獲得高新技術企業資質，科技產品體系不斷完善，基本完成了自有智慧財產權的全場景系統平臺開發工作。目前，數位化停車管理已經解決了進出場、尋車以及「跑冒滴漏」問題，有效緩解了當下困擾駕駛人的主要痛點—如何便捷地找到有車位的停車場，同時在停車場裡享受更多的出行便利服務。

CHAIRMAN'S STATEMENT

主席報告書

We are not satisfied with the intelligent management mode at the parking lot level. In 2021, the Company will increase the scientific and technological research and development of online operation products, fully explore the “parking space level” intelligent management mode, strive to disassemble the operational work to the smallest unit and settle it into the operation system, continue to increase investment in technological research and development, implant advanced technologies such as A.I. vision, geomagnetism, VR navigation to create a digital smart parking lot model room. In facing the future, the automatic parking function needs automatic driving system to interact in real-time with the carpark's physical data to complete the parking, payment, and departure, etc. of vehicle movements. In the future, empowerment of technology is an emphasis of the Company to integrate technical means to achieve online and offline interactions, deliver a personalised parking product, to keep improving the operation and management efficiency and customer experience, forming a diversified business system around the parking settings.

Our experience accumulated in various parking scenes supports the intelligent traffic system from the bottom up and the intelligent traffic system covers all the situations, which is a complementary top down system. The positioning of science and technology sector in the Company's operation is to actively promote the improvement of operation efficiency and provide technical support for innovation and value-added through comprehensive science and technology empowerment. The “SONIC” system will be built into a first-class combined parking management platform in China, focused around the actual demands and future trends of the parking settings, providing an industry-leading digital solution for static traffic, assisting Shoucheng Holdings to become a leading enterprise in China's parking industry.

我們不滿足於車場級的智慧化管理模式，公司將在2021加大線上運營產品的科技研發力度，全面探索更細化的「車位級」智慧管理模式，努力將運營工作拆解至最小單元並沉澱到運營系統中，持續增加科技研發投入，植入AI視覺、地磁和VR導航等先進技術，打造數位智慧停車場樣板間。面向未來，自動泊車功能要求自動駕駛系統與停車運營方的車場物理資料進行實時交互，以完成車輛的停放、付費、離場等動作。未來，科技賦能的重心是結合技術手段實現線上線下互動，推出個性化停車產品，不斷提升運營管理效率和客戶體驗，圍繞停車場景形成多元化業務體系。

我們於停車場景的積澱，自下而上支撐智慧交通系統，與智慧城市自上而下的全域性覆蓋相得益彰。科技板塊在公司運營中的定位是通過全面科技賦能，積極促進運營效率提升，為創新增值提供技術支援；圍繞停車場景的現實需求和未來趨勢，將「速驛客」系統打造成為國內一流的停車綜合管理平臺，提供業界領先的靜態交通數位化解決方案，助力首程控股成為中國停車行業的龍頭企業。

CHAPTER FOUR: BORN FOR THE EVERLASTING, OUR ORGANIZATION AND CULTURE

Once the strategy and the route is confirmed, the team becomes a critical decision-making factor. An excellent team is necessary no matter how great the strategy is, and our organization and culture is the soil in which we continue to attract and cultivate high-quality talents.

“Precise investment + lean operation” are the competitiveness of the Company, but the biggest difficulty in combining the two lies in building the organization. Precise investment is based on a number of investment assumptions, however the core of the value predictions is the leadership team of the invested enterprise, if this team is much more excellent than getting full scores, then even if faced with many challenges, they are able to overcome them easily. Moreover, lean operation requires many partners to put in effort together, at a certain point in time some of the partners might score above 100 points, some of them are scoring at 90 or 80 points, or even below 60 points. How to provide a bigger platform for outstanding talents, to help the partners scoring at 80 or 90 points to become more outstanding, and help the partners with lower scores reduce the rate of falling behind, is a challenge to organisation construction, and also the charm of the organisation.

In the past few years, along with the transformation of the strategies and expansion of business scale, currently the number of directly managed employees is 458, with a year on year increase of 23.1%; and 1,481 outsourcing employees serving the Company through outsourced work, with a year on year increase of 28.4%. We hope the Company is a warm and evolving business community, in which the integration of employees’ growth with the Company’s developments complement each other. We believe that the resonance of the mission of the business and the recognition of the core values can help the team to achieve the same desire from top to bottom, and to be the firm fellow companions and partners in the business.

第四章： 為長青而生，我們的組織與文化

戰略和路線確定了，團隊就成了決定因素。再好的戰略也需要優秀的團隊才能得以實現，組織和文化是我們持續吸引和培養優秀人才的沃土。

「精準投資+精益經營」是公司的競爭力。但兩者結合，最大的難點在於組織建設。精準投資基於若干假設得出投資判斷，但價值判斷的核心是被投資企業的領導團隊，如果這個團隊是120分的，即便遇到再多的困難，也能迎刃而解。而精益經營需要很多伙伴一起努力，在某一時刻伙伴們可能有100分以上的，也有90、80分的，甚至有60分以下的。如何為優秀的人才提供更大的舞臺，讓80、90分的伙伴能夠變為卓越，讓低分數的同事減少掉隊比率，是對組織建設的挑戰，也是組織的魅力所在。

過去幾年，隨著戰略轉型和業務規模膨脹，當前，公司直接管理員工達458名，同比增長23.1%；通過勞務外包形式為公司服務的員工達1,481名，同比增長28.4%。我們希望公司是一個由員工構成的有溫度、持續進化的事業共同體，企業發展與個人成長相輔相成。我們相信對於事業使命感的共鳴，對核心價值觀的認可，能夠幫助團隊實現上下同欲、左右同心，成為堅定的事業同路人和合夥人。

CHAIRMAN'S STATEMENT

主席報告書

To this end, we try to build up a highly efficient, vigorous, enterprising through a flat organisation, operating with simplified rules, professional collaboration of a "Yuanyang Array" team, and matching the incentive mechanism for both individual and the enterprise to achieve a win-win situation. A group of employees with a common mission and vision gather to ensure the implementation of strategies and business results. However, we are also clearly aware that the sense of mission and cultural recognition requires to be run-in and precipitated. There is still a lot of room for improvement and optimization of organizational management capabilities, we will continue to endeavour to build organisation structure, operational system, benefit sharing, talent training and consensus of values.

1. Optimisation of organisational governance and structure

In meeting with the needs of the business development, the Company entered the stage where headquarters operates for strategic management. The annual business plan and annual budget was promoted to a five-year business target – 3-year business plan – 1-year business plan (a 5-3-1 budget system), as the set foundation for growing the Company's business in continuity. We are trying to reach a clear hierarchical structure with strategic management, daily business management and front-end business performing their duties; a closed loop management so that the strategies and plans run throughout the budget management system, and performance indicators can effectively identify key results, long-term value can be rewarded.

為此，我們嘗試通過構建扁平化的組織、運行簡一化的規則、專業協作的鴛鴦陣，並匹配個人與企業共贏的激勵機制，來確保組織的高效、活力和進取，並以此將一群心懷共同使命願景的員工聚合起來，保障戰略和經營結果的落地。但我們也清楚的意識到使命感和文化認同需要磨合與沉澱，組織管理能力的提升和優化的還有很大空間，我們嘗試從組織治理與架構、運行流程與規則、人才引進與培養、組織激勵與約束和共同的價值觀等幾個方面持續努力。

1、 優化組織治理與架構

順應業務發展的需要，公司開始進入總部戰略管理階段。年度經營計劃、年度預算全面升級為5年事業目標 - 3年事業計劃 - 1年經營規劃（預算的5-3-1體系），為公司業務推進的連續性奠定基礎。我們力爭早日實現層級上的清晰——戰略統籌、日常經營管理和前端業務推進各司其職以及管理上的閉環——戰略和計劃貫穿於預算經營體系，績效考核能夠有效識別關鍵結果，長期價值得到應有的獎勵。

The Company's corporate governance structure is further optimised. The executive committee, consisting of the Company's core executives implements the arrangements of the general meeting of shareholders and the board of directors, conducts strategic planning, strategic and tactical transformations, and improves the efficiency and effectiveness of the Company's decision-making and considerations of major issues; in the operation and implementation level, an initial establishment of the president's office meeting was made as the core of the daily operation and management system, which is responsible for the Company's overall management and implementation of strategies. During the year, the Company also invited Mr. Li Wei, a member of the executive committee to be the president of the Company.

Based on the in-depth business expansion, the organisational system of each business segment has been further optimized. A "small but precise" professional team has been formed at multiple levels such as business and projects, where equity, special expansions, fundraising, REITs, urban renewal projects all began to build a battlefront array in line with their own business features. The regional company established by the parking segment is the integrated of business expansion and operation, at the same time, ensuring the effective decomposition and landing of the objectives, to unleashing the team with their total enthusiasm, facilitating the team and Company to grow together. As the business team continues to mature, the Company will continue to decentralise authority, so that the day of those who hear the gunfire making effective decisions can come earlier.

公司治理結構進一步優化，以公司核心高管組成的執行委員會承接股東大會、董事會的部署，進行戰略謀劃、戰略戰術轉換，提高公司重大事項決策及審議的效率和效果；在具體經營執行層面，初步建立了以總裁辦公會為核心的日常經營管理體系，負責公司經營統籌、戰術落地。公司也在年內邀請執委會委員李偉先生擔任總裁。

基於業務的深入推進，各業務板塊的組織體系得到進一步優化。業務、項目等多個層面組建了「少而精」的專業團隊，股權、專拓、招商、REITs、城市更新項目都初步構建起符合自身業務特點的鴛鴦陣。停車出行業務組建的區域公司拓運一體，確保目標有效分解和落地的同時，充分促進團隊積極性的發揮，幫助團隊與公司共同成長。隨著業務團隊的不斷成熟，公司將持續放權，早日實現讓聽得見炮火的人做出有效決策。

2. Operation procedures and rules simplification

The rapid development of business and the rapid iteration of organisation structure require us to build the simplest system of procedures and rules. On one hand to reduce decision-making levels. After years of exploring, we have established a "small but precise" authorisation management system around the core business process, core finance, human resource, internal control management process, and reward and penalty system, to achieve an orderly and efficient organisational operation. On the other hand, the system attempts to make policy-makers speak with clarity and conciseness, allowing the implementors to be able to understand, accept and execute, and for this purpose, we gradually established a process system, from establishment, the process is of seeking opinions, publishing, executing, obtaining feedback and iteration, especially in the three parts of seeking opinions, publishing, executing and feedback – these come from various forms such as staff meetings, discussions and live broadcasts. Directly facing employees, in turn, makes the process system design even easier to be understood and implemented.

3. Increase talent induction and training

The Company is a "migrant corporation". For many years we have continued to recruit talents of excellence, and we look forward to bringing them together. In reaping the benefits of business development, the setbacks and repeated experiences, we have become thoroughly aware that the Company's internal motivation of moving the business forward is due to the collective team rather than a solitary individual. In the future, we will transform from talent aggregation to talent management and training.

2、簡化運行流程與規則

業務的快速發展和組織結構的快速反覆運算，需要我們構建最為精簡的流程和制度體系。一方面縮減決策層級，經過幾年的探索，我們圍繞核心業務流程、核心財務、人力、內控管理流程以及激勵獎懲機制建立了「少而精」的授權管理體系，實現組織的有序運轉和高效協同。另一方面，制度力求讓制定者三言兩語講得清，執行者聽得懂、能接受、好執行，為此我們逐步建立流程制度從編制、徵求意見、發佈、執行、回饋及迭代的過程，尤其是在徵求意見、發佈、執行回饋這三個環節——通過員工大會、座談、直播等各種形式加大互動力度。直面員工，也反過來進一步促使流程制度更加容易被理解和執行。

3、加大人才引進與培養

公司是「移民企業」。多年來，一直致力於引進優秀的人才，期待將優秀的人才聚合在一起。事業發展中收穫的成果、遇到的挫折、經歷的反復，都讓我們深刻的體悟到，我們事業前進的內在動力是協作的團隊而非孤立的個人。未來，我們將從人才聚合向人才管理育培養轉變。

During the year, we were active in recruiting various kinds of talents to enrich our team. In the whole year, 15 middle and senior executives were recruited, and some colleagues have become leaders in the Company's subdivisions already, for example, Mr. Lian Feng, who possesses over 20 years of commercial real estate investment management experience, and worked in Jones Lang Lasalle Incorporated for 15 years, and in May of 2020 officially joined the Company. He finished building the core fundraising team, and achieved the realisation of the strategic urban renewal segment "investment and leasing first" in a short time. Within half a year, Mr. Lian Feng led the team to accumulate intentions of leases of over 1 million square meters, delivering the Company's first commercial real estate project "Chang'an Mills" to achieve a pre-leasing rate of nearly 30% six months before the official delivery. Apart from the "Chang'an Mills", Mr. Lian Feng and his team also assisted the International Talent Community and the Southeast projects in project positioning and pre-fundraising work.

At the same time, we combined work with training, and launched the employee training system, to support the rapid growth of the employees and established an enterprise talent team. Through the Shoucheng Holding's subsidiary training brand "Can + Academy", under the empowerment of "leadership, cohesion, company strategy, organisation and human resources", a training program for middle and senior executives was launched. Amongst the first 40 trainees, Mr. Liu Hongyi, who joined the team in January of 2015, was once responsible for the construction of the parking business risk system, preliminary surveying for developing project and review management. After finishing the middle and senior executives training, he took initiative to apply to change his position from a mid-level office support department to front-end business department, and he is now the general manager of the southeast region company, responsible for the operation of the parking lot complex, intelligent parking products, etc. in Shanghai, Nanjing, and other cities. I believe that under his leadership, the southeast regional Company can successfully complete regional expansion and operation tasks.

年內，我們積極吸納各路優秀人才充實到我們的團隊中。全年引進中高管以上員工15名，一些同事已經成為公司細分領域的領軍人物，如廉峰先生，他擁有超過20年商業地產招商管理經驗，曾經在仲量聯行工作15年，2020年5月正式加入公司，短時間內完成核心招商團隊的組建，主導落實了公司在基礎設施不動產基金管理業務「招商租賃先行」的戰術。半年內，廉峰先生帶領團隊累計完成意向租賃面積逾100萬平方米，推進公司首個商業地產項目「六工匯」於正式交付前6個月實現近30%的預租率。除「六工匯」外，廉峰先生及其團隊還協助國際人才社區和東南項目進行項目定位和預招商工作。

同時，我們幹訓結合，全面啟動了員工培養體系，幫助員工快速成長，並建立了企業人才梯隊。通過首程控股旗下培訓品牌「參加學院」，啟動了中高管培訓計劃，在「領導力、凝聚力、公司戰略、組織和人力」方面全面賦能，首批40名學員中的劉宏軼先生，於2015年1月即加入團隊，曾負責停車出行業務風險體系的建設、拓展項目的前期調研與覆盤管理，在完成中高管培訓後，他主動申請從中臺支持部門轉向前臺拓運一線崗位，現任東南區域公司總經理，負責停車綜合體、智慧化等停車產品在上海、南京等城市的落地和運營業務。相信在他的帶領下，東南區域公司可以圓滿完成區域的拓展和運營任務。

CHAIRMAN'S STATEMENT

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We also place importance on training and the appointment of outstanding employees and grassroots employees.

Ms. Li Jinhui joined the Company in July of 2018 after leaving her military service. She started out working in the operation support department, then according to the needs of the Company, in 2020 she submitted to the Company's allocation to relocate to Chengdu-Chongqing Company, becoming a member of the expansion team. She learnt quickly on the job and grew, she is able to transform from being a novice in the area of expansion to becoming a backbone in the business, from a supporting collaborative role to capable of taking sole responsibility.

Ms. Yang Di, joined the Company in 2019 as a member of the equity investment department. She successively developed and operated an expansion of nearly 20,000 parking spaces, and created a new product line for the Company. Prior to this, she worked in legal affairs in real estate, having a wealth of experience in large-scale commercial real estate merger projects and has a lawyer's rigorous logic. This undoubtedly adds a stepping stone and safety valve for the Company to invest in large-scale merger projects and obtain high-quality parking lot real estates.

我們也很注重優秀員工和基層員工的培養和任用。

李錦卉女士，自2018年7月脫下戎裝加入公司，從運行支持崗位做起，隨著公司開疆拓土的需要，2020年毅然服從公司調配到成渝公司，成為拓展團隊一員，在工作中迅速學習與成長，完成了由拓展領域新手向業務骨幹的轉變，由協作配合到獨立負責的擔當。

楊迪女士，2019年加入公司成為產權投資部的一員，先後拓展及運營近2萬個車位，並為公司開創了新的產品線。她此前多年從事房地產公司法務工作，具備豐富的大型商業地產併購項目經驗以及法律人的嚴謹邏輯，無疑為公司投資大型收併購項目、獲取優質停車資產在前端增加了一塊敲門磚、一道安全閥。

Mr. Liu Haihua, started as a parking lot toll collector and has been the deputy manager of Beijing Lutong Shunjie Parking Management Co., Ltd. (“**Lutong Shunjie**”), assisting in the overall management of the expansion, operation, and his team is the first to make the “integration of expansion and operation” happen. At the end of 2017, he and his team joined the Company following the Company’s acquisition of Lutong Shunjie, fully integrating into the Company, and successively participated in the formation of Tangshan Intelligent City Static Transportation Industry Development Co., Ltd. and Nanjing Jianye Intelligent Static Traffic Service Co., Ltd., thus laying a solid foundation for the Company to establish an operation management system around the nation. Presently, he is responsible for the operation of Beijing area except for the airport line, in charge of over tens of thousands parking spaces.

Ms. Chen Ling, joined the Company in February 2018. She came from the traditional property management industry, joined the Company and now is the manager of the Chengdu High-tech Zone public parking lot. She consciously practices modern parking management beliefs and leads the team to actively conduct marketing to the surrounding customers, customising design of product and service, putting effort into improving the parking spaces utilisation rate and return rates. Especially in 2020, even under the impact of COVID-19, she stayed in the frontline of epidemic prevention, took the initiative to innovate, adjusted on multiple fronts, taking on various measures, and achieved 40% revenue growth in several projects she was in charge of.

We continue to firmly push forward the team optimisation iteration for those performances that do not meet expectations, where the development speed lags behind the Company’s needs, or when employees have different values and beliefs, so as to maintain the team’s energy and progress. Of course, the best way to train talents is winning one after another. The Company’s biggest competitive advantage is the collective group of talents and wisdom.

劉海華先生，2009年從場庫收費員起步，一直升任至到北京路通順捷停車場管理有限公司（「路通順捷」）的副總經理，協助全面管理各項目的拓展、運營，是最早實現「拓運一體化」的隊伍。2017年末他和團隊隨著公司對路通順捷的併購加入公司，全面融入公司，先後參與唐山智慧城市靜態交通產業發展有限公司組建、南京建鄴智慧靜態交通服務有限公司組建，為公司在全國建立運營管理體系打下堅實的基礎，現任北京區域公司運營部負責人，接管運營車位達數萬個。

陳玲女士，2018年2月從傳統的物業管理行業轉型加入公司，擔任成都高新區公共服務停車場庫經理，工作中自覺踐行現代停車經營理念，帶領團隊積極於項目周邊群體中進行行銷，設計個性化的產品和服務，努力提升場庫泊位利用率和收益水準。特別是在2020年新冠疫情衝擊下，始終堅守防疫一線，主動創新，多方協調，多措並舉，使其負責的若干項目在去年實現了40%的收入增長。

我們繼續堅定的推行團隊的優化迭代，對於業績不及預期、發展速度滯後於公司需要、價值觀不契合的員工進行優化，保持團隊的進取心和活力。當然，取得一個個勝利是最好的人才培養方式，員工的不斷成長，群星匯聚、群智湧現是公司最大的競爭優勢。

4. Organisational incentive and constraint improvements

Guided by performance, ability and values, we establish and continually improve a market competitive salary incentive scheme, sufficiently ensuring employees pay matches their work, to retain and attract talents as much as possible.

During the year, we magnified the performance based salary incentive and penalty, optimised the project reward scheme, optimised storage project rewards based on actual performance contributions, and added new partial project rewards based on the Company's incremental business development situations. A more flexible reward and penalty mechanism has further tapped the positive initiative of employees and added new vitality to the Company's performance development.

Incentivising and restraining are mutually complementary, in designing and using the incentive scheme, we also form a closed loop system, by matching with a synchronised corresponding restraint scheme. We implement a strict risk liability fund system for middle and senior management, launching a full follow-up investment mechanism, further breaking down the annual bonus structure and details of performance completion. Through a series of reforms, we aim to have the middle and senior executives share the risks together with the Company, and allow all the employees to share the profits with the Company.

4、完善組織激勵與約束

以業績、能力和價值觀為導向，建立並持續完善具有市場競爭力的薪酬激勵機制，充分保障員工付出與所得相匹配，最大限度的吸引和保有人才。

年內，我們加大了薪酬績效聯動的獎懲力度，優化了項目獎方案，根據實際業績貢獻對存量項目獎進行了優化，也結合公司增量業務發展情況，新增加了部分項目獎。更加靈活的獎懲機制進一步挖掘了員工的積極能動性，為公司的業績發展再添新活力。

激勵與約束相輔相成，在激勵機制的設計和應用中，我們也同步配套相應的約束機制形成制度閉環。嚴格執行了中高管風險責任金制度，啟動了全面跟投機制，進一步細化年度獎金與績效完成情況掛鈎的細則。通過一系列改革，讓中高管與公司共擔風險，讓全體員工與公司共享收益。

5. Shaping common values

Values not only decide the cohesion and agility of the Company, but also affect the organisation's way of thinking and behaving. If all the employees have right values, they can have similar ways of executing, and will work hard for the common goal.

During the year, with the hope of the employees to work according to the same value orientation and code of conduct, we promoted the core values through multiple ways such as role model selection, publicity, and implementation of a 360 degree evaluation, etc. From major issues to decision-making and deliberation, to daily disputes and contradictions, more and more of our colleagues will cite the Company's values as a measure of evaluation and judgment. For the new employees, they can also readily understand and integrate into the Company through these core values.

In the organisation establishment process, there is more for us to look forward to. Such an example is that we believe a team of business partners with high stability, loyalty, and commitment is the cornerstone of a company's everlasting foundation. Another example is that we believe technology means such as digitalisation, informatization and intelligentization of enterprise operations are vital supports for the organization, and are also the core links for us to build a future intelligent and smart organisation. A further example is that we realise our organisation is not open enough, unable to be inclusive of everything, and in terms of acquiring and consolidating the Company and teams, many things are not well thought through yet and lack empowerment. There are also various problems that occur daily, but we believe the problems and shortcomings are signs and motivation for progress, only by working hard every day can we accomplish becoming a great enterprise.

5、 塑造共同的價值觀

價值觀不僅決定著組織的凝聚力和靈活度，還影響著組織的思考方式和行事風格。全體員工有了價值觀，就可以有相近的處事方式，就可以達到上下同欲。

年內，我們通過榜樣選拔、宣傳和執行360度測評等多種方式推行企業核心價值觀，希望員工能夠按照一致的價值取向和行為準則工作。大到重大事項決策、審議，小到日常糾紛矛盾，我們越來越多的同事會引用公司的價值觀作為評價和判斷尺度；對於新員工，也能通過核心價值觀快速的了解和融入企業。

在組織建設中，我們也還有很多期待。比如，我們相信一個有著高穩定性、忠誠度和投入度的事業合夥人團隊，是公司基業長青的基石。比如，我們認為科技對組織的支撐，依托科技手段實現企業運行的數據化、信息化、智能化是至關重要的支撐，也是我們打造面向未來的靈動智慧組織的核心環節。再比如，我們認識到我們的組織還不夠開放，做不到海納百川，對收購整合的公司和團隊，很多事情也沒有想清楚，更缺少賦能。還有種種問題，每天都在發生，但我們相信問題和不足是前進的路標和動力，唯有日拱一卒，才能最終成就一個偉大企業。

CHAIRMAN'S STATEMENT

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In the last few years, the Company has focused on strategic adjustment and industry focus. Five years onwards, can we become a leading enterprise in the parking industry, and can we become a leader in the field of infrastructure and real estate? At present, no matter the revenue scale or organisational efficiency, there is still a huge gap in benchmarking with international first-class enterprises, and this requires us to give much more effort to achieve “ten times better”, to turn the blueprint into a business in reality.

The Company may still have many issues and ambitious goals need more outstanding people to be on the same path, solving problems in the process of moving forward, till we finally arrive at the dream on the other shore. I hereby would like to invite partners who are aspiring, capable and willing to join us to co-create the future.

過去幾年著力於戰略的調整和聚焦，而五年之後，我們能否成為停車出行領域的領導性企業，我們能否成為基礎設施不動產領域的領先性企業？目前，無論在營收規模還是組織效率上，對標國際一流企業還存在巨大差距，這需要我們付出更大的努力實現「十倍好」，把宏大藍圖轉換成企業經營實際目標。

公司還有很多問題，遠大的目標需要更多優秀的人一路同行，在前進中解決問題，在一個個勝利後到達夢想的彼岸。在此我廣邀有意願、有志向和有能力的伙伴一起並肩攜「首」，共創前「程」。

CHAPTER FIVE: OUTLOOK

In the parking industry, internationally there are leading enterprises that are already mature, the scale of our parking spaces is not even one tenth of the global scale, and single parking spaces utilisation rate has more room for improvement. We believe China will surely give birth to world-class benchmark enterprises, having the largest global market, the highest technology content and the best returns on revenue.

We believe in the infrastructure funding industry, the pilot policy of infrastructure public offering REITs is another major innovation of China's asset securitisation, and it is given by the era in time for the Company to be deeply planted in the industry, an opportunity to operate with precise investment and lean operation, furthermore the times have given the Company more opportunities to serve high quality first equity owners and investors. In five years, the Company plans to expand the scale of the infrastructure fund management to USD10 billion, and achieve proposed goal for 2027 as mentioned in the past years' Chairman's report. With the help of the opportunity given by the REITs times, asset managers equipped with lean operation capabilities can fundamentally improve the management of liquid assets and create long-term value for the investors.

第五章： 展望

在停車出行領域，國際上已有成熟的龍頭企業，我們的車位規模尚不及其十分之一，單車位使用效率亦有很大的提升空間。我們相信中國必將誕生全球市場規模最大、科技含量最高、收益回報最好的世界級標杆企業。

我們相信在基礎設施不動產基金管理領域，基礎設施公募REITs的試點政策是中國資產證券化的又一次重大創新，這是時代給予公司深耕實業，進行精準投資和精益經營的機會，也是時代給予公司為更多優質原始權益人和廣大投資人服務的機會。五年後，公司計劃將基礎設施不動產基金管理規模擴展到美金100億元，以此實現過往主席報告中所提出的2027年目標。借助REITs的時代機會，具備精益經營能力的資產管理人可以從根本上提升和改善管理資產的流動性，為投資人創造長期價值。

CHAIRMAN'S STATEMENT 主席報告書

The equity investment team is a special force of the Company's future development. We will establish more than three market-oriented equity investment funds in segment industry, and strive to maintain the history of fund excess returns. At the same time, with the perspective of equity investment, to better examine the vertical investment and horizontal mergers and acquisitions in the upstream and downstream of the parking and infrastructure industry chain, and to understand the signals leading to change, in time, and seize the industry opportunities. The Company is only at a start in the industry of parking and infrastructure, we will carefully introduce those who are able to synergise with the Company on industry and resources as strategic investors, forming great power, to ultimately bring to reality the maximum long-term value of returns for investors.

I would like to sincerely thank the new and old shareholders, partners and employees and all sectors of society for your strong support! The Company reaches today's growth by the process of thinking, doing, learning, and innovating, along with adhering strictly to the right path, dutiful in running hard, and is fortunate to be successful! It is with the help of many others that our company became what it is today. We shall not disappoint all shareholders, partners and employees, and put all our heart and strength into developing our business and do as what we say!

股權投資團隊是公司未來發展的奇兵。我們將新設立3支以上市場化的細分行業股權投資基金，努力保持基金超額收益的歷史紀錄。與此同時，借助股權投資的視角，更好地審視停車出行和基礎設施產業鏈上下游的縱向投資和橫向併購，及時了解變革的先行信號，抓住產業的機會。公司在停車出行和基礎設施產業領域的戰役還僅是開局，我們仍將審慎地引入在產業和資源上能與公司形成協同效應的戰略投資人，形成強大勢能，最終實現投資人長期價值收益的最大化。

衷心感謝新老股東、伙伴員工和社會各界的大力支持！公司能發展到今天，是一個邊想、邊做、邊學習、邊創新的過程，恪守正道，努力奔跑是本分，能夠成功真的是運氣好！是他人的幫助成就了公司的今天。我們當不辜負，盡心盡力、說到做到！