



Suzhou Gold Mantis Construction Decoration Co., Ltd.

Annual Report 2020

April 2021

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Suzhou Gold Mantis Construction Decoration Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.

Wang Hanlin, the Company’s legal representative, Cai Guohua, the Company’s Chief Financial Officer (head of the Company’s accounting affairs and accounting department) hereby guarantee that the financial statements carried in this Report are truthful, accurate and complete.

All the directors of the Company attended in person the board meeting for the approval of this Report.

Any plans, development strategies and other forward-looking statements mentioned in this Report shall not be considered as commitments to investors. Investors and those concerned shall be sufficiently aware of the risks and understand the differences between plans and forecasts and commitments.

The Company may be exposed to risks associated with prospects of the macro-economy, real estate control policies, market competition, doubtful accounts receivable, and management capability in the expanding business. Therefore, investors are reminded to exercise caution when making investment decisions. For further information, please refer to contents under the heading “Part IV Management Discussion and Analysis” herein.

The Board has approved a final dividend plan as follows: based on 2,683,358,689 shares, a cash dividend of RMB2 (tax inclusive) per 10 shares is planned to be distributed to all the shareholders, with no bonus issue from either profit or capital reserves.

This Report has been prepared in Chinese and translated into English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

Table of Contents

Part I Important Notes, Table of Contents and Definitions	2
Part II Corporate Information and Key Financial Information	6
Part III Business Summary	11
Part IV Management Discussion and Analysis	19
Part V Significant Events.....	37
Part VI Share Changes and Shareholder Information	75
Part VII Preference Shares.....	84
Part VIII Convertible Corporate Bonds	85
Part IX Directors, Supervisors, Senior Management and Staff	86
Part X Corporate Governance	97
Part XI Corporate Bonds	106
Part XII Financial Statements.....	107
Part XIII Documents Available for Reference.....	337

Definitions

Term	Definition
The “Company”, or “Gold Mantis”	Suzhou Gold Mantis Construction Decoration Co., Ltd.
The “Articles of Association”	The Articles of Association of Suzhou Gold Mantis Construction Decoration Co., Ltd.
Meiruide	Suzhou Meiruide Construction Decoration Co., Ltd.
Gold Mantis Curtain Wall	Suzhou Gold Mantis Curtain Wall Co., Ltd.
Gold Mantis Landscape	Suzhou Gold Mantis Landscape Co., Ltd.
Gold Mantis Prefabricated Construction Technology	Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd.
Refined Decoration & Technology	Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd.
Singapore Gold Mantis	Singapore Gold Mantis Pte. Ltd.
HBA	HBA Holdings Pte. Ltd.
Gold Mantis International	Gold Mantis (International) Construction Decoration Limited
Gold Mantis Art	Gold Mantis Art Co., Ltd.
Jijia Materials	Suzhou Jijia Materials Co., Ltd.
Gold Mantis Municipal	Gold Mantis Municipal Engineering Construction (Guizhou) Co., Ltd.
Gold Mantis East China	Gold Mantis East China Construction Decoration Co., Ltd.
Archi-Feeling Design	Archi-Feeling Design (SuZhou) Co., Ltd.
Jinpu No. 9	Suzhou Jinpu No. 9 Cultural Industrial Development Co., Ltd.
Gold Mantis Home	Gold Mantis Home Decoration E-commerce (Suzhou) Co., Ltd.
Gold Mantis Supply Chain	Gold Mantis Supply Chain Management (Suzhou) Co., Ltd.
Construction Investment	Suzhou Gold Mantis Construction Investment Co., Ltd.
Jindejin Construction	Suzhou Industrial Park Jindejin Construction Engineering Co., Ltd.
Xi’an Jinchuang	Xi’an Hi-tech Zone Jinchuang Commercial Operation Management and Development Co., Ltd.
Shuicheng Ruitong	Shuicheng Ruitong Construction and Development Co., Ltd.
RSM	RSM China
CSRC	China Securities Regulatory Commission
CSRC Jiangsu	The Jiangsu branch of the China Securities Regulatory Commission
SZSE	Shenzhen Stock Exchange
The website of cninfo	http://www.cninfo.com.cn

The Four Major Securities Newspapers	China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily
RMB, RMB'0,000	Expressed in the Chinese currency of Renminbi, expressed in tens of thousands of Renminbi

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	Gold Mantis	Stock code	002081
Stock exchange	Shenzhen Stock Exchange		
Company name in Chinese	苏州金螳螂建筑装饰股份有限公司		
Abbr.	金螳螂		
Company name in English (if any)	Suzhou Gold Mantis Construction Decoration Co., Ltd.		
Abbr. (if any)	Gold Mantis		
Legal representative	Wang Hanlin		
Registered address	Private Industrial Zone of Suzhou Industrial Park		
Zip code	215000		
Office address	No. 888 West Ring Road, Suzhou City, Jiangsu Province, China		
Zip code	215004		
Company website	www.goldmantis.com		
Email address	tzglb@goldmantis.com		

II Contact Information

	Board Secretary	Securities Representative
Name	Ning Bo	Wang Yang
Office address	No. 888 West Ring Road, Suzhou City, Jiangsu Province, China	No. 888 West Ring Road, Suzhou City, Jiangsu Province, China
Tel.	0512-68660622	0512-68660622
Fax	0512-68660622	0512-68660622
Email address	tzglb@goldmantis.com	tzglb@goldmantis.com

III Media for Information Disclosure and Place where this Report Is Lodged

Newspapers designated by the Company for information disclosure	China Securities Journal, Securities Daily, Securities Times, and Shanghai Securities News
Website designated by the CSRC for publication of this Report	www.cninfo.com.cn
Place where this Report is lodged	Shenzhen Stock Exchange, and No. 888 West Ring Road, Suzhou City,

	Jiangsu Province, China
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IV Change to Company Registered Information

Organization code	91320000608285139H (unified social credit code)
Changes to the principal activities of the Company since its listing (if any)	<p>1. According to the resolution of the Company's 1st Extraordinary General Meeting of 2008, the following business activities were added to the Company's business scope: "contracting of overseas construction decoration, and curtain wall engineering, as well as domestic projects put out to international tender; contracting of the survey, consulting, design and supervision of the aforesaid overseas projects; export of the equipment and materials required for the aforesaid overseas projects; dispatch of leased employees needed to implement the aforesaid overseas projects". The Company went through the relevant formalities for registration amendment at the Administration for Industry and Commerce of Jiangsu Province in accordance with the laws on 29 April 2008.</p> <p>2. According to the resolution of the Company's 2nd Extraordinary General Meeting of 2008, the following business activities were deleted from the Company's business scope: "construction of housing with a height of no more than eight floors and a span of no more than 18 meters as well as structures with a height of no more than 30 meters; undertaking of building intelligent systems engineering (with qualification certificate)". Moreover, the following business activities were added to the Company's business scope: "Urban landscape design (with qualification certificate); design and construction of ancient-style landscaping (with qualification certificate); fire-fighting facility design (with qualification certificate)". The Company went through the relevant formalities for registration amendment at the Administration for Industry and Commerce of Jiangsu Province in accordance with the laws on 16 March 2009.</p> <p>3. According to the resolution of the Company's 1st Extraordinary General Meeting of 2009, the following business activities were added to the Company's business scope: "steel structure engineering construction (with qualification certificate); light steel structure engineering design (with qualification certificate)". The Company went through the relevant formalities for registration amendment at the Administration for Industry and Commerce of Jiangsu Province in accordance with the laws on 30 June 2009.</p> <p>4. According to the resolution of the Company's 2nd Extraordinary General Meeting of 2014, the following business activities were added to the Company's business scope: "design and construction of indoor and outdoor artworks for all kinds of buildings; design and construction of soft decoration accessories; design and construction of environmental way-finding systems". The Company went through the relevant formalities for registration amendment at the Administration for Industry and Commerce of Jiangsu Province in accordance with the laws on 24 December 2014.</p> <p>5. According to the resolution of the Company's 2nd Extraordinary General Meeting of 2016, the following business activities were added to the Company's business scope: "architectural engineering procurement construction; undertaking of urban and road lighting projects; sale of building materials". The Company went through the relevant formalities for registration amendment at the Administration for Industry and Commerce of Jiangsu Province in accordance with the laws on 8 October 2016.</p> <p>6.</p>

	According to the resolution of the Company's 2017 Annual General Meeting, the following business activities were added to the Company's business scope: "development and transfer of construction decoration design technologies". The Company went through the relevant formalities for registration amendment at the Administration for Industry and Commerce of Jiangsu Province in accordance with the laws on 1 June 2018.
Every change of controlling shareholder since incorporation (if any)	Unchanged

V Other Information

The independent auditor appointed by the Company:

Name of the independent auditor	RSM China
Office address	Suite 922-926, 9/F, Wai Jing Mao Building, Tower 1, No. 22 Fuchengmen Wai Street, Xicheng District, Beijing, China
Accountants writing signatures	Song Wen, Hong Zhiguo, and Long Bing

The independent sponsor appointed by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

The independent financial advisor appointed by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

VI Key Financial Information

Indicate whether there is any retrospectively restated datum in the table below.

Yes No

	2020	2019	2020-over-2019 change (%)	2018
Operating revenue (RMB)	31,243,227,802.04	30,834,654,530.30	1.33%	25,088,596,105.75
Net profit attributable to the listed company's shareholders (RMB)	2,373,915,319.52	2,349,395,605.96	1.04%	2,123,411,594.37
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	2,289,281,453.97	2,360,608,057.36	-3.02%	2,063,151,229.61
Net cash generated from/used in operating activities (RMB)	1,777,115,242.16	1,755,219,982.71	1.25%	1,649,422,128.02
Basic earnings per share (RMB/share)	0.88	0.88	0.00%	0.80
Diluted earnings per share (RMB/share)	0.89	0.88	1.14%	0.79
Weighted average return on equity	14.83%	16.55%	-1.72%	17.16%

(%)				
	31 December 2020	31 December 2019	Change of 31 December 2020 over 31 December 2019 (%)	31 December 2018
Total assets (RMB)	45,003,313,428.27	39,473,391,654.97	14.01%	33,303,504,011.86
Equity attributable to the listed company's shareholders (RMB)	17,008,652,023.81	15,156,092,842.89	12.22%	13,233,225,823.64

Indicate whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative for the last three accounting years, and the latest independent auditor's report indicated that there was uncertainty about the Company's ability to continue as a going concern.

Yes No

Indicate whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative.

Yes No

VII Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Net Profit and Equity under CAS and IFRS

Applicable Not applicable

No difference for the Reporting Period.

2. Net Profit and Equity under CAS and Foreign Accounting Standards

Applicable Not applicable

No difference for the Reporting Period.

VIII Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	4,320,876,652.08	8,893,818,980.65	8,853,108,445.37	9,175,423,723.94
Net profit attributable to the listed company's shareholders	334,951,682.26	671,096,020.63	707,490,182.55	660,377,434.08
Net profit attributable to the listed company's shareholders before exceptional gains and losses	326,773,637.47	642,556,879.91	699,156,033.38	620,794,903.21
Net cash generated from/used in	-1,880,564,984.49	1,370,506,956.02	-156,900,979.34	2,444,074,249.97

operating activities				
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Indicate whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or interim reports.

Yes No

IX Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	2020	2019	2018	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	16,701,006.66	-26,506,540.38	-2,434,916.72	
Government grants through profit or loss (exclusive of government grants given in the Company's ordinary course of business at fixed quotas or amounts as per the government's uniform standards)	54,243,752.72	19,660,084.94	20,910,821.56	
Capital occupation charges on non-financial enterprises that are recognized in profit or loss	1,428,722.80	1,907,117.77		
Gain or loss on assets entrusted to other entities for investment or management		40,843,523.94	39,009,978.18	
Gain or loss on fair-value changes on held-for-trading and derivative financial assets and liabilities & income from disposal of held-for-trading and derivative financial assets and liabilities and other debt investments (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	35,346,523.09	-59,789,345.26		
Reversed portions of impairment allowances for receivables and contract assets which are tested individually for impairment	3,356,920.55		15,585,608.47	
Non-operating income and expense other than the above	-3,385,100.86	1,010,129.80	349,977.29	
Less: Income tax effects	19,092,692.94	-7,656,454.79	12,924,997.05	
Non-controlling interests effects (net of tax)	3,965,266.47	-4,006,123.00	236,106.97	
Total	84,633,865.55	-11,212,451.40	60,260,364.76	--

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases for the Reporting Period.

Part III Business Summary

I Principal Activities of the Company in the Reporting Period

The Company is subject to the Guide No. 6 of the Shenzhen Stock Exchange on Industry-Specific Information Disclosure—Listed Companies Engaged in Construction Decoration.

(I) Core Business of the Company

The Company is a comprehensive and professional construction decoration group with interior decoration as the core business, which also provides curtain wall engineering, landscaping, soft decoration, furnishing, and mechanical and electrical equipment installation. Projects undertaken by the Company include public construction decoration and residential decoration, covering various business forms such as hotel decoration, cultural, sports and exhibition construction decoration, commercial construction decoration, transport infrastructure decoration, and residential decoration. The Company possesses the Construction Engineering Contractor (Class One), the Construction Decoration Engineering Professional Contractor (Class One), and the Construction Decoration Engineering Design (Class A), among other qualification certificates. With the qualifications and capabilities to carry out various construction decoration projects, the Company is one of the construction decoration providers with the highest qualification levels and the most qualification types. Its design and construction projects are generally obtained through bidding and bid invitation. During the Reporting Period, there were no significant changes in the Company's core business.

(II) Development Overview of the Industry

1. Main Features of the Industry

The construction decoration industry in which the Company operates is an important part of China's national economic development. According to the different nature of building use, the construction decoration industry is divided into public construction decoration and residential decoration. Under the trend of consumption upgrade, the construction decoration industry has the characteristic of repeated implementation. Each building needs to be decorated and furnished multiple times during the entire life cycle from the completion of the main structure to the end of its service life. Therefore, the construction decoration industry features demand sustainability.

2. Development Status of the Industry

In 2020, the construction decoration industry started low but later grew better. In H1, affected by the COVID-19 pandemic, business activities were greatly restricted. With the domestic economic resurgence in H2, investment in fixed assets rose slowly, and the industry showed a momentum of rapid recovery. In respect of specific business segments, the number of new-type people's

livelihood projects such as medical care, elderly care, culture and sports, and transport grew rapidly; hotels, tourism and other consumption upgrade projects picked up slowly; traditional projects remained stable. At the same time, as large-scale and comprehensive projects increased, the engineering procurement construction (EPC) model of decoration projects was gradually recognized by the market. Leading enterprises would usher in new development opportunities.

3. Competitive Landscape and Development Trend of the Industry

In 2020, the domestic construction decoration market showed more obvious differentiation under the impact of the pandemic and the intensification of internal competition. Specifically, market shares of the industry's top companies kept expanding, their cash flow remained healthy, and they continued to develop new business and new technologies; in the face of significantly greater competitive pressure, development speeds of mid-market companies slowed down; small companies in the industry were phased out of the market due to business shrinking and capital chain tightness. Therefore, the decoration industry is currently in a stage of accelerated transition from a decentralized market to a centralized market. After a long period of sufficient market competition, industry concentration has begun to increase dramatically. The market shares of leading companies will continue to rise in the future.

4. Position of the Company in the Industries in which the Company Operates

Founded in 1993, the Company is headquartered in Suzhou, China. It is a comprehensive construction decoration contractor that is mainly engaged in the design and construction of construction decorations. With full-industry-chain design and construction service capacities on interior decoration, curtain wall engineering, landscaping, soft decoration, furnishing, and mechanical and electrical equipment installation, the Company is a leader in the green, environmentally friendly and healthy public and home decoration industry, as well as a national high-tech enterprise.

The Company is the first listed company in China's construction decoration industry. Its stock name is "Gold Mantis" and its stock code is "002081". The Company has maintained its No. 1 position in "The Enterprises of China's Building Decoration Industry Top One Hundred" for successive years and has won the "Luban Prize" 115 times and the "China Construction Engineering Decoration Award" 438 times accumulatively. It was once rated among "Asia's Fab 50" by the *Forbes* magazine of the United States, selected as one of the "China Business Top 100", conferred the "Golden Round Table: Value Creation Award for Board of Directors", given the "Quanjing Investor Relations Gold Award (2020)", and shortlisted for the "ENR Top 60 Chinese Design Firms", in addition to receiving the "Most Influential Brand Organization in China's Architectural Decoration Industry", the "National Excellent Construction Enterprise", the "Excellent Decoration Enterprise in Jiangsu Province" and many other honors. Furthermore, due to the Company's remarkable achievements and development results in standardized design, industrialized production, prefabricated construction, integrated decoration, information-based management and intelligent application, the Company has become one of the first to be recognized as a national "prefabricated construction industrial base" by the General Office of the Ministry of Housing and

Urban-Rural Development of the People's Republic of China.

Meiruide, a subsidiary of the Company, has earned a spot in "The Enterprises of China's Building Decoration Industry Top One Hundred" for many consecutive years. It has won the "Luban Prize" six times, the "China Construction Engineering Decoration Award" 42 times and the "Tien-yow Jeme Prize" two times. Haimen People's Hospital, Suzhou Rail Transit (Line 1, Line 2 and Line 4), Longfor Times Paradise Walk, Donghu Digital Town, Banyan Tree Jiuzhaigou and Suzhou Modern Media Plaza are all its representative works.

Gold Mantis Curtain Wall was recognized as a "National Excellent Enterprise in Curtain Wall Building Industry" and an "Excellent Decoration Enterprise in Jiangsu Province". It has won the "Luban Prize" six times and the "China Construction Engineering Decoration Award" 21 times. Its key technology innovation and application of the ultra-long special-shaped grid structure "Wings of Future" at Suzhou Center Mall received the "China Award for Science and Technology in Construction (First Prize)" given by the Ministry of Housing and Urban-Rural Development; the Gate of the Orient and InterContinental Shanghai Wonderland took the "Tien-yow Jeme Civil Engineering Prize" awarded by the China Civil Engineering Society.

Gold Mantis Landscape was named one of the "National Top 50 Urban Landscaping Enterprises" and clinched the title of "Excellent Decoration Enterprise in Jiangsu Province". It has won the "Luban Prize" one time, the "National Construction Decoration Industry Science and Technology Demonstration Project Award" six times, the "National Excellent Landscaping Project Award" seven times and the "National Science and Technology Innovation Achievement Award" 17 times. Its representative works include Datang Everbright City in Xi'an, Haohe Scenic Area in Nantong of Jiangsu Province, Nanhu Wetland Park in Huaibei of Anhui Province, south bank greening of Hebi Qihe River demonstration zone in Henan Province, and Weng'an wetland park design and construction integration in Guizhou Province.

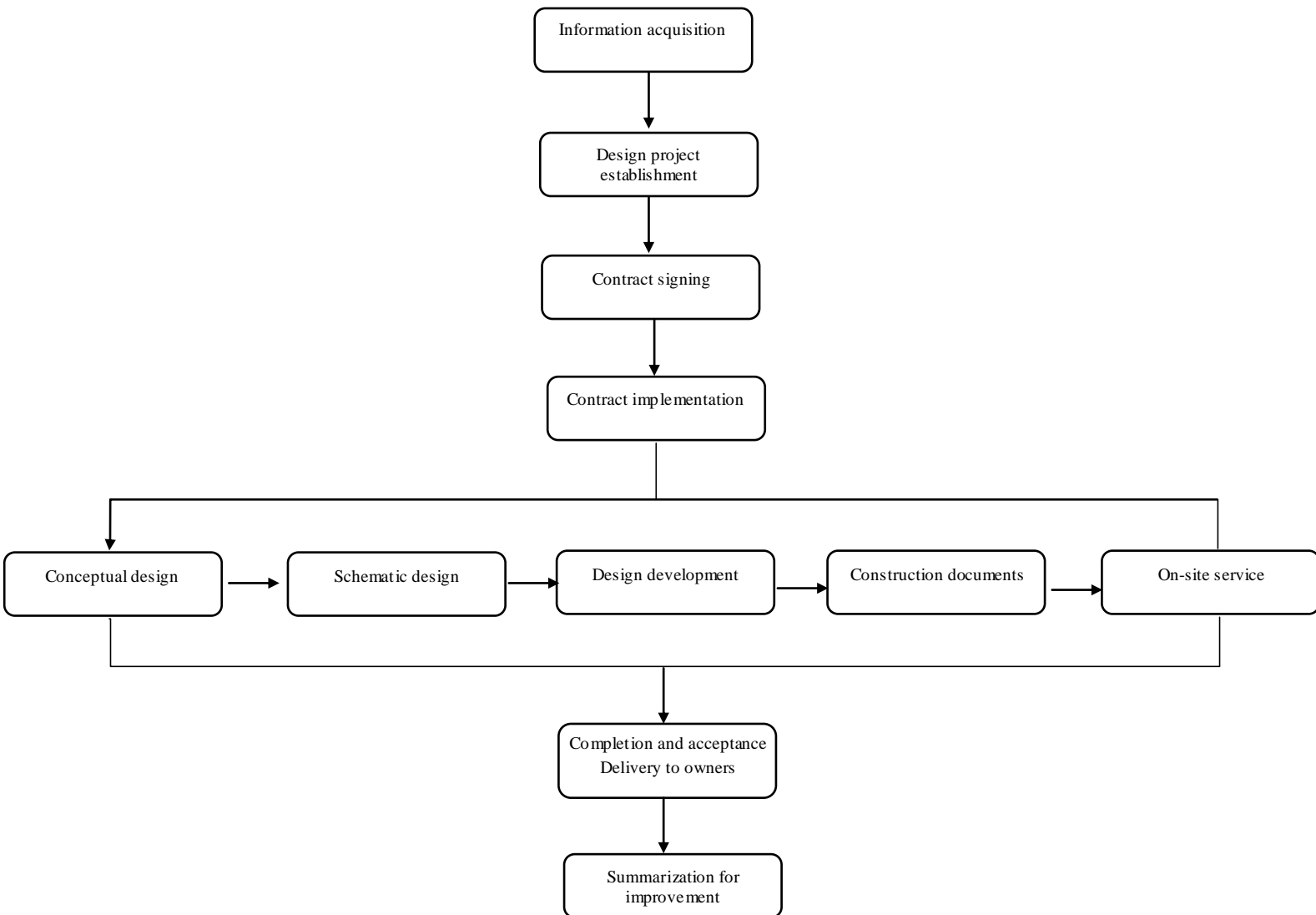
HBA has been consecutively rated as "No. 1 in the hotel design industry" by *Interior Design* for years. So far, HBA has received more than 500 top awards in the design industry, including the Gold Key Awards, the Hospitality Design Awards, the Perspective Magazine Awards, the Boutique Design Awards and the European Hotel Design Awards. Its works are spread all over the world. Edgewood Tahoe Resort, Hyatt Regency Dubai, InterContinental Hotel London Park Lane, Mandarin Oriental Beijing, Fairmont Maldives, Sirru Fen Fushi, Le Méridien Zhongshan, Artyzen Sifang Nanjing Recreation Center, Park Hyatt Suzhou and many other HBA projects of different sizes around the world all have ingenious design styles.

(III) Operation Model of the Company

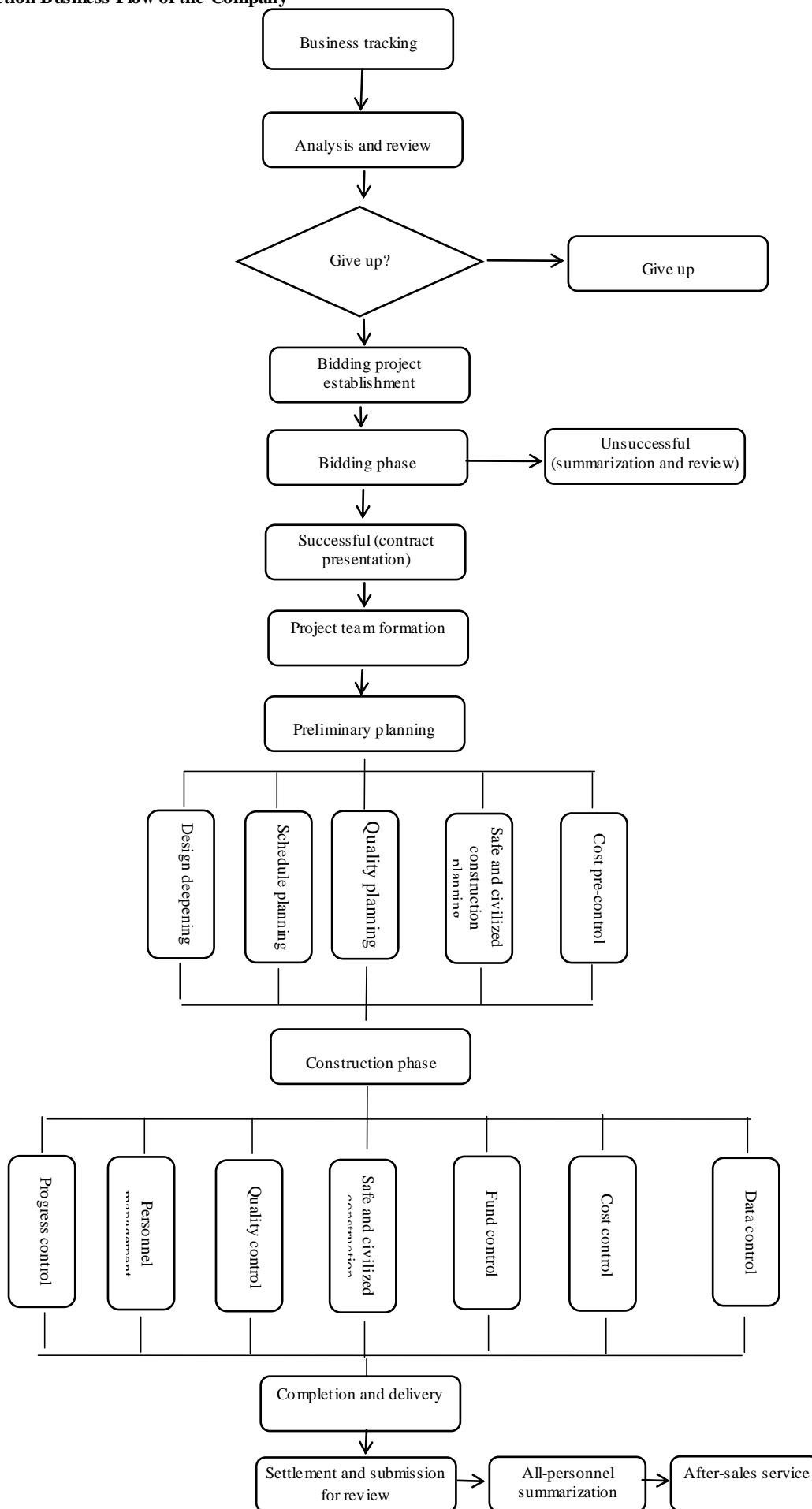
The Company's operation model was independent undertaking of business, independent organization of design or/and construction. During the Reporting Period, there were no significant changes in the Company's operation model. The Company was an excellent decoration enterprise in Jiangsu Province. It attached importance to quality management. In particular, the Company has

passed the integrated certification of the ISO 9001 Quality Management System, the ISO 14001 Environmental Management System and the ISO 45001 Occupational Health and Safety Management System, developed quality control standards, quality control measures and product quality dispute resolution schemes, and implemented strict quality control and supervision on each process of design and construction to create an excellent quality management system.

Design Business Flow of the Company



Construction Business Flow of the Company



(IV) During the Reporting Period, the Company had no major project quality problems.

II Significant Changes in Major Assets

1. Significant Changes in Major Assets

Major assets	Main reason for significant changes
Equity assets	No significant change
Fixed assets	No significant change
Intangible assets	No significant change
Construction in progress	No significant change

2. Major Assets Overseas

Applicable Not applicable

III Core Competitiveness Analysis

The Company is subject to the Guide No. 6 of the Shenzhen Stock Exchange on Industry-Specific Information Disclosure—Listed Companies Engaged in Construction Decoration.

(1) Brand Strengths

The Company attached great importance to product quality and customer service. Accordingly, it has adopted a business philosophy where quality was cherished as the life of the Company and customers were put at the center of everything the Company does. After years of hard work dedicated to its original aspirations, Gold Mantis has formed its own strong brand strengths and market reputation. The Company has maintained its No. 1 position in "The Enterprises of China's Building Decoration Industry Top One Hundred" for successive years and has won many honors including the "Luban Prize" 115 times and the "China Construction Engineering Decoration Award" 438 times accumulatively. It continued to be the enterprise that has received the most of these two awards in China's construction decoration industry. Furthermore, due to the Company's remarkable achievements and development results in standardized design, industrialized production, prefabricated construction, integrated decoration, information-based management and intelligent application, the Company has become one of the first to be recognized as a national "prefabricated construction industrial base" by the General Office of the Ministry of Housing and Urban-Rural Development of the People's Republic of China. Gold Mantis has grown to be a benchmark brand in China's construction decoration industry.

(2) Design Strengths

Design is the core of construction decoration. The Company had the world's largest team of interior designers. It has also

established a professional design platform as a support system and leveraged its comprehensive service advantages to form absolutely leading design expertise and professional knowledge in the design of high-end hotel office buildings, cultural and sports venues, cultural landmarks, hospitals, etc., thereby receiving high praise from the owners. The Company's subsidiary HBA was a company that focused on the interior design of hotels. It maintained long-term harmonious cooperative relations with international hotel management groups including Four Seasons, Marriott, Hyatt, InterContinental, Starwood, Hilton, Shangri-La, Kempinski and Accor, as a provider of interior design services for their brand hotels. HBA's works since its establishment may be found in 80 countries/regions. It has completed more than 1,000 five-star hotel projects at home and abroad. In the future, Gold Mantis will continue to deal with various market segments through resource integration, strive to achieve industry leadership in all segments, continuously improve the core competitiveness of Gold Mantis design, and develop itself into China's No.1 decoration design brand.

(3) Supply Chain System Strengths

In front of increasingly fierce competition in the market, in order to maintain the Company's long-term stable growth, in-depth supply chain integration was an important step to achieve cost reduction and efficiency increase. The Company has been improving its supply chain management mechanism. By optimizing resource integration and refining management modules, it has created a large-scale engineering management platform for centralized procurement and centralized bidding, which provided strong support for bidding and cost control, realizing economies of scale while preventing the occurrence of bad problems to the maximum extent practicable, based on which the Company had an absolute leading advantage in the industry. On top of that, the Company has developed a multi-dimensional internally integrated operations system connecting design, construction, procurement and other processes to optimize products, funds and services through supply chain integration. Furthermore, the Company has also built a supply chain integration system set with win-win and service as the guiding ideology. Through the design of a competitive quality, service and price system, the Company might not only better achieve the win-win of customers, partners and itself but also improve the vitality of its sustainable development.

(4) Management System Strengths

In the face of the huge and complex construction decoration market, insufficient management capabilities have become an important factor restricting the development of the industry. Gold Mantis witnessed the development of China's construction decoration industry all the way. In recent years, the Company has comprehensively improved its management level with information-based, refined and standardized management as the lever: Regarding information-based management, the Company has created a corporate management cockpit to accurately plan and manage the key time points of project schedules and quality. The colors of red, yellow and green were used for clear identification. Additionally, the Company cooperated with the project management center in following up on, coordinating and solving project schedules and quality warnings. In terms of refined management, the Company had a large marketing platform, a professional design platform, a large-scale engineering management

platform and a large risk control platform to accurately manage and share data flow, capital flow and information flow. Through the bridging of different management modules, decision making has been made more scientific and efficient, and the Company's business response and execution have been accelerated. These platforms have become a powerful tool for the Company to enhance its management capabilities. As for standardized management, the Company has established a standardized procedure for complete business handling from marketing to supply chain and then to construction. The popularization and application of the standardization concept have greatly improved the accuracy and timeliness of management as well as reduced management costs and management loopholes. In the future, the Company will continue to promote the betterment of all management levels in order to achieve the business objective of reducing costs and increasing efficiency.

(5) Technology Strengths

In recent years, the construction decoration industry has made great progress in construction processes relying on technological upgrading. Scientific and technological elements have gradually become more pervasive. As an industry leader, the Company has always led the development of BIM, VR, prefabricated decoration and other key technologies in the industry. Its research and development of a BIM system adapted to the decoration industry has effectively improved the efficiency and quality of project management and also enhanced the level of service. The VR technology was used to allow designers and owners to experience the space and effects as if they were there in person so that the entire process from design to construction is clear and transparent, not merely greatly increasing efficiency but also reducing costs in marketing, design and construction.

The Company was also actively making business arrangements for the field of prefabricated construction decoration. It was one of the first to be recognized as a national "prefabricated construction industrial base" by the General Office of the Ministry of Housing and Urban-Rural Development of the People's Republic of China. The Company actively organized and participated in the preparation of quality and technical standards related to the construction decoration industry. It was the chief editor of the Technical Procedures and Regulations for Prefabricated Decoration of Residential Buildings of the China Building Decoration Association and the Technical Procedures and Regulations for Prefabricated Decoration of Jiangsu Province, and a co-editor of multiple prefabrication-related standards and specifications. Over the years, Gold Mantis's development of construction technologies and research in the field of R&D and innovation have become core competitive edges of the Company.

Part IV Management Discussion and Analysis

I Overview

During the Reporting Period, the Company actively overcame the negative impact of the pandemic by exploring new opportunities in the crisis and breaking new grounds amid changes. In response to the business needs of the post-pandemic world, the Company placed its focus on the in-depth development of the EPC, prefabrication and redecoration markets and continuously optimized its business structure to further expand its market share and leading advantage in the industry.

1. A new growth curve has been started by riding the wind of industry integration and hoisting the sail of EPC development.

EPC is an important change in the forms of tendering in the industry. It transcends the original separation between design and construction, and solves the problem of project bidding by section, which is the only way for the decoration industry to mature. In recent years, with the rapid increase in the proportion of the Company's large-scale decoration orders, the EPC model has become an important direction for the strategic layout of the Company. The Company is making every effort to turn it into a new growth pole of business. While fully integrating full-industry-chain supporting advantages such as design, construction, landscaping and curtain wall engineering as well as comprehensive project management strengths, the Company took the lead in the active exploration of its own advantageous fields including hotels, venues and cultural tourism, vigorously developing EPC projects to start a new growth curve.

At present, the Company has selected elites from design, marketing, construction and other departments to form an EPC special business department responsible for the in-depth study of EPC project rules. The trump-card competitiveness of Gold Mantis EPC projects has been created with top design abilities as a drive, complete full-industry-chain capacities as a support and excellent project management capabilities as a guarantee. In the process of project design, the Company scientifically planned project progress through the EPC cloud design platform, effectively solving the connection problem between design and later construction. Construction according to project schedules was thereby ensured. In the procurement process, the Company made accurate calculations about all kinds of raw materials for projects with the help of the large-scale engineering management platform and the cost control center to minimize project costs. During construction, owing to the comprehensive application of technologies such as prefabrication, the standardization and normalization of the construction process were realized, which effectively guaranteed the quality of construction. Step by step, Gold Mantis is currently on its way to a win-win of greater satisfaction from customers, better profit margin and cash flow for the Company, and higher economic value to society in the EPC field.

For the Company's EPC business, the vast market space presented a historic development opportunity. In order to make EPC

business an important force for the Company's leap-forward development in the new stage, the Company will continue to pursue excellence, uphold first-class quality, establish industry standards and set an industry benchmark.

2. Through consolidation and innovation, prefabricated decoration has entered the fast lane of development.

Gold Mantis has adhered to the people-oriented and technology-empowered strategic vision all along in planning and deploying cutting-edge technologies in the industry. Under the corporate mission of living environment improvement, the Company has been promoting the innovation and upgrading of industry technologies, so that it was always at the forefront of industrial upgrading.

In the field of prefabricated decoration, after years of prefabrication technology R&D and accumulation, product upgrading and iteration have become a constant state for the Company. At present, the Company has built a digital prefabrication system integrating four dimensions, developed a management system that covers the entire project life cycle in the aspects of standardized design, industrialized production, part assembly and digital integrated operations, and gained a wealth of project experience. Standardized design was coordinated by the Company's leading BIM technology to ensure the integration of construction design and decoration design. Buildings, equipment and pipelines did not conflict with decoration so that accurate installation could be realized in the later stage. Industrialized production unified the design standards, models, specifications and quality of components, fundamentally solving the pain point of the construction decoration industry that normalization was difficult to achieve. Part assembly relied on the Company's top talent training system. It could continuously output professional management talent and industrial workers. As a result, multiple projects in different cities could start simultaneously. Moreover, the Company's ability to undertake projects could be improved through reproducible flat on-site installation. Digital integrated operations were empowered by the Company's original prefabrication cloud platform and BIM technology, which enabled fully digital management featuring one-click export of material lists, one-click export of construction drawings and VR scene application, providing full-industry-chain services covering aesthetics, functions, personalization and nationwide implementation.

The Company adhered to the dual drives of independent originality and joint R&D. By absorbing top expert resources in the industry, it focused on the rapid promotion and implementation of prefabricated decoration technology. It had a cooperation agreement with the Center of Science and Technology & Industrialization Development of the Ministry of Housing and Urban-Rural Development to jointly build an Internet platform for the prefabricated decoration industry and an innovation and exhibition center for prefabricated decoration products with informatization, digitization and intelligentization as driving forces. Additionally, the Company and Chengdu City Construction Investment & Management Group (CDCI) will share resources in prefabrication project undertaking, technology R&D and resource integration according to their cooperation agreement to seize the first-mover advantage. At present, the Company has become one of the first to be recognized as a national "prefabricated construction industrial base" by the General Office of the Ministry of Housing and Urban-Rural Development of the People's Republic of China. It was the chief editor of the Technical Procedures and Regulations for Prefabricated Decoration of Residential Buildings of the China Building Decoration

Association and the Technical Procedures and Regulations for Prefabricated Decoration of Jiangsu Province, and a co-editor of multiple prefabrication-related standards and specifications. Among them, the Technical Procedures and Regulations for Prefabricated Decoration of Jiangsu Province has been published. As a leader in the industry, the Company will never abandon the mission of leading the development trend of the industry. In the future, it will form a leading edge in terms of efficiency, quality and cost, and make market breakthroughs from point to plane.

3. A trillion level blue ocean of décor-changing redecoration has been opened up

Every building has a need for periodic renewal and renovation during its service life. Therefore, the development of the construction decoration industry has a certain multiplier effect and the characteristic of market demand sustainability. With China's rapid development in the field of infrastructure in the past two decades, the current existing stock market is huge. Redecoration has become a large blue ocean market in the decoration industry.

At present, the Company's redecoration business focuses on large-scale cultural tourism, venues and hotels. After years of in-depth development in the industry, the Company has accumulated a large number of domestic high-quality customer resources. Through the formation of a professional redecoration team, combined with its advantages in EPC and prefabrication, the Company will effectively seize market opportunities. In the future, with the development of economy and society and the further improvement of the level of urbanization, the decoration demand for renovation and reconstruction will increase continuously, and the Company will have a broad and sustainable space for business development.

4. Corporate moat and barrier advantages have been continuously improved

While maintaining sustained business development, the Company has been constantly consolidating its core strengths. In particular, extra efforts have been devoted to platform capabilities and refined management to build a stronger moat.

In respect of platform building, the construction of a large marketing platform, a large-scale engineering management platform and a design platform has been very effective, giving full play to the barrier advantage of leading the industry. The large marketing platform has enabled the Company's market shares in accessible markets to maintain long-term growth, and the order structure has been significantly optimized. Multi-dimensional modular management from the early market analysis and project evaluation, to the middle resource integration and then to the later payment collection has been realized, forming a strong support for the Company's business growth. Through centralized bidding, centralized procurement and centralized allocation modules, the large-scale engineering management platform has achieved the important goals of pooling resources, reducing costs and increasing efficiency. The management of each construction line has also been deepened, so that the quality, schedule, safety, payment collection and other dimensions of projects in progress could be supervised in an all-around way. Meanwhile, the management radius has been expanded. The design platform focuses on brand building. It was intended to enhance the influence of the Company's design brand by constantly creating quality projects with top influence, and to continuously improve the construction conversion rate of projects with

such driving force, so as to expand the Company's presence from design business to construction business and comprehensively increase the Company's market share in the high-quality project market.

When it came to refined management, Gold Mantis has independently researched and developed an ERP system, a BI management cockpit and a project management command center. It has devised unified administration, finance, supply chain, project support and other information-based management means to achieve whole-process, all-round and real-time project monitoring and scientific data-based management process to ensure the on-time and high-quality completion of projects.

II Core Business Analysis

1. Overview

See "I Overview" above.

2. Revenue and Cost Analysis

(1) Breakdown of Operating Revenue

Unit: RMB

	2020		2019		Change (%)
	Operating revenue	As a % of total operating revenue (%)	Operating revenue	As a % of total operating revenue (%)	
Total	31,243,227,802.04	100%	30,834,654,530.30	100%	1.33%
By operating division					
Construction decoration	30,117,163,022.25	96.40%	29,921,660,214.19	97.04%	0.65%
Manufacturing	954,085,964.93	3.05%	810,671,363.32	2.63%	17.69%
Others	171,978,814.86	0.55%	102,322,952.79	0.33%	68.07%
By product category					
Decoration	27,939,943,817.80	89.43%	27,172,714,036.71	88.12%	2.82%
Curtain wall	1,637,205,437.26	5.24%	1,726,158,637.26	5.60%	-5.15%
Design	1,501,558,913.30	4.81%	1,823,521,929.28	5.91%	-17.66%
Others	164,519,633.68	0.53%	112,259,927.05	0.36%	46.55%
By operating segment					
Within Jiangsu Province	8,501,664,546.85	27.21%	8,582,743,663.41	27.83%	-0.94%
Outside Jiangsu	22,741,563,255.19	72.79%	22,251,910,866.89	72.17%	2.20%

Province					
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(2) Operating Division, Product Category or Operating Segment Contributing over 10% of Operating Revenue or Operating Profit

√ Applicable □ Not applicable

The Company is subject to the Guide No. 6 of the Shenzhen Stock Exchange on Industry-Specific Information Disclosure—Listed Companies Engaged in Construction Decoration.

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Construction decoration	30,117,163,022.25	25,135,776,779.73	16.54%	0.65%	2.96%	-1.87%
By product category						
Decoration	27,939,943,817.80	23,605,931,194.94	15.51%	2.82%	4.78%	-1.58%
By operating segment						
Within Jiangsu Province	8,501,664,546.85	6,806,513,557.13	19.94%	-0.94%	6.56%	-5.64%
Outside Jiangsu Province	22,741,563,255.19	19,251,921,586.10	15.34%	2.20%	2.53%	-0.27%

Core business data restated according to the changed methods of measurement that occurred in the Reporting Period:

√ Applicable □ Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
By product category						
Decoration	27,172,714,036.71	22,528,609,783.38	17.09%	25.47%	26.16%	-0.45%
By operating segment						

Reasons for the changed methods of measurement:

In order to better reflect the Company's product categories, the category of Internet-based home decoration has been put into the decoration category based on the actual conditions of business revenue.

Business categories of the Company:

Unit: RMB

Business category	Operating revenue	Cost of sales	Gross profit margin
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Decoration	27,939,943,817.80	23,605,931,194.94	15.51%
Design	1,501,558,913.30	928,786,610.87	38.15%

Indicate whether the Company conducts business through the Internet channel.

Yes No

Gold Mantis • Home conducts business through online channels such as Tmall, JD, as well as the Company's own WeChat platform, website, and app.

Indicate whether the Company carried out overseas projects.

Yes No

Three projects were carried out in Hong Kong by the Company in the Reporting Period, with the contract amounts totaling RMB25.11 million.

(3) Whether Revenue from Physical Sales Is Higher than Service Revenue

Yes No

(4) Execution Progress of Significant Signed Sales Contracts in the Reporting Period

Applicable Not applicable

The Company is subject to the Guide No. 6 of the Shenzhen Stock Exchange on Industry-Specific Information Disclosure—Listed Companies Engaged in Construction Decoration.

Unit: RMB

	Project amount	Cumulative output value recognized	Amount of the uncompleted portion
Uncompleted projects	63,043,790,573.00	33,503,941,943.00	29,539,848,630.00

Indicate whether there was any significant uncompleted project.

Applicable Not applicable

Other information:

Applicable Not applicable

Unit: RMB

	Cumulative costs incurred	Cumulative gross profit recognized	Expected loss	Settled amount	Amount of the completed but unsettled portion
Completed but unsettled projects	21,269,996,533.48	2,723,626,061.33		21,074,283,351.44	4,619,103,145.61

Indicate whether there was any significant completed but unsettled project.

Applicable Not applicable

Other information:

Applicable Not applicable

(5) Breakdown of Cost of Sales

By operating division

Unit: RMB

Operating division	Item	2020		2019		Change (%)
		Cost of sales	As a % of total cost of sales (%)	Cost of sales	As a % of total cost of sales (%)	
Construction decoration	Direct materials	16,223,118,950.89	66.91%	14,969,348,250.06	64.36%	8.38%
Construction decoration	Direct labor costs	7,291,485,367.27	30.07%	7,299,922,894.97	31.38%	-0.12%
Construction decoration	Expenses	732,184,275.95	3.02%	990,934,818.28	4.26%	-26.11%

Breakdown of cost of sales of core businesses:

Unit: RMB

Cost breakdown	Business category	2020		2019		Change (%)
		Cost	As a % of total cost of sales (%)	Cost	As a % of total cost of sales (%)	
Direct materials	Decoration	16,223,118,950.89	66.91%	14,969,348,250.06	64.36%	8.38%
	Design				0.00%	
	Subtotal	16,223,118,950.89	66.91%	14,969,348,250.06	64.36%	8.38%
Direct labor costs	Decoration	6,632,060,386.56	27.35%	6,512,456,949.56	28.00%	1.84%
	Design	659,424,980.71	2.72%	787,465,945.41	3.39%	-16.26%
	Subtotal	7,291,485,367.27	30.07%	7,299,922,894.97	31.38%	-0.12%
Expenses	Decoration	549,397,367.20	2.27%	729,000,404.55	3.13%	-24.64%
	Design	182,786,908.75	0.75%	261,934,413.73	1.13%	-30.22%
	Subtotal	732,184,275.95	3.02%	990,934,818.28	4.26%	-26.11%
Subtotal		24,246,788,594.11	100.00%	23,260,205,963.31	100.00%	4.24%

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period

√ Yes □ No

1. Disposal of subsidiaries

In the current period, Home Decoration E-commerce, a subsidiary of Gold Mantis Prefabricated Construction Technology, transferred or de-registered 51 “Gold Mantis Home” subsidiaries, and Gold Mantis Curtain Wall, a subsidiary of the Company, de-registered Suzhou Miaoyu Construction Materials Co., Ltd. These transferred or de-registered entities were therefore excluded

from the consolidated financial statements of the current period.

2. Other changes to the consolidation scope

In the current period, Gold Mantis International, a subsidiary of the Company, incorporated Jining Gold Mantis Construction Engineering Co., Ltd., and Gold Mantis Landscape, a subsidiary of the Company, incorporated Hangzhou Gold Mantis Landscape Co., Ltd. These newly incorporated entities were added to the consolidated financial statements of the current period.

(7) Significant Changes to the Business Scope or Product or Service Range in the Reporting Period

Applicable Not applicable

(8) Major Customers and Suppliers

Major customers:

Total sales to top five customers (RMB)	8,769,142,135.42
Total sales to top five customers as a % of total sales of the Reporting Period (%)	28.07%
Total sales to related parties among top five customers as a % of total sales of the Reporting Period (%)	0.00%

Top five customers:

No.	Customer	Sales revenue contributed for the Reporting Period (RMB)	As a % of total sales revenue (%)
1	Customer A	6,835,504,535.80	21.88%
2	Customer B	1,108,396,916.19	3.55%
3	Customer C	344,326,369.83	1.10%
4	Customer D	262,020,032.31	0.84%
5	Customer E	218,894,281.29	0.70%
Total	--	8,769,142,135.42	28.07%

Other information about major customers:

Applicable Not applicable

Major suppliers:

Total purchases from top five suppliers (RMB)	587,287,591.63
Total purchases from top five suppliers as a % of total purchases of the Reporting Period (%)	2.13%
Total purchases from related parties among top five suppliers as a % of total purchases of the Reporting Period (%)	0.00%

Top five suppliers:

No.	Supplier	Purchase in the Reporting Period (RMB)	As a % of total purchases (%)
1	Supplier A	142,664,603.12	0.52%
2	Supplier B	140,175,325.28	0.51%
3	Supplier C	115,740,281.38	0.42%
4	Supplier D	99,819,589.00	0.36%
5	Supplier E	88,887,792.85	0.32%
Total	--	587,287,591.63	2.13%

Other information about major suppliers:

Applicable Not applicable

3. Expenses

Unit: RMB

	2020	2019	Change (%)	Reason for any significant change
Selling expense	375,964,501.30	650,794,185.74	-42.23%	Decreases in headcounts of the Company and its subsidiaries
Administrative expense	604,846,088.47	1,001,785,370.49	-39.62%	Decreases in headcounts of the Company and its subsidiaries
Finance costs	131,166,068.90	134,886,779.35	-2.76%	
R&D expense	955,782,334.18	879,866,123.50	8.63%	

4. R&D Investments

Applicable Not applicable

The Company further strengthened R&D and innovation work, improved the building of a scientific and technological R&D system, kept exploring new ideas and new models for R&D, enhanced technology strengths, and transformed them into core competitiveness. The Company and its subsidiaries Meiruide, Gold Mantis Curtain Wall, Gold Mantis Landscape and Refined Decoration & Technology have all gained the national "High-Tech Enterprise" recognition. It has also been recognized as a "Key High and New-Tech Enterprise of National Torch Plan", a "Comprehensive Scientific Research Institute of China's Building Decoration Industry" and a "BIM Research Center of China's Building Decoration Industry", and has become one of the first in the industry to be approved as a "postdoctoral research station" and one of the first to be recognized as a national "prefabricated construction industrial base". As at the end of the Reporting Period, a total of more than 2,000 patents had been obtained (including 371 invention patents).

Particulars about R&D investments:

	2020	2019	Change (%)
Number of R&D personnel	3,137	2,879	8.96%
R&D personnel as a % of total employees	20.77%	16.69%	4.08%
R&D investments (RMB)	955,782,334.18	879,866,123.50	8.63%
R&D investments as a % of operating revenue	3.06%	2.85%	0.21%
Capitalized R&D investments (RMB)	0.00	0.00	0.00%
Capitalized R&D investments as a % of total R&D investments	0.00%	0.00%	0.00%

Reasons for any significant YoY change in the percentage of R&D investments in operating revenue:

Applicable Not applicable

Reason for any sharp variation in the percentage of capitalized R&D investments and rationale:

Applicable Not applicable

5. Cash Flows

Unit: RMB

Item	2020	2019	Change (%)
Subtotal of cash generated from operating activities	28,880,990,351.48	28,661,170,405.68	0.77%
Subtotal of cash used in operating activities	27,103,875,109.32	26,905,950,422.97	0.74%
Net cash generated from/used in operating activities	1,777,115,242.16	1,755,219,982.71	1.25%
Subtotal of cash generated from investing activities	10,856,910,482.46	16,113,138,283.09	-32.62%
Subtotal of cash used in investing activities	11,430,608,541.98	14,744,610,311.98	-22.48%
Net cash generated from/used in investing activities	-573,698,059.52	1,368,527,971.11	-141.92%
Subtotal of cash generated from financing activities	1,173,776,082.77	1,513,451,675.11	-22.44%
Subtotal of cash used in financing activities	1,970,884,916.45	1,662,254,810.52	18.57%
Net cash generated from/used in financing activities	-797,108,833.68	-148,803,135.41	-435.68%

Net increase in cash and cash equivalents	303,149,343.56	2,982,286,978.82	-89.84%
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Explanation of why any of the data above varies significantly on a year-on-year basis:

Applicable Not applicable

It was primarily driven by operating, investing and financing activities in the current period.

Explanation of why the net cash generated from/used in operating activities varies significantly from the net profit of the Reporting Period:

Applicable Not applicable

III Analysis of Non-Core Businesses

Applicable Not applicable

Unit: RMB

	Amount	As a % of gross profit	Primary source/reason	Recurrent or not
Return on investment	37,648,383.31	1.39%	Returns on wealth management product investments	Recurrent
Gain/loss on changes in fair value	-723,913.69	-0.03%		
Asset impairment loss	-386,282,077.09	-14.25%	Allowances for doubtful accounts	Recurrent
Non-operating income	285,660.49	0.01%		Not recurrent
Non-operating expense	4,298,740.33	0.16%		Not recurrent

IV Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Indicate whether the Company has adopted the new accounting standards governing revenue and leases since 2020 and restated the beginning amounts of relevant financial statement line items in the year.

Applicable.

Unit: RMB

	31 December 2020		1 January 2020		Change in percentage (%)	Reason for any significant change
	Amount	As a % of total assets	Amount	As a % of total assets		
Monetary assets	6,372,631,845.72	14.16%	6,077,758,993.30	15.32%	-1.16%	
Accounts receivable	13,517,789,956.57	30.04%	12,019,319,778.79	30.30%	-0.26%	

Inventories	53,841,882.04	0.12%	101,344,129.28	0.26%	-0.14%	
Investment property	135,295,908.94	0.30%	78,250,561.70	0.20%	0.10%	
Long-term equity investments	225,124.06	0.00%	22,838,423.66	0.06%	-0.06%	
Fixed assets	892,169,838.74	1.98%	910,175,452.03	2.29%	-0.31%	
Construction in progress	41,215,785.57	0.09%	71,905,579.25	0.18%	-0.09%	
Short-term borrowings	714,363,172.85	1.59%	875,691,128.75	2.21%	-0.62%	
Long-term borrowings	836,918,353.34	1.86%	838,561,722.30	2.11%	-0.25%	

2. Assets and Liabilities Measured at Fair Value

√ Applicable □ Not applicable

Unit: RMB

Item	Opening amount	Gain/loss on fair-value changes in the current period	Cumulative fair-value changes recognized in equity	Impairment allowance for the current period	Purchased in the current period	Sold in the current period	Other changes	Closing amount
Financial assets								
1. Held-for-trading financial assets (exclusive of derivative financial assets)	1,694,650,654.74	-723,913.69			11,203,540,711.98	10,725,380,711.98		2,172,086,741.05
Other non-current financial assets	444,022,000.00				68,000,000.00			512,022,000.00
Total of the above	2,138,672,654.74	-723,913.69			11,271,540,711.98	10,725,380,711.98		2,684,108,741.05
Financial liabilities	0.00	0.00		0.00	0.00	0.00		0.00

Particulars about other changes:

Indicate whether any significant change occurred to the measurement attributes of the major assets in the Reporting Period.

Yes No

3. Assets to which the Company's Rights Were Restricted as at the Period-End

Unit: RMB

Item	Closing carrying amount	Reason for restriction
Monetary assets	16,564,171.89	Frozen by court of law
Notes receivable	1,300,000.00	Put in pledge for notes issuing
Notes receivable	1,901,286,639.74	Un-derecognized endorsed or discounted commercial notes
Accounts receivable	103,990,224.42	Un-derecognized factored accounts receivable
Receivables financing	82,472,805.60	Put in pledge for notes issuing
Total	2,105,613,841.65	

V Investments Made

1. Total Investment Amount

Applicable Not applicable

Total investment amount in the Reporting Period (RMB)	Total investment amount in last year (RMB)	Change (%)
196,000,000.00	245,621,341.56	-20.20%

2. Significant Equity Investments Acquired in the Reporting Period

Applicable Not applicable

3. Significant Ongoing Non-Equity Investments in the Reporting Period

Applicable Not applicable

4. Financial Investments

(1) Securities Investments

Applicable Not applicable

No such cases in the Reporting Period.

(2) Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

5. Use of Raised Funds

Applicable Not applicable

No such cases in the Reporting Period.

VI Sale of Major Assets and Equity Investments**1. Sale of Major Assets**

Applicable Not applicable

No such cases in the Reporting Period.

2. Sale of Major Equity Investments

Applicable Not applicable

VII Principal Subsidiaries and Joint Stock Companies

Applicable Not applicable

Principal subsidiaries and joint stock companies with an over 10% effect on the consolidated net profit:

Unit: RMB

Name	Relationship with the Company	Principal activities	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Meiruide	Subsidiary	Construction decoration	RMB137 million	5,910,074,493.10	1,457,720,687.48	4,649,890,587.53	261,010,405.32	236,084,987.30
Gold Mantis Curtain Wall	Subsidiary	Manufacturing of decoration materials	RMB300 million	2,550,888,967.47	923,741,660.24	1,640,145,633.00	20,202,390.91	21,565,367.61
Gold Mantis Landscape	Subsidiary	Landscape engineering	RMB100 million	2,287,601,703.71	630,017,100.91	1,061,264,310.72	130,311,674.76	114,277,407.25
Singapore	Subsidiary	Construction	USD1	1,248,738,900.23	664,199,378.87	803,827,849.60	99,507,430.49	82,850,227.49

Gold Mantis	ary	on decoration						
Gold Mantis (International)	Subsidi ary	Constructi on decoration	HKD10 million	405,936,293.10	299,872,919.69	198,471,035.76	61,498,865.91	49,992,522.99
Gold Mantis Prefabricated Construction Technology	Subsidi ary	Decoratio n and e-commer ce	RMB27 0 million	2,230,155,296.20	256,999,489.05	2,808,722,617.48	28,089,987.06	-13,401,119.37

Subsidiaries acquired or disposed of in the Reporting Period:

Applicable Not applicable

Name	Way of acquisition or disposal	Effects on the Company's overall operations and performance
51 "Gold Mantis Home" subsidiaries	Transferred or de-registered	No significant effects
Suzhou Miaoyu Construction Materials Co., Ltd.	De-registered	No significant effects
Jining Gold Mantis Construction Engineering Co., Ltd.	Incorporated	No significant effects
Hangzhou Gold Mantis Landscape Co., Ltd.	Incorporated	No significant effects

VIII Structured Entities Controlled by the Company

Applicable Not applicable

IX Prospects

1. Competitive Landscape and Development Trend of the Industry

In recent years, the market size of the construction decoration industry has grown steadily, policies and standards have promoted market development, and market integration has become more frequent; new business models such as EPC have expanded rapidly; prefabrication, intelligentization, BIM, VR and other technological innovation have continued to deepen. In the future, with the wave of industrial upgrading, green interior decoration, scientific and technological decoration, and informatization will become important driving forces for the next growth-cycle round of the construction decoration industry.

In recent years, the decoration industry has presented a variety of new trends and new changes, which are prominently manifested in business types and technological innovation.

Business:

(1) The engineering procurement construction (EPC) of decoration projects has become the mainstream development

trend

Taking into account the development of the building industry at home and abroad, we will find that the EPC of decoration projects is an inevitable trend of industry development. For a long time, decoration projects in China have been carried out by general design contractors and general construction contractors separately, resulting in many problems such as the different project progress between the two and the poor matching of drawings. However, with the in-depth promotion of the decoration EPC policy, great improvement will be brought. For one thing, decoration EPC can reduce management difficulty, shorten project duration and cut building costs. For another, it can help improve construction efficiency and quality, thus creating more economic value for all parties. Later under the continuous guidance of national policies and propelled by market forces, decoration EPC will further become the mainstream trend of industry development.

(2) Opportunities arise from the construction of key regions across the country

In recent years, China has been stepping up its efforts to promote regional development. It has constantly optimized regional policies and spatial layout, leveraged the comparative advantages of different regions, and made new progress in national high-quality development. Successively, China has launched the construction plans for the Guangdong-Hong Kong-Macao Greater Bay Area, the integrated development of the Yangtze River Delta, the coordinated development of the Beijing-Tianjin-Hebei region and the Xiong'an New Area to create world-class innovation platforms and growth poles. In the future, a number of benchmark projects up to international first-class standards will become important development opportunities for the construction decoration industry.

Technological innovation:**(1) Prefabricated decoration has become an important trend**

At present, the building modernization in major developed countries is quite mature. Representative countries such as the United States, Japan and Singapore have a very high penetration rate in the field of prefabrication. Although China's penetration rate has increased in recent years, there is still a gap, indicating that the prefabrication penetration of China has huge room for growth. Prefabricated decoration adopts the new forms of standardized design, industrialized production and prefabricated construction, which has such advantages as good construction quality, high installation accuracy and environmental friendliness. It can solve many difficulties faced by traditional decoration construction and greatly reduce dependence on manual work. Therefore, it has bright prospects for future growth.

(2) BIM has become an industry trend

BIM has five major characteristics, namely visualization, coordination, simulation, optimization and plotting. This enables projects with BIM applications as a carrier to have improved building quality, shortened project duration and reduced construction costs. As the construction decoration industry imposes higher visualization requirements for design, cost estimation, construction,

maintenance and other processes as well as for all types of information, BIM has become a technological symbol of the construction industry. It has been more and more widely used in many large and complex construction projects. Now it is a technological direction of the future transformation of China's construction decoration industry.

2. Development Strategy of the Company

Opportunities and challenges coexist in the current industry. On the one hand, there are still many uncertainties in economic resurgence. The road to industry demand recovery is tortuous. On the other hand, under the promotion by national policies and the improvement of standardization, many new business forms and new technologies have emerged in the industry. The development of EPC and prefabrication is in full swing. Therefore, in order to maintain its leadership in the fierce market competition, the Company must continue to seek vitality from technological innovation and impetus from industrial upgrading. In 2021, the Company will advance its different operations in accordance with the established strategy, focusing on the EPC, prefabrication, local and redecoration markets, to create new core competitiveness for Gold Mantis.

(1) EPC: The Company will leverage its full-industry-chain supporting advantages such as design, construction, landscaping and curtain wall engineering as well as comprehensive project management strengths, in addition to integrating industry resources. Through the integration of design and construction, the Company will also increase the proportion of large-scale high-quality projects, create barriers to competitors, and further improve its market share and core profit margin.

(2) Prefabricated decoration: The Company will integrate internal and external resources, adhering to both independent originality and joint R&D. By ensuring close cooperation and resource sharing with domestic leading enterprises on project undertaking, technology R&D and resource integration, the Company will promote the rapid promotion and implementation of prefabricated decoration projects in order to form the first-mover advantage and the scale advantage.

(3) Local markets: The Company will create local landmark projects by strengthening cooperation with local governments, build trust and stickiness with local governments and large enterprises, and promote mutual benefit and win-win results. Moreover, the Company will continue to rapidly expand its business from point to plane and from plane to solid, in order to achieve the strategic goal of developing local markets in depth and further promote the Company to the whole country.

(4) Redecoration: The Company's redecoration business will focus on large-scale cultural tourism, venues and hotels. The Company will fully mobilize a large number of domestic high-quality customer resources and use its advantages in EPC and prefabrication to effectively seize market opportunities.

3. Future Planning

(1) Platform construction will be accelerated to facilitate stable and continuous high-quality development.

The Company will continuously improve and enrich the management radius of the large marketing platform, the professional design platform and the large-scale engineering management platform, raise its refined management level in marketing, design,

project management, audit and payment collection and other business dimensions, and promote its firm move towards high-quality development.

(2) The joint operation system will be completed, and the Company's long-term growth potential will be gradually unlocked.

The Company will build a business operations system where marketing, bidding, design, construction, functions and other departments support and cooperate with each other so that different line departments will perform their respective duties and better focus on such aspects as construction quality, schedule, customer satisfaction and payment collection, thereby systematically and comprehensively enabling the Company's reform measures to truly play a role and achieving the Company's established goals.

X Communications with the Investment Community such as Researches, Inquiries and Interviews

1. During the Reporting Period

√ Applicable □ Not applicable

Date	Place	Way of communication	Type of the communication party	Communication party	Main discussions and materials provided by the Company	Index to the relevant information
27 April 2020	Company Conference Room	By phone	Institution	Guosheng Asset Management, CICC, Fullgoal Fund, etc.	Introduced the Company's operations and development strategy	Log Sheet of Investor Relations Activities on 27 April 2020 on http://irm.cninfo.com.cn/
8 May 2020	Company Conference Room	Other	Other	All investors	Introduced the Company's operations and development strategy	Log Sheet of Investor Relations Activities on 8 May 2020 on http://irm.cninfo.com.cn/
1 September 2020	Company Conference Room	By phone	Institution	Guosheng Asset Management, Huatai Securities, Industrial Securities, etc.	Introduced the Company's operations and development strategy	Log Sheet of Investor Relations Activities on 1 September 2020 on http://irm.cninfo.com.cn/
2 November 2020	Company Conference Room	By phone	Institution	Guosheng Asset Management, Huatai Securities, Industrial Securities, etc.	Introduced the Company's operations and development strategy	Log Sheet of Investor Relations Activities on 2 November 2020 on http://irm.cninfo.com.cn/

Part V Significant Events

I Profit Distributions to Ordinary Shareholders in the Form of Cash and/or Shares

The profit distribution policy for ordinary shareholders, especially the formulation, implementation and amendments to the cash dividend policy, in the Reporting Period:

Applicable Not applicable

The Company has been implementing continual and consistent profit distribution policies in the current stage. With an aim to concurrently guarantee the overall interests of the entire shareholders and the Company's sustainable development, the Company gave consideration to factors such as its operation status, profit scale and financial needs for project investment, and has formulated sustainable, consistent and scientific distribution policies. Equity distribution was carried out through cash dividends, as well as bonus issues from capital reserves and profit to offer reasonable investment returns to investors and provide them with opportunities to share the Company's achievement in economic growth. Such practices were in compliance with relevant laws, regulations and normative documents issued by the China Securities Regulatory Commission and the Shenzhen Stock Exchange.

Special statement about the cash dividend policy	
In compliance with the Company's Articles of Association and resolution of general meeting	Yes
Specific and clear dividend standard and ratio	Yes
Complete decision-making procedure and mechanism	Yes
Independent directors faithfully performed their duties and played their due role	Yes
Non-controlling shareholders are able to fully express their opinion and desire and their legal rights and interests are fully protected	Yes
In case of adjusting or altering the cash dividend policy, the conditions and procedures involved are in compliance with applicable regulations and transparent	Not applicable

The profit distribution plans for ordinary shareholders, either in the form of cash or shares, in the past three years (including the Reporting Period) are summarized as follows:

The final dividend plan for 2020: Based on the total share capital of 2,683,358,689 shares, a cash dividend of RMB2 (tax inclusive) per 10 shares is planned to be distributed to all the shareholders, with the total amount to be distributed being RMB536,671,737.80.

The final dividend plan for 2019: Based on the total share capital of 2,684,408,689 shares, a cash dividend of RMB2 (tax

inclusive) per 10 shares is planned to be distributed to all the shareholders, with the total amount to be distributed being RMB536,881,737.80.

The final dividend plan for 2018: Based on the total share capital of 2,676,408,689 shares, a cash dividend of RMB2 (tax inclusive) per 10 shares is planned to be distributed to all the shareholders, with the total amount to be distributed being RMB535,281,737.80.

Cash dividends for ordinary shareholders in the past three years (including the Reporting Period):

Unit: RMB

Year	Cash dividends (tax inclusive) (A)	Net profit attributable to ordinary shareholders of the listed company in consolidated statements for the year (B)	A as a % of B (%)	Cash dividends in other forms (like share repurchase) (C)	C as a % of B (%)	Total cash dividends (including those in other forms) (A+C)	A+C as a % of B (%)
2020	536,671,737.80	2,373,915,319.52	22.61%	0.00	0.00%	536,671,737.80	22.61%
2019	536,881,737.80	2,349,395,605.96	22.85%	0.00	0.00%	536,881,737.80	22.85%
2018	535,281,737.80	2,123,411,594.37	25.21%	0.00	0.00%	535,281,737.80	25.21%

Indicate whether the Company fails to put forward a cash dividend proposal for the ordinary shareholders despite the facts that the Company has made profits in the Reporting Period and the profits of the Company as the parent distributable to the ordinary shareholders are positive.

Applicable Not applicable

II Final Dividend Plan for the Reporting Period

Applicable Not applicable

Bonus issue from profit (share/10 shares)	0
Cash dividend/10 shares (RMB) (tax inclusive)	2
Share base (share)	2,683,358,689
Cash dividends (RMB) (tax inclusive)	536,671,737.80
Cash dividends in other forms (such as share repurchase) (RMB)	0.00
Total cash dividends (including those in other forms) (RMB)	536,671,737.80
Distributable profit (RMB)	9,716,609,593.34
Total cash dividends (including those in other forms) as a % of the total profit to be distributed	100%

Cash dividend policy
Other
Cash and/or stock dividend plan in detail
<p>Specific conditions and proportion of cash dividends as stipulated in the Articles of Association: Except for special circumstances, the Company shall distribute dividends in cash if it is profitable in the year and the accumulative retained earnings are positive. The annual profit distributed in cash shall not be less than 10% of the profit available for distribution to shareholders achieved in the year, and the accumulated profit distributed in cash in the last three years shall not be less than 30% of the average annual distributable profit achieved in the last three years. If the Company repurchases shares by means of offer or call auction in consideration of cash, it is deemed as cash dividends and will be included in the relevant percentage of cash dividends for calculation. The special circumstances mentioned in the foregoing paragraph include: 1. War, natural disasters and other force majeure have a significant adverse impact on the Company's production and operations; 2. Due to an international and domestic macroeconomic impact, the industry's earnings decline significantly, resulting in a decline of more than 50% in the Company's net profit from the same period of the previous year; 3. Due to the national macroeconomic situations, policy control and other reasons, the Company's net operating cash flow falls by more than 50% from the same period of the previous year or the Company's net operating cash flow is negative; 4. As the Company intends to acquire assets, make foreign investments, purchase significant fixed assets or tangible assets in the next twelve months with its own funds, the accumulative expenditure reaches or exceeds 10% of its audited total assets of the latest period.</p> <p>The final dividend plan for 2020: Based on the total share capital of 2,683,358,689 shares [note], a cash dividend of RMB2 (tax inclusive) per 10 shares is planned to be distributed to all the shareholders, with the total amount to be distributed being RMB536,671,737.8. And there will be no bonus issue from either profit or capital reserves. Note: In case of any changes in the total share capital or shares in the share repurchase account prior to the date of record for the profit distribution, the profit distribution will be carried out under the principle of an unchanged cash dividend payout ratio.</p> <p>The final dividend plan is in compliance with the Company's Articles of Association and is subject to final approval by the General Meeting before implementation.</p>

III Fulfillment of Commitments

1. Commitments of the Company's Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company Itself and other Entities Fulfilled in the Reporting Period or Ongoing at the Period-end

√ Applicable □ Not applicable

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
Commitments made in share reforms						
Commitments made in acquisition reports or interests change reports						
Commitments made in asset restructurings						

Commitments made in IPO or refinancing	Suzhou Gold Mantis Enterprise (Group) Co., Ltd., Golden Feather Corporation, and Zhu Xingliang	Commitments related to horizontal competition, related-party transactions, and capital occupation	Commitment about avoiding horizontal competition	25 October 2006	Long-term	Strictly abiding by the commitment
Equity incentive commitments						
Other commitments made to non-controlling shareholders	Suzhou Gold Mantis Enterprise (Group) Co., Ltd., Golden Feather Corporation, and Zhu Xingliang	Commitment related to not reducing shareholdings in the Company during the statutory periods	Commitment about not reducing shareholdings in the Company during the statutory periods upon shareholding increases	20 November 2019	Six months	Fulfilled
Fulfilled on time or not	Yes					
Specific reasons for failing to fulfill commitments on time and plans for the next step	Not applicable					

2. Where there had been an earnings forecast for an asset or project and the Reporting Period was still within the forecast period, explain why the forecast has been reached for the Reporting Period.

Applicable Not applicable

IV Occupation of the Company's Capital by the Controlling Shareholder or Its Related Parties for Non-Operating Purposes

Applicable Not applicable

No such cases in the Reporting Period.

V Explanations Given by the Board of Directors, the Supervisory Committee and the Independent Directors (if any) Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period

Applicable Not applicable

VI YoY Changes to Accounting Policies, Estimates and Methods

Applicable Not applicable

On 23 April 2020, the Company convened the 5th Meeting of the 6th Board of Directors and the 5th Meeting of the 6th Supervisory Committee, at which the Proposal on Changing Accounting Policies According to the Regulations of the Ministry of Finance was reviewed and approved.

1. According to the Accounting Standard No. 14 for Business Enterprises- Revenue revised and issued by the Ministry of Finance, the main changes were as follows:

In the revised standards, the two existing standards on revenue and construction contracts were incorporated into a unified revenue recognition model; the transfer of risk premium was replaced with the transfer of control as the judgment criterion for the time of revenue recognition; clearer guidelines were provided on the accounting processing of contracts containing multiple transaction arrangements; and clear provisions were provided on the revenue recognition and measurement of certain specific transactions (or events).

2. According to the Accounting Standard No. 7 for Business Enterprises- Exchange of Non-monetary Assets (Revision 2019) issued by the Ministry of Finance, the main changes were as follows:

In the revised standards, the scope of application of the standards on exchange of non-monetary assets was refined; the recognition/derecognition time for the exchange of received assets and surrendered assets was clarified; the measurement principles for the exchange of non-monetary assets measured at fair value when multiple assets were received or surrendered at the same time were revised; and the disclosure of whether the exchange of non-monetary assets had commercial substance and the reasons was required.

3. According to the Accounting Standard No. 12 for Business Enterprises- Debt Restructuring (Revision 2019) issued by the Ministry of Finance, the main changes are as follows:

The definition of "debt restructuring" was revised to cancel a judgment on whether the debtor is in financial difficulty or whether the creditor has made concessions. Therefore, the scope of application was expanded. It was clarified that restructured debts and liabilities were no longer distinguished from other financial instruments, and that the recognition and measurement principles of restructured debts and liabilities were consistent with those of financial instruments.

VII Retrospective Restatements due to Correction of Material Accounting Errors in the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

VIII YoY Changes to the Scope of the Consolidated Financial Statements

Applicable Not applicable

1. Disposal of subsidiaries

In the current period, Home Decoration E-commerce, a subsidiary of Gold Mantis Prefabricated Construction Technology, transferred or de-registered 51 “Gold Mantis Home” subsidiaries, and Gold Mantis Curtain Wall, a subsidiary of the Company, de-registered Suzhou Miaoyu Construction Materials Co., Ltd. These transferred or de-registered entities were therefore excluded from the consolidated financial statements of the current period.

2. Other changes to the consolidation scope

In the current period, Gold Mantis International, a subsidiary of the Company, incorporated Jining Gold Mantis Construction Engineering Co., Ltd., and Gold Mantis Landscape, a subsidiary of the Company, incorporated Hangzhou Gold Mantis Landscape Co., Ltd. These newly incorporated entities were added to the consolidated financial statements of the current period.

IX Engagement and Disengagement of Independent Auditor

Current independent auditor:

Name of the domestic independent auditor	RSM China
The Company's payment to the domestic independent auditor (RMB'0,000)	235
How many consecutive years the domestic independent auditor has provided audit service for the Company	18
Names of the certified public accountants from the domestic independent auditor writing signatures on the auditor's report	Song Wen, Hong Zhiguo, and Long Bing
How many consecutive years the certified public accountants have provided audit service for the Company	Four years, five years, and three years, respectively

Indicate whether the independent auditor was changed for the Reporting Period.

Yes No

Independent auditor appointed for the audit of internal control, as well as financial advisor or sponsor appointed:

Applicable Not applicable

X Possibility of Delisting after the Disclosure of this Report

Applicable Not applicable

XI Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

XII Significant Legal Matters

Applicable Not applicable

No such cases in the Reporting Period.

XIII Punishments and Rectifications

Applicable Not applicable

No such cases in the Reporting Period.

XIV Credit Standings of the Company as well as Its Controlling Shareholder and Actual Controller

Applicable Not applicable

XV Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees

Applicable Not applicable

1. On 29 October 2018, the Company convened the 12th Extraordinary Meeting of the 5th Board of Directors and the 4th Extraordinary Meeting of the 5th Supervisory Committee, at which the Proposal on the Company's 2018 Restricted Share Incentive Plan (Draft) and Its Summary and other proposals were reviewed and approved. Independent directors and the Supervisory Committee of the Company put forward opinions on whether this incentive plan would be conducive to the Company's sustainable development and whether it might significantly damage the interests of the Company and its entire shareholders. Details were published on the Cninfo (<http://www.cninfo.com.cn>) on 30 October 2018 for the inquiry of investors.

2. From 30 October 2018 to 12 November 2018, the Company published the list of awardees for this incentive plan on the Cninfo and its official website. During this period, the Supervisory Committee of the Company did not receive any objection. As the publicity period expired, the Supervisory Committee convened the 5th Extraordinary Meeting of the 5th Supervisory Committee on 13 November 2018 to review the list of awardees in the first incentive grant and provide information on the publicity status.

3. On 20 November 2018, the Company convened the 1st Extraordinary General Meeting of 2018, at which the Proposal on the Company's 2018 Restricted Share Incentive Plan (Draft) and Its Summary and other proposals were reviewed and approved. Besides, self-inspection of stock trading of incentive plan insiders was conducted. There was no finding where the insiders made use of inside information to trade the Company's stocks. Details were published on the Cninfo (<http://www.cninfo.com.cn>) on 21 November 2018 for the inquiry of investors.

4. On 17 December 2018, the Company convened the 13th Extraordinary Meeting of the 5th Board of Directors and the 6th Extraordinary Meeting of the 5th Supervisory Committee, at which the Proposal on the First Grant of Restricted Stocks to Awardees

was reviewed and approved. It was agreed that the Company granted 33.10 million restricted shares to 32 qualified awardees on 17 December 2018. Independent directors and the Supervisory Committee of the Company clearly consented to this matter. The Supervisory Committee verified the list of awardees for this grant of restricted shares.

5. On 11 January 2019, the Company completed the registration of the first grant of restricted shares for the 2018 restricted share incentive plan, granted 33.10 million restricted shares to 32 qualified awardees, and disclosed the Announcement on the Successful First Grant of the 2018 Restricted Stock Incentive Plan. The listing date of restricted shares in the first grant was 15 January 2019.

6. On 15 November 2019, the Company convened the 1st Extraordinary Meeting of the 6th Board of Directors and the 1st Extraordinary Meeting of the 6th Supervisory Committee, at which the Proposal on Granting Reserved Restricted Stocks to Awardees was reviewed and approved. It was agreed that the Company granted 8 million reserved restricted shares to 14 awardees on 15 November 2019, the date determined at the meetings for the grant of reserved restricted shares. Independent directors and the Supervisory Committee of the Company clearly consented to this matter. The Supervisory Committee verified the list of awardees for this grant of restricted shares.

7. On 22 January 2020, the Company completed the registration of the grant of reserved restricted shares for the 2018 restricted share incentive plan, granted 8 million restricted shares to 14 awardees, and disclosed the Announcement on the Successful Grant of the Reserved Portion for the 2018 Restricted Share Incentive Plan. The listing date of these reserved restricted shares was 23 January 2020.

8. On 23 April 2020, the Company convened the 5th Meeting of the 6th Board of Directors and the 5th Meeting of the 6th Supervisory Committee, at which the Proposal on the Achievement of Lifting the Restriction Conditions in the First Lifting Restriction Period for the First Grant Portion of the 2018 Restricted Share Incentive Plan was reviewed and approved. It was deemed that the first restriction period of restricted shares in the first grant of this incentive plan had expired, and that the conditions for lifting restrictions such as the business performance indicator had been satisfied to meet the conditions for lifting restrictions in the first listing restriction period as mentioned in the Company's 2018 Restricted Share Incentive Plan. Therefore, it was agreed that the Company processed matters related to restriction lifting for qualified awardees according to the stipulations in the incentive plan after the 2019 Annual Report of the Company was reviewed and approved at the 2019 Annual General Meeting. At the same time, the Proposal on Repurchase and Cancellation of Some Restricted Stocks was reviewed and approved. Considering that Yang Peng and Xie Jinjun, the original awardees, had left the Company for personal reasons, they no longer satisfied the incentive conditions according to relevant provisions in the Company's 2018 Restricted Share Incentive Plan. The Board of Directors of the Company agreed that the Company repurchased and canceled 1.05 million restricted shares which were granted to the above-mentioned persons with trading restrictions to be lifted. The repurchase price was RMB3.99/share. Independent directors and the Supervisory

Committee of the Company clearly consented to this matter.

9. On 15 May 2020, the Company convened the 2019 Annual General Meeting, at which the 2019 Annual Report of the Company as well as Its Abstract, the Proposal on Repurchase and Cancellation of Some Restricted Stocks and other proposals were reviewed and approved. Details were published on the Cninfo (<http://www.cninfo.com.cn>) on 16 May 2020 for the inquiry of investors.

10. On April June 2020, the Company lifted the trading restriction on restricted shares of qualified awardees and disclosed the Prompt Announcement on the Listing and Trading of Stocks with Restriction Conditions Lifted in the First Lifting Restriction Period for the First Grant Portion of the 2018 Restricted Share Incentive Plan (2020-032). The date of listing and trading of these stocks with restriction conditions lifted was 9 June 2020.

11. On 13 July 2020, upon the review and confirmation of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Company completed the repurchase and cancellation of some restricted shares, after which the total share capital of the Company changed to 2,683,358,689 shares. The Announcement on Successful Repurchase and Cancellation of Some Restricted Stocks (2020-033) was disclosed.

12. On 15 January 2021, the Proposal on the Achievement of Lifting the Restriction Conditions in the First Lifting Restriction Period for the First Grant Portion of the 2018 Restricted Share Incentive Plan was deliberated and approved at the 2nd Extraordinary Meeting of the 6th Board of Directors and the 2nd Extraordinary Meeting of the 6th Supervisory Committee. It was believed that the lifting restriction conditions for the restricted shares reserved under the Company's 2018 restricted share incentive plan in the first lifting restriction period were achieved. It was therefore agreed that the Company would handle matters related to lifting restrictions for eligible awardees in accordance with the relevant provisions of the incentive plan after the expiration of the first restriction period of reserved restricted shares. Independent directors and the Supervisory Committee of the Company clearly consented to this matter.

13. On 25 January 2021, the Company lifted the trading restriction on restricted shares of qualified awardees and disclosed the Prompt Announcement on the Listing and Trading of Stocks with Restriction Conditions Lifted in the First Lifting Restriction Period for the Reserved Portion of the 2018 Restricted Share Incentive Plan (2021-007). The date of listing and trading of these stocks with restriction conditions lifted was 27 January 2021.

XVI Significant Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

Related party	Relationship	Type of transaction	Contents of	Pricing principle	Transaction	Total value	As a % of total	Approved	Over the	Method of	Obtainable	Disclosure date	Index to
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	with the Company	on	transaction	e	price	(RMB'0,000)	value of all transactions of the same nature	transaction line (RMB'0,000)	approved line or not	settlement	market price for transactions of the same nature		disclosed information
Suzhou Gold Mantis 3D Software Co., Ltd.	The parent company's subsidiary	Purchasing goods or receiving services from the related party	Software and technical services	Market price	138.14	138.14		138.14	Not	In cash	138.14	25 April 2020	2020-017
Suzhou Huizhu Information Technology Co., Ltd.	The parent company's sub-subsidiary	Purchasing goods or receiving services from the related party	Technical services	Market price	27.48	27.48		27.48	Not	In cash	27.48	25 April 2020	2020-017
Suzhou Gold Mantis Investment Co., Ltd.	The parent company's subsidiary	Purchasing goods or receiving services from the related party	Consulting services	Market price	28.82	28.82		28.82	Not	In cash	28.82		
Delos (Suzhou) Well Technology Ltd.	Minority-owned by the Company	Purchasing goods or receiving	Materials	Market price	162.14	162.14		162.14	Not	In cash	162.14	25 April 2020	2020-017

		services from the related party										
Suzhou BLM Technology Co., Ltd.	The parent company's sub-subsidiary	Purchasing goods or receiving services from the related party	Equipment and materials	Market price	92.94	92.94	92.94	Not	In cash	92.94		
Suzhou LJT Intelligent Technology Co., Ltd.	The parent company's subsidiary	Purchasing goods or receiving services from the related party	Design charges and materials	Market price	754.80	754.8	754.8	Not	In cash	754.80	25 April 2020	2020-017
Suzhou Jinhu Property Development Co., Ltd.	The parent company's subsidiary	Selling goods or rendering services to the related party	Decoration and curtain wall engineering, and design	Market price	5,296.96	5,296.96	5,296.96	Not	In cash	5,296.96	23 May 2018	2018-015、2018-025
Suzhou Jinbai Hotel Management Co., Ltd.	The parent company's sub-subsidiary	Selling goods or rendering services to the related party	Decoration engineering	Market price	1,544.07	1,544.07	1,544.07	Not	In cash	1,544.07	23 May 2018	2018-015、2018-025
Zhejiang	Former	Selling	Decorati	Market	112.55	112.55	112.55	Not	In cash	112.55	25 April	2020-0

Tianyu Commercial Operation Management Co., Ltd.	Minority-owned by the Company	goods rendering services to the related party	on engineering and design	price								2020	17
Suzhou LJT Intelligent Technology Co., Ltd.	The parent company's subsidiary	Selling goods or rendering services to the related party	Decoration engineering and equipment	Market price	-48.21	-48.21	-48.21	Not	In cash	-48.21		25 April 2020	2020-017
Delos (Suzhou) Well Technology Ltd.	Minority-owned by the Company	Selling goods or rendering services to the related party	Decoration engineering	Market price	11.01	11.01	11.01	Not	In cash	11.01		25 April 2020	2020-017
Suzhou Gold Mantis Culture Development Co., Ltd.	Minority-owned by the parent company	Selling goods or rendering services to the related party	Landscape and property services	Market price	44.65	44.65	44.65	Not	In cash	44.65			
Total				--	--	8,165.35	--	8,165.35	--	--	--	--	--
Large-amount sales return in detail				N/A									
Give the actual situation in the Reporting Period (if any) where an estimate had been made for the total value of continuing related-party transactions by type to occur in the				The total value of continuing transactions between the Company and related parties LJT, Delos (Suzhou), Zhejiang Tianyu, 3D Software, and Huizhu Technology stood at RMB11.5791 million in the Reporting Period.									

Reporting Period	
Reason for any significant difference between the transaction price and the market reference price (if applicable)	N/A

Notes:

1. The Company convened the 2017 Annual General Meeting on 22 May 2018, at which the Proposal on the Proposed Signing of Decoration Engineering Contracts and Related-Party Transactions was reviewed and approved. It was agreed that the Company and its subsidiaries within the scope of consolidated statements would sign several contracts of architectural decoration design and construction with Suzhou Jinhu Real Estate Development Co., Ltd. according to the needs of business development, and provide design and construction services such as hotel decoration, apartment decoration, curtain wall and landscape design and construction for Park Hyatt Suzhou. The total amount shall not exceed RMB540,000,000. For details, please refer to the Company's announcements numbered 2018-015 and 2018-025. According to the authorization of the 2017 Annual General Meeting and the contracts signed between the Company and Suzhou Jinhu Real Estate Development Co., Ltd., in 2020, the Company (including its subsidiaries) carried out related-party transactions of decoration services with Suzhou Jinhu Real Estate Development Co., Ltd. (including its subsidiaries) for the Park Hyatt Suzhou Project with an amount of RMB68,410,300.

2. In 2020, the Company carried out related-party transactions with Suzhou Gold Mantis Investment Co., Ltd., Suzhou Bro&M Technology Co., Ltd. and Suzhou Gold Mantis Culture Development Co., Ltd with a total amount of RMB1,664,100, which fell within the permission scope of the General Manager. These transactions had been reviewed and approved by the General Manager in accordance with the Company's Related-Party Transaction Policy.

2. Related-Party Transactions Regarding Purchase or Sales of Assets or Equity Investments

Applicable Not applicable

No such cases in the Reporting Period.

3. Related-Party Transactions Regarding Joint Investments in Third Parties

Applicable Not applicable

No such cases in the Reporting Period.

4. Amounts Due to and from Related Parties

Applicable Not applicable

No such cases in the Reporting Period.

5. Other Significant Related-Party Transactions

√ Applicable □ Not applicable

(1) Leases with Related Parties

① In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Mantis Enterprise (Group) Co., Ltd., Gold Mantis Group leased an office building area of 272.12 square meters from the Company, with an annual rental of RMB189,000. The Company collected actual rental of RMB189,000 in 2020 and RMB189,000 in 2019.

② In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Mantis Investment Co., Ltd., Suzhou Gold Mantis Investment Co., Ltd. leased an office building area of 100 square meters from the Company, with an annual rental of RMB42,000. The Company collected actual rental of RMB42,000 in 2020 and RMB42,000 in 2019.

③ In accordance with the Property Lease Agreement signed between the Company and Suzhou Bro&M Technology Co., Ltd., Suzhou Bro&M Technology Co., Ltd. leased an office building area of 25 square meters from the Company, with an annual rental of RMB10,500. The Company collected actual rental of RMB10,500 in 2020 and RMB10,500 in 2019.

④ In accordance with the Property Lease Agreement signed between the Company and Suzhou Jinhua Real Estate Development Co. Ltd., Suzhou Jinhua Real Estate Development Co. Ltd. leased an office building area of 100 square meters from the Company, with an annual rental of RMB42,000. The Company collected actual rental of RMB42,000 in 2020 and RMB42,000 in 2019.

⑤ In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Cloud Information Technology Co., Ltd., Suzhou Gold Cloud Information Technology Co., Ltd. leased an office building area of 25 square meters from the Company, with an annual rental of RMB10,500. The Company collected actual rental of RMB10,500 in 2020 and RMB10,500 in 2019.

⑥ In accordance with the Property Lease Agreement signed between the Company and Jiangsu Dongyi Software Technology Co., Ltd., Jiangsu Dongyi Software Technology Co., Ltd. leased an office building area of 25 square meters from the Company, with an annual rental of RMB10,500. The Company collected actual rental of RMB10,500 in 2020 and RMB10,500 in 2019.

⑦ In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Mantis 3D Software Co., Ltd., Suzhou Gold Mantis 3D Software Co., Ltd. leased an office building area of 200 square meters from the Company, with an annual rental of RMB84,000. The lease agreement was signed in January 2017. The Company collected actual rental of RMB84,000 in 2020 and RMB84,000 in 2019.

⑧ In accordance with the Property Lease Agreement signed between the Company and Suzhou Huizhu Information Technology Co., Ltd., Suzhou Huizhu Information Technology Co., Ltd. leased an office building area of 200 square meters from the Company, with an annual rental of RMB84,000. The lease agreement was signed in January 2017. The Company collected actual rental of RMB84,000 in 2020 and RMB84,000 in 2019.

⑨ In accordance with the Property Lease Agreement signed between the Company and Agile Intelligent Technology Co., Ltd., Agile Intelligent Technology Co., Ltd. leased an office building area of 5 square meters and an office building area of 2,557.39 square meters from the Company, with an annual rental of RMB4,500 and RMB1,074,100, respectively. The Company collected actual annual rental of RMB4,500 and RMB1,074,100 in 2020, and actual annual rental of RMB4,500 and RMB1,074,100 in 2019.

⑩ In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Mantis Yihe Technology Co., Ltd., Suzhou Gold Mantis Yihe Technology Co., Ltd. leased an office building area of 500 square meters from the Company, with an annual rental of RMB210,000. The Company collected actual rental of RMB210,000 in 2020 and RMB210,000 in 2019.

⑪ In accordance with the Property Lease Agreement signed between the Company and Suzhou Jinnuo Commercial Factoring Co., Ltd., Suzhou Jinnuo Commercial Factoring Co., Ltd. leased an office building area of 30 square meters from the Company, with an annual rental of RMB12,600. The Company collected actual rental of RMB12,600 in 2020 and RMB12,600 in 2019.

⑫ In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Mantis Charity Foundation, Suzhou Gold Mantis Charity Foundation leased an office building area of 25 square meters from the Company, with an annual rental of RMB10,500. The lease agreement was signed in January 2017. The Company collected actual rental of RMB10,500 in 2020 and RMB10,500 in 2019.

⑬ In accordance with the Property Lease Agreement signed between the subsidiary Meiruide and Suzhou Nuojin Investment Co., Ltd., Suzhou Nuojin Investment Co., Ltd. leased an office building area of 50 square meters from Meiruide, with an annual rental of RMB21,000. The lease agreement was signed in January 2017. The Company collected actual rental of RMB21,000 in 2020 and RMB21,000 in 2019.

⑭ In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Gain Investment Co., Ltd., Suzhou Gold Gain Investment Co., Ltd. leased a factory building area of 50 square meters from the Company, with an annual rental of RMB3,800. The Company collected actual rental of RMB3,800 in 2020 and RMB3,800 in 2019.

⑮ In accordance with the Property Lease Agreement signed between the Company and Suzhou Jinbo Hotel Management Co., Ltd., Suzhou Jinbo Hotel Management Co., Ltd. leased an office building area of 20 square meters from the Company, with an annual rental of RMB8,400. The lease agreement was signed in March 2019 and expired in April 2020. The Company collected actual rental of RMB2,800 in 2020 and RMB7,000 in 2019.

⑯ In accordance with the Property Lease Agreement signed between the Company and Delos (Suzhou) Health Technology Co., Ltd., Delos (Suzhou) Health Technology Co., Ltd. leased an office building area of 60 square meters from the Company, with an annual rental of RMB25,200. The lease agreement was signed in January 2019 and expired in June 2020. The Company collected actual rental of RMB12,600 in 2020 and RMB25,200 in 2019.

⑰ In accordance with the Property Lease Agreement signed between the Company and Suzhou Gold Mantis Culture

Development Co., Ltd., Suzhou Gold Mantis Culture Development Co., Ltd. leased an office building area of 1,363.21 square meters and an office building area of 2,684.00 square meters from the Company, with an annual rental of RMB572,500 and RMB644,200, respectively. The Company collected actual annual rental of RMB524,800 and RMB590,500 in 2020, and actual annual rental of RMB572,500 and RMB644,200 in 2019.

(2) Other Related-party Transactions

① In 2020, the Company as well as its subsidiaries including Meiruide, Gold Mantis Curtain Wall, Gold Mantis Landscape, Refined Decoration & Technology, Gold Mantis Art, Jindejin Construction and Huali Jinshi paid Suzhou Virtues Construction Professional Training School training fees of RMB1,707,800 in total; the Company as well as its subsidiaries including Meiruide, Gold Mantis Curtain Wall and Gold Mantis Landscape paid Virtues Professional Training School of Suzhou Industrial Park training fees of RMB188,800 in total.

② In December 2020, the Company donated RMB3 million to Suzhou Gold Mantis Charity Foundation.

The amount of related-party transactions including the above-mentioned lease with related parties and training fees of related parties totaled RMB7,836,300, which fell within the permission scope of the General Manager. These transactions had been reviewed and approved by the General Manager in accordance with the Company's Related-Party Transaction Policy.

XVII Significant Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

Applicable Not applicable

No such cases in the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases in the Reporting Period.

(3) Leases

Applicable Not applicable

No such cases in the Reporting Period.

2. Significant Guarantees

Applicable Not applicable

(1) Particulars about Guarantees

Unit: RMB'0,000

Guarantees provided by the Company as the parent and its subsidiaries for external parties (exclusive of those for subsidiaries)								
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Term of guarantee	Liability executed or not	Guarantee for a related party or not
Guarantees provided by the Company as the parent for its subsidiaries								
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Term of guarantee	Liability executed or not	Guarantee for a related party or not
Gold Mantis Refined Decoration & Technology	23 May 2018	70,000	27 June 2018	5,000	Joint-liability	2018.6.27-2019.6.27	Yes	Not
Gold Mantis Refined Decoration & Technology	23 May 2018	70,000	20 December 2018	1,097.28	Joint-liability	2018.12.20-2019.12.20	Yes	Not
Gold Mantis Refined Decoration & Technology	23 May 2018	70,000	5 May 2019	3,000	Joint-liability	2019.5.5-2020.1.14	Yes	Not
Gold Mantis Refined Decoration & Technology	21 May 2019	70,000	11 June 2019	10,000	Joint-liability	2019.6.11-2020.6.10	Yes	Not
Gold Mantis Refined Decoration & Technology	21 May 2019	70,000	4 July 2019	30,000	Joint-liability	2019.7.4-2020.7.4	Yes	Not
Gold Mantis Refined Decoration & Technology	21 May 2019	70,000	11 December 2019	5,000	Joint-liability	2019.12.11-2020.12.11	Yes	Not
Gold Mantis Landscape	23 May 2018	150,000	26 June 2018	15,000	Joint-liability	2018.6.26-2019.6.26	Yes	Not

Gold Mantis Landscape	23 May 2018	150,000	25 January 2019	5,000	Joint-liability	2019.1.25-2020.1.24	Yes	Not
Gold Mantis Landscape	23 May 2018	150,000	13 May 2019	4,000	Joint-liability	2019.5.13-2020.5.13	Yes	Not
Gold Mantis Landscape	23 May 2018	150,000	13 May 2019	6,000	Joint-liability	2019.5.13-2020.4.15	Yes	Not
Gold Mantis Landscape	23 May 2018	150,000	17 May 2019	1,000	Joint-liability	2019.5.17-2020.5.15	Yes	Not
Gold Mantis Curtain Wall	24 May 2017	200,000	12 December 2017	20,000	Joint-liability	2017.12.12-2020.12.11	Yes	Not
Gold Mantis Curtain Wall	23 May 2018	280,000	27 June 2018	10,000	Joint-liability	2018.6.27-2019.4.19	Yes	Not
Gold Mantis Curtain Wall	23 May 2018	280,000	30 July 2018	37,200	Joint-liability	2018.7.30-2019.7.29	Yes	Not
Gold Mantis Curtain Wall	23 May 2018	280,000	13 May 2019	10,000	Joint-liability	2019.5.13-2020.5.13	Yes	Not
Gold Mantis Curtain Wall	21 May 2019	320,000	31 May 2019	5,000	Joint-liability	2019.5.31-2020.5.31	Yes	Not
Gold Mantis Curtain Wall	21 May 2019	320,000	18 June 2019	10,000	Joint-liability	2019.6.18-2020.6.17	Yes	Not
Gold Mantis Curtain Wall	21 May 2019	320,000	16 September 2019	15,670	Joint-liability	2019.9.16-2020.9.15	Yes	Not
Gold Mantis Curtain Wall	21 May 2019	320,000	14 January 2020	20,000	Joint-liability	2020.1.14-2021.1.13	Yes	Not
Gold Mantis Curtain Wall	23 May 2018	280,000	13 May 2019	20,000	Joint-liability	2019.5.13-2020.4.15	Yes	Not
Meiruide	23 May 2018	280,000	18 January 2019	20,000	Joint-liability	2019.1.18-2020.1.17	Yes	Not
Meiruide	23 May 2018	280,000	9 April 2019	30,000	Joint-liability	2019.4.9-2020.4.8	Yes	Not
Meiruide	23 May 2018	280,000	18 April 2019	10,000	Joint-liability	2019.4.18-2020.4.17	Yes	Not
Meiruide	23 May 2018	280,000	13 May 2019	30,000	Joint-liability	2019.5.13-2020.5.13	Yes	Not
Meiruide	23 May 2018	280,000	17 May 2019	25,000	Joint-liability	2019.5.17-2020.5.16	Yes	Not
Meiruide	21 May 2019	360,000	10 June 2019	5,040	Joint-liability	2019.6.10-2020.6.10	Yes	Not

Meiruide	21 May 2019	360,000	10 June 2019	4,419.95	Joint-liability	2019.6.10-2020.6.10	Yes	Not
Meiruide	21 May 2019	360,000	9 September 2019	7,000	Joint-liability	2019.9.9-2020.9.8	Yes	Not
Meiruide	21 May 2019	360,000	27 November 2019	1,730	Joint-liability	2019.11.27-2020.11.27	Yes	Not
Meiruide	21 May 2019	360,000	15 December 2019	15,000	Joint-liability	2019.12.15-2020.12.14	Yes	Not
Meiruide	21 May 2019	360,000	2 January 2020	15,000	Joint-liability	2020.1.2-2020.12.31	Yes	Not
Meiruide	21 May 2019	360,000	24 April 2020	10,000	Joint-liability	2020.4.24-2021.4.24	Yes	Not
Meiruide	23 May 2018	280,000	26 June 2018	30,000	Joint-liability	2018.6.26-2019.6.26	Yes	Not
Meiruide	21 May 2019	360,000	4 July 2019	40,000	Joint-liability	2019.7.4-2020.7.4	Yes	Not
Gold Mantis Art	23 May 2018	10,000	7 August 2018	1,200	Joint-liability	2018.8.7-2019.8.6	Yes	Not
Gold Mantis Art	21 May 2019	10,000	24 July 2019	1,200	Joint-liability	2019.7.24-2020.7.23	Yes	Not
Gold Mantis Art	16 May 2020	10,000	5 June 2020	1,000	Joint-liability	2020.6.5-2021.6.5	Yes	Not
Gold Mantis Art	16 May 2020	10,000	27 July 2020	1,200	Joint-liability	2020.7.27-2021.7.26	Yes	Not
Gold Mantis Supply Chain	23 May 2018	20,000	13 May 2019	5,000	Joint-liability	2019.5.13-2020.4.15	Yes	Not
Gold Mantis Supply Chain	21 May 2019	20,000	28 August 2019	5,000	Joint-liability	2019.8.28-2020.8.27	Yes	Not
Gold Mantis Supply Chain	21 May 2019	20,000	24 September 2019	10,000	Joint-liability	2019.9.24-2020.9.24	Yes	Not
Singapore Gold Mantis	21 May 2019	50,000	28 August 2019	8,500.2	Joint-liability	2019.8.28-2020.8.28	Yes	Not
Singapore Gold Mantis	21 May 2019	50,000	26 September 2019	12,731.22	Joint-liability	2019.9.26-2020.9.25	Yes	Not
Gold Mantis Refined Decoration & Technology	23 May 2018	70,000	17 May 2019	4,050	Joint-liability	2019.5.17-2022.5.16	Not	Not
Gold Mantis	16 May 2020	100,000	1 June 2020	1,500	Joint-liability	2020.6.1-20	Not	Not

Refined Decoration & Technology					ity	21.5.31		
Gold Mantis Refined Decoration & Technology	16 May 2020	100,000	26 October 2020	30,000	Joint-liability	2020.10.26-2021.10.26	Not	Not
Gold Mantis Refined Decoration & Technology	16 May 2020	100,000	9 December 2020	8,000	Joint-liability	2020.12.9-2021.12.9	Not	Not
Gold Mantis Refined Decoration & Technology	16 May 2020	100,000	14 December 2020	10,000	Joint-liability	2020.12.14--2021.12.13	Not	Not
Gold Mantis Landscape	21 May 2019	150,000	18 June 2019	5,000	Joint-liability	2019.6.18-2020.6.17	Not	Not
Gold Mantis Landscape	21 May 2019	150,000	4 July 2019	15,000	Joint-liability	2019.7.4-2020.7.4	Not	Not
Gold Mantis Landscape	21 May 2019	150,000	22 April 2020	6,000	Joint-liability	2020.4.22-2021.4.21	Not	Not
Gold Mantis Landscape	16 May 2020	150,000	23 September 2020	8,000	Joint-liability	2020.9.23-2021.9.23	Not	Not
Gold Mantis Curtain Wall	23 May 2018	280,000	31 May 2018	20,000	Joint-liability	2018.5.31-2019.5.30	Not	Not
Gold Mantis Curtain Wall	21 May 2019	320,000	15 August 2019	37,200	Joint-liability	2019.8.15-2020.8.14	Not	Not
Gold Mantis Curtain Wall	21 May 2019	320,000	11 December 2019	10,000	Joint-liability	2019.12.11-2020.12.11	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	18 May 2020	10,000	Joint-liability	2020.5.18-2021.5.18	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	5 June 2020	20,000	Joint-liability	2020.6.5-2021.5.13	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	18 June 2020	5,000	Joint-liability	2020.6.18-2021.6.18	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	24 August 2020	37,200	Joint-liability	2020.8.24-2021.8.23	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	4 November 2020	6,000	Joint-liability	2020.11.4-2021.8.25	Yes	Not

Gold Mantis Curtain Wall	16 May 2020	320,000	23 September 2020	8,000	Joint-liabil ity	2020.9.23-2 021.9.23	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	1 December 2020	17,000	Joint-liabil ity	2020.12.1-2 021.12.1	Not	Not
Gold Mantis Curtain Wall	16 May 2020	320,000	10 December 2020	15,000	Joint-liabil ity	2020.12.10- 2021.12.9	Not	Not
Meiruide	23 May 2018	280,000	26 October 2018	25,000	Joint-liabil ity	2018.10.26- 2019.11.25	Not	Not
Meiruide	23 May 2018	280,000	13 May 2019	20,000	Joint-liabil ity	2019.5.13-2 020.4.15	Not	Not
Meiruide	21 May 2019	360,000	28 May 2019	10,000	Joint-liabil ity	2019.5.28-2 020.5.27	Not	Not
Meiruide	21 May 2019	360,000	8 January 2020	10,000	Joint-liabil ity	2020.1.8-20 21.1.8	Not	Not
Meiruide	21 May 2019	360,000	17 March 2020	10,000	Joint-liabil ity	2020.3.17-2 021.3.17	Not	Not
Meiruide	16 May 2020	420,000	18 May 2020	20,000	Joint-liabil ity	2020.5.18-2 021.5.18	Not	Not
Meiruide	16 May 2020	420,000	5 June 2020	20,000	Joint-liabil ity	2020.6.5-20 21.5.13	Not	Not
Meiruide	16 May 2020	420,000	11 June 2020	10,000	Joint-liabil ity	2020.6.11-2 021.6.11	Not	Not
Meiruide	16 May 2020	420,000	10 August 2020	25,000	Joint-liabil ity	2020.8.10-2 021.8.9	Not	Not
Meiruide	16 May 2020	420,000	23 September 2020	10,000	Joint-liabil ity	2020.9.23-2 021.9.23	Not	Not
Meiruide	16 May 2020	420,000	24 September 2020	20,000	Joint-liabil ity	2020.9.24-2 021.9.24	Not	Not
Meiruide	16 May 2020	420,000	26 October 2020	40,000	Joint-liabil ity	2020.10.26- 2021.10.26	Not	Not
Gold Mantis Supply Chain	21 May 2019	20,000	28 August 2019	5,000	Joint-liabil ity	2019.8.28-2 020.8.27	Not	Not
Gold Mantis Supply Chain	21 May 2019	20,000	24 September 2019	10,000	Joint-liabil ity	2019.9.24-2 020.9.24	Not	Not
Gold Mantis Supply Chain	21 May 2019	20,000	8 April 2020	3,000	Joint-liabil ity	2020.4.8-20 21.4.7	Not	Not
Gold Mantis Supply Chain	16 May 2020	30,000	5 June 2020	6,000	Joint-liabil ity	2020.6.5-20 21.5.13	Not	Not

Gold Mantis Supply Chain	16 May 2020	30,000	26 May 2020	5,000	Joint-liability	2020.5.26-2021.5.25	Not	Not
Singapore Gold Mantis	16 May 2020	50,000	28 August 2020	8,266.92	Joint-liability	2020.8.28-2021.8.28	Not	Not
Singapore Gold Mantis	16 May 2020	50,000	26 September 2020	12,261.78	Joint-liability	2020.9.26-2021.9.25	Not	Not
Jijia Materials	16 May 2020	50,000	5 June 2020	6,000	Joint-liability	2020.6.5-2021.5.13	Not	Not
Gold Mantis East China	16 May 2020	10,000	3 July 2020	1,000	Joint-liability	2020.7.3-2021.7.3	Not	Not
Total approved line for such guarantees in the Reporting Period (B1)		1,433,000		Total actual amount of such guarantees in the Reporting Period (B2)		1,071,467.35		
Total approved line for such guarantees at the end of the Reporting Period (B3)		1,433,000		Total actual balance of such guarantees at the end of the Reporting Period (B4)		549,478.7		
Guarantees provided between subsidiaries								
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Term of guarantee	Liability executed or not	Guarantee for a related party or not
Total guarantee amount (total of the three kinds of guarantees above)								
Total guarantee line approved in the Reporting Period (A1+B1+C1)		1,433,000		Total actual guarantee amount in the Reporting Period (A2+B2+C2)		1,071,467.35		
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		1,433,000		Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)		549,478.7		
Total actual guarantee amount (A4+B4+C4) as a % of the Company's net assets				32.31%				
Of which:								
Balance of guarantees provided for shareholders, the actual controller and their related parties (D)				0				
Balance of debt guarantees provided directly or indirectly for entities with an over 70% debt/asset ratio (E)				0				

Amount by which the total guarantee amount exceeds 50% of the Company's net assets (F)	0
Total of the three amounts above (D+E+F)	0
Liabilities executed in the Reporting Period and possibility of having to execute joint liability on outstanding guarantees (if any)	N/A
Irregularities in the provision of guarantees to external parties (if any)	N/A

(2) Irregularities in Provision of Guarantees

Applicable Not applicable

No such cases in the Reporting Period.

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Wealth Management

Applicable Not applicable

Overview of wealth management entrustments in the Reporting Period:

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount
Bank's wealth management product	Self-funded	216,060	216,060	0
Total		216,060	216,060	0

High-risk wealth management transactions with a significant single amount or with low security, low liquidity and no principal protection:

Applicable Not applicable

Unit: RMB'0,000

Consignee	Type of consignee	Type of product	Amount	Funding source	Start date	End date	Investment direction	Way of repayment	Reference annualized rate of return	Expected returns (if any)	Actual gain/loss in the Reporting Period	Recovery/payment of gain/loss in the Reporting Period	Impairment allowance (if any)	Through the statutory procedure or not	Continuing wealth management plans or not	Summary and index to relevant information (if any)
Suzhou branch	Bank	Principal-prot	50,000	Self-funded	28 Dec	*	Low-risk	Principal	1.48%	17.59	4.69	-		Yes	Yes	

of CITIC Bank		ected with floatin g income			mber 2020		wealth manag ement produc t	repay ment with interes t upon maturi ty								
Business Departm ent of the Suzhou branch of CITIC Bank	Bank	Princip al-prot ected with floatin g income	15,000	Self-fu nded	31 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.48%			-		Yes	Yes	
Suzhou branch of CITIC Bank	Bank	Princip al-prot ected with floatin g income	10,000	Self-fu nded	31 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	3.10%			-		Yes	Yes	
Suzhou branch of CITIC Bank	Bank	Princip al-prot ected with floatin g income	8,960	Self-fu nded	31 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.48%	1.89	0.34	-		Yes	Yes	
Gusu branch of Bank of Commu nications	Bank	Princip al-prot ected with floatin g income	8,000	Self-fu nded	30 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.59%	1.15	0.35	-		Yes	Yes	

Suzhou branch of Bank of Shanghai	Bank	Principal-protected with floating income	7,000	Self-funded	24 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.50%	5.36	1.34	-			Yes	Yes
Suzhou branch of Bank of China	Bank	Principal-protected with floating income	5,000	Self-funded	26 October 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.50%	38.89	13.56	-			Yes	Yes
Suzhou branch of CITIC Bank	Bank	Principal-protected with floating income	5,000	Self-funded	26 October 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.75%	51.45	24.86	-			Yes	Yes
Suzhou branch of Bank of China	Bank	Principal-protected with floating income	5,000	Self-funded	6 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.50%	32.59	11.3	-			Yes	Yes
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	5,000	Self-funded	5 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon	1.50%	32.15	11.51	-			Yes	Yes

								maturity									
Suzhou branch of Bank of Shanghai	Bank	Principal-protected with floating income	5,000	Self-funded	19 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.20%	30.36	18.41	-			Yes	Yes	
Gusu branch of Bank of Communications	Bank	Principal-protected with floating income	5,000	Self-funded	10 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.56%	23.45	4.49	-			Yes	Yes	
Gusu branch of Bank of Communications	Bank	Principal-protected with floating income	5,000	Self-funded	10 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.56%	23.45	4.49	-			Yes	Yes	
Suzhou branch of Bank of China	Bank	Principal-protected with floating income	5,000	Self-funded	21 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.50%	6.95	2.05	-			Yes	Yes	
Suzhou branch of Bank of Shanghai	Bank	Principal-protected with floating	5,000	Self-funded	10 December 2020	*	Low-risk wealth management	Principal repayment with	3.20%	8.56	2.88	-			Yes	Yes	

i		g income					produc t	interes t upon maturi ty									
Suzhou branch of CITIC Bank	Bank	Princip al-prot ected with floatin g income	5,000	Self-fu nded	31 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.48%			-			Yes	Yes	
Gusu branch of Bank of Commu nications	Bank	Princip al-prot ected with floatin g income	5,000	Self-fu nded	21 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	3.00%	14.59	3.21	-			Yes	Yes	
Hengjin g branch of Bank of China	Bank	Princip al-prot ected with floatin g income	5,000	Self-fu nded	10 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	3.10%	26.48	7.3	-			Yes	Yes	
Duyun branch of Agricul tural Bank of China	Bank	Princip al-prot ected with floatin g income	4,300	Self-fu nded	30 Octob er 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	2.30%	29.39	11.55	-			Yes	Yes	
Suzhou branch of	Bank	Princip al-prot ected	4,300	Self-fu nded	11 Nove mber	*	Low-ri sk wealth	Princi pal repay	2.40%	27.36	14.14	-			Yes	Yes	

Industrial Bank		with floating income			2020		management with interest upon maturity									
Duyun branch of Agricultural Bank of China	Bank	Principal-protected with floating income	4,000	Self-funded	30 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.30%	21.39	5.46	-			Yes	Yes
Suzhou Industrial Park branch of Bank of Shanghai	Bank	Principal-protected with floating income	3,000	Self-funded	5 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.16%	28.76	14.54	-			Yes	Yes
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	3,000	Self-funded	18 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.50%	7.35	2.96	-			Yes	Yes
Suzhou branch of China Merchants Bank	Bank	Principal-protected with floating income	3,000	Self-funded	18 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.80%	8.26	2.99	-			Yes	Yes
Duyun	Bank	Principal	2,700	Self-funded	20	*	Low-risk	Principal	2.30%	13.59	8.41	-			Yes	Yes

branch of Agricultural Bank of China		al-protected with floating income		ended	October 2020		sk wealth management product	pal repayment with interest upon maturity								
Suzhou branch of Bank of China	Bank	Principal-protected with floating income	2,600	Self-funded	16 October 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.20%	32.56	17.32	-			Yes	Yes
Suzhou branch of Ping An Bank	Bank	Principal-protected with floating income	2,500	Self-funded	23 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.65%	2.95	0.9	-			Yes	Yes
Suzhou branch of Ping An Bank	Bank	Principal-protected with floating income	2,500	Self-funded	23 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.65%	2.95	0.9	-			Yes	Yes
Suzhou branch of Bank of China	Bank	Principal-protected with floating income	2,400	Self-funded	16 October 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.20%	30.28	15.99	-			Yes	Yes

								ty								
Business Department of Suning Bank	Bank	Principal-protected with floating income	2,000	Self-funded	20 February 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.00%	85.36	32.57	-			Yes	Yes
Duyun branch of Agricultural Bank of China	Bank	Principal-protected with floating income	2,000	Self-funded	20 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.30%	8.95	3.58	-			Yes	Yes
Suzhou Zhongxin sub-branch of China Merchants Bank	Bank	Principal-protected with floating income	2,000	Self-funded	11 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.15%	6.54	1.26	-			Yes	Yes
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	1,150	Self-funded	23 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.40%	2.28	0.6	-			Yes	Yes
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	1,100	Self-funded	19 October 2020	*	Low-risk wealth management product	Principal repayment with interest	2.40%	9.45	5.28	-			Yes	Yes

		income					t	t upon maturity								
Business Department of Suning Bank	Bank	Principal-protected with floating income	1,000	Self-funded	20 February 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.00%	49.56	16.28	-			Yes	Yes
Suzhou branch of Bank of Shanghai	Bank	Principal-protected with floating income	1,000	Self-funded	5 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.16%	15.56	4.85	-			Yes	Yes
Linhu sub-branch of Agricultural Bank	Bank	Principal-protected with floating income	1,000	Self-funded	23 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.50%	1.19	0.31	-			Yes	Yes
Suzhou Industrial Park sub-branch of Bank of Shanghai	Bank	Principal-protected with floating income	1,000	Self-funded	3 November 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	3.16%	11.29	5.02	-			Yes	Yes
Suzhou branch of CITIC	Bank	Principal-protected with	1,000	Self-funded	5 December 2020	*	Low-risk wealth management	Principal repayment	3.65%	8.27	2.6	-			Yes	Yes

Bank		floatin g income					ement produc t	with interes t upon maturi ty								
Suzhou branch of Industria l Bank	Bank	Princip al-prot ected with floatin g income	950	Self-fu nded	21 Octob er 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	2.40%	7.36	4.44	-		Yes	Yes	
Suzhou branch of Industria l Bank	Bank	Princip al-prot ected with floatin g income	900	Self-fu nded	10 Dece mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	2.40%	4.26	1.24	-		Yes	Yes	
Linhu sub-bran ch of Agricult ural Bank	Bank	Princip al-prot ected with floatin g income	800	Self-fu nded	10 Octob er 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.50%	4.98	2.54	-		Yes	Yes	
Linhu sub-bran ch of Agricult ural Bank	Bank	Princip al-prot ected with floatin g income	700	Self-fu nded	10 Octob er 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.50%	6.58	2.23	-		Yes	Yes	
Linhu sub-bran	Bank	Princip al-prot	700	Self-fu nded	31 Dece	*	Low-ri sk	Princi pal	1.50%			-		Yes	Yes	

ch of Agric ural Bank		ected with floatin g income			mber 2020		wealth manag ement produc t	repay ment with interes t upon maturi ty								
Xietang sub-bran ch of Agric ural Bank	Bank	Princip al-prot ected with floatin g income	700	Self-fu nded	10 Decem ber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.90%	3.15	0.72	-		Yes	Yes	
Suzhou branch of Industria l Bank	Bank	Princip al-prot ected with floatin g income	600	Self-fu nded	19 Octob er 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.60%	4.56	1.92	-		Yes	Yes	
Linhu sub-bran ch of Agric ural Bank	Bank	Princip al-prot ected with floatin g income	600	Self-fu nded	20 Nove mber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	1.50%	2.18	0.95	-		Yes	Yes	
Suzhou branch of CITIC Bank	Bank	Princip al-prot ected with floatin g income	600	Self-fu nded	26 Decem ber 2020	*	Low-ri sk wealth manag ement produc t	Princi pal repay ment with interes t upon maturi ty	3.05%	2.12	0.25	-		Yes	Yes	

Xietang sub-branch of Agricultural Bank	Bank	Principal-protected with floating income	500	Self-funded	23 January 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.55%	28.56	11.97	-		Yes	Yes
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	500	Self-funded	17 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.40%	2.35	0.46	-		Yes	Yes
Xietang sub-branch of Agricultural Bank	Bank	Principal-protected with floating income	500	Self-funded	21 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.90%	1.56	0.25	-		Yes	Yes
Xietang sub-branch of Agricultural Bank	Bank	Principal-protected with floating income	300	Self-funded	25 April 2019	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.70%	17.76	7.66	-		Yes	Yes
Xietang sub-branch of Agricultural Bank	Bank	Principal-protected with floating income	300	Self-funded	26 November 2019	*	Low-risk wealth management product	Principal repayment with interest upon	2.55%	10.38	7.74	-		Yes	Yes

								maturity								
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	300	Self-funded	9 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.40%	2.28	0.43	-		Yes	Yes	
Xiangcheng sub-branch of Industrial and Commercial Bank of China	Bank	Principal-protected with floating income	300	Self-funded	21 December 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	2.66%			-		Yes	Yes	
Suzhou branch of Industrial Bank	Bank	Principal-protected with floating income	300	Self-funded	16 October 2020	*	Low-risk wealth management product	Principal repayment with interest upon maturity	1.60%	4.26	1.18	-		Yes	Yes	
Total			216,060	--	--	--	--	--	--	820.54	322.27	--		--	--	--

*Note: Returns on investments in these wealth management products were calculated based on actual duration days for there were no nominal durations for them.

Wealth management transactions where the principal is expectedly irrecoverable or an impairment may be incurred:

Applicable Not applicable

(2) Entrusted Loans

Applicable Not applicable

No such cases in the Reporting Period.

4. Significant Contracts Arising in the Ordinary Course of Business

Applicable Not applicable

5. Other Significant Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XVIII Social Responsibility

1. Fulfillment of Social Responsibility

Please refer to the full Social Responsibility Report of the Company disclosed on www.cninfo.com.cn dated 30 April 2021.

2. Measures Taken for Targeted Poverty Alleviation

The Company did not carry out any work for targeted poverty alleviation in the Reporting Period, and has no such plans for now.

3. Information Related to Environmental Protection

Indicate whether the Company or any of its subsidiaries was identified as a major polluter by the environmental authorities.

Yes No

Not applicable.

XIX Other Significant Events

Applicable Not applicable

No other significant events.

The Company is subject to the Guide No. 6 of the Shenzhen Stock Exchange on Industry-Specific Information Disclosure—Listed Companies Engaged in Construction Decoration.

1. Qualifications in 2020:

(1) Type of Industrial Qualifications Obtained within the Reporting Period as well as the Valid Periods

Company name	Name of the qualification	Class of the qualification	Validity term	Type of change
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Firefighting Facility Engineering Professional Contractor	Class Two	To 31 December 2021	Added

(2) Information about Significant Changes to Relevant Qualifications in the Reporting Period

Company name	Name of the qualification	Class of the	Validity term	Type of
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		qualification		change
Suzhou Gold Mantis Curtain Wall Co., Ltd.	Curtain Wall Engineering Design	Class A	To 16 March 2025	Renew

(3) Information about the Expiration and Renewal of Relevant Qualifications in the Next Reporting Period

Company name	Name of the qualification	Class of the qualification	Validity term	Remarks
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Construction Decoration Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Curtain Wall Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Mechanical and Electrical Equipment Installation Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Firefighting Facility Engineering Professional Contractor	Class Two	To 31 December 2021	
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Urban and Road Lighting Engineering Professional Contractor	Class Three	To 31 December 2021	
Suzhou Gold Mantis Construction Decoration Co., Ltd.	Construction Engineering General Contractor	Class Three	To 31 December 2021	
Suzhou Gold Mantis Landscape Co., Ltd.	Ancient-Style Construction Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Gold Mantis Landscape Co., Ltd.	Municipal Public Works General Contractor	Class Three	To 31 December 2021	
Suzhou Gold Mantis Landscape Co., Ltd.	Environmental Protection Engineering Professional Contractor	Class Three	To 31 December 2021	
Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd.	Construction Decoration Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Gold Mantis Curtain Wall Co., Ltd.	Curtain Wall Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Gold Mantis Curtain Wall Co., Ltd.	Steel-structure Engineering Professional Contractor	Class Two	To 31 December 2021	
Suzhou Gold Mantis Curtain Wall Co., Ltd.	Construction Decoration Engineering Professional Contractor	Class Two	To 31 December 2021	
Suzhou Gold Mantis Curtain Wall Co., Ltd.	Urban and Road Lighting Engineering Professional Contractor	Class Three	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Construction Decoration Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Curtain Wall Engineering Professional Contractor	Class One	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Mechanical and Electrical Equipment Installation Engineering Professional	Class Two	To 31 December 2021	

	Contractor			
Suzhou Meiruide Construction Decoration Co., Ltd.	Construction Engineering General Contractor	Class Three	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Steel-structure Engineering Professional Contractor	Class Three	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Urban and Road Lighting Engineering Professional Contractor	Class Three	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Construction Decoration Engineering Design	Class A	To 31 December 2021	
Suzhou Meiruide Construction Decoration Co., Ltd.	Curtain Wall Engineering Design	Class A	To 31 December 2021	

At present, the Company's staffing, business results, equipment and other aspects all satisfy the requirements on renewal of relevant qualifications.

XX Significant Events of Subsidiaries

Applicable Not applicable

Part VI Share Changes and Shareholder Information

I. Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease in the current period (+/-)					After	
	Shares	Percentage (%)	New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
1. Restricted shares	80,724,473	3.02%	8,000,000			-10,495,854	-2,495,854	78,228,619	2.92%
1.1 Shares held by the state									
1.2 Shares held by state-owned corporations									
1.3 Shares held by other domestic investors	80,724,473	3.02%	8,000,000			-10,495,854	-2,495,854	78,228,619	2.92%
Including: Shares held by domestic corporations									
Shares held by domestic individuals	80,724,473	3.02%	8,000,000			-10,495,854	-2,495,854	78,228,619	2.92%
1.4 Shares held by overseas investors									
Including: Shares held by overseas corporations									
Shares held by overseas individuals									
2. Unrestricted shares	2,595,684,216	96.98%				9,445,854	9,445,854	2,605,130,070	97.08%
2.1 RMB-denominated ordinary shares	2,595,684,216	96.98%				9,445,854	9,445,854	2,605,130,070	97.08%
2.2 Domestically listed foreign shares									

2.3 Overseas listed foreign shares									
2.4 Others									
3. Total shares	2,676,408,689	100.00%	8,000,000			-1,050,000	6,950,000	2,683,358,689	100.00%

Reasons for share changes:

Applicable Not applicable

1. During the Reporting Period, the shares of the Company held by the directors, supervisors and senior management were locked and unlocked accordingly in accordance with the relevant regulations on the management of shares and their changes.

2. On 23 January 2020, the Company completed the registration of the grant of reserved restricted shares for the 2018 restricted share incentive plan, granted 8 million restricted shares to 14 awardees. The total share capital of the Company increased to 2,684,408,689 shares.

3. On 9 June 2020, 9,615,000 shares with the restriction conditions lifted in the first lifting restriction period for the first grant portion of the 2018 restricted share incentive plan were listed for trading.

4. On 13 July 2020, the Company completed the repurchase and cancellation of some restricted shares, after which the total share capital of the Company changed from 2,684,408,689 shares to 2,683,358,689 shares.

Approval of share changes:

Applicable Not applicable

In accordance with the authorization of the 1st Extraordinary General Meeting of the Company in 2018, upon the deliberation and approval of the 1st Extraordinary Meeting of the 6th Board of Directors and the 1st Extraordinary Meeting of the 6th Supervisory Committee, the Company completed the registration of the grant of 8 million restricted shares under the reserved portion of the 2018 restricted share incentive plan. The reserved portion of restricted shares granted would be listed on 23 January 2020.

In accordance with the authorization of the 1st Extraordinary General Meeting of the Company in 2018, upon the deliberation and approval of the 5th Meeting of the 6th Board of Directors and the 5th Meeting of the 6th Supervisory Committee, the Company processed matters related to restriction lifting for qualified awardees according to the stipulations in the incentive plan in the first lifting restriction period for the first grant portion of the 2018 restricted share incentive plan. The trading restrictions on 9,615,000 restricted shares were lifted, and the stocks would be listed on 9 June 2020.

Upon the deliberation and approval of the 5th Meeting of the 6th Board of Directors, the 5th Meeting of the 6th Supervisory Committee and the 2019 Annual General Meeting, the repurchase and cancellation of 1,050,000 restricted shares were completed. The total share capital of the Company changed to 2,683,358,689 shares.

Transfer of share ownership:

Applicable Not applicable

The listing date of 8 million restricted shares granted under the reserved portion of the Company's 2018 restricted share incentive plan was 23 January 2020.

The listing date of 9,615,000 restricted shares with the restriction conditions lifted in the first lifting restriction period for the first grant portion of the Company's 2018 restricted share incentive plan was 9 June 2020.

The repurchase and cancellation of 1.05 million restricted shares under the Company's 2018 restricted share incentive plan were completed on 13 July 2020.

Progress on any share repurchase:

Applicable Not applicable

Progress on reducing the repurchased shares by way of centralized bidding:

Applicable Not applicable

Effects of share changes on the basic earnings per share, diluted earnings per share, equity per share attributable to the Company's ordinary shareholders and other financial indicators of the prior year and the prior accounting period, respectively:

Applicable Not applicable

Based on the latest diluted share capital of 2,683,358,689 shares, earnings per share for 2019 and Q3 2020 were RMB0.88 and RMB0.64 respectively, and equity per share for 2019 and Q3 2020 were RMB5.65 and RMB6.12 respectively.

Other information that the Company considers necessary or is required by the securities regulator to be disclosed:

Applicable Not applicable

2. Changes in Restricted Shares

Applicable Not applicable

Unit: share

Shareholder	Opening restricted shares	Increase in restricted shares in the current period	Unlocked in the current period	Closing restricted shares	Reason for restriction	Date of unlocking
Locked-up shares of senior management	47,624,473	699,858	530,712	47,793,619	Locked-up shares of senior management	Pursuant to the regulations on shares held by senior management
Restricted shares as equity incentives	33,100,000	8,000,000	10,665,000	30,435,000	Locked-up as equity incentives	Pursuant to the Company's restricted share incentive plans
Total	80,724,473	8,699,858	11,195,712	78,228,619	--	--

II Issuance and Listing of Securities

1. Securities (Exclusive of Preference Shares) Issued in the Reporting Period

Applicable Not applicable

Name of stock and its derivative securities	Issue date	Issue price (or interest rate)	Issued number	Listing date	Number approved for public trading	Termination date of transaction	Index to disclosed information	Disclosure date
Stocks								
Grant of the reserved portion under the 2018 Restricted Share Incentive Plan	23 January 2020	4.01	8,000,000	23 January 2020	8,000,000			
Convertible corporate bonds, convertible corporate bonds with warrants, and corporate bonds								
Other derivative securities								

Particulars about the securities (exclusive of preference shares) issued in the Reporting Period:

For further information, please refer to “XV Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees” in “Part V Significant Events” herein.

2. Changes in Total Shares, as well as Ownership, Asset and Liability Structures

Applicable Not applicable

As at the disclosure date, both the total number of shares and the shareholder structure of the Company have changed. Information about the changes in the total number of shares and the shareholder structure is provided in "I. Changes in Shares Capital" of this section. The Company received RMB32.08 million of exercise funds from the awardees after the reserved portion of the 2018 restricted share incentive plan was granted, which further expanded the asset size.

3. Existing Staff-Held Shares

Applicable Not applicable

III Shareholders and Actual Controller

1. Shareholders and Their Shareholdings at the End of the Reporting Period

Unit: share

Number of ordinary	63,192	Number of ordinary	77,426	Number of preference	0	Number of preference	0
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shareholders at the period-end		shareholders at the month-end prior to the disclosure of this Report		shareholders with resumed voting rights at the period-end (if any) (see note 8)		shareholders with resumed voting rights at the month-end prior to the disclosure of this Report (if any) (see note 8)		
5% or greater shareholders or top 10 shareholders								
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Increase/decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge or frozen	
							Statu s	Sha res
Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	Domestic non-state-owned corporation	23.69%	635,805,330	-17000000	0	635,805,330		
Golden Feather Corporation	Overseas corporation	23.67%	635,042,264	0.00	0	635,042,264		
Perseverance Asset Management Partnership L.L.P. — Perseverance Linshan No.1 Yuanwang Fund	Other	4.10%	110,000,000	110,000,000	0	110,000,000		
Hong Kong Securities Clearing Company Limited	Overseas corporation	2.48%	66,625,915	-8752925	0	66,625,915		
China Securities Finance Corporation Limited	Domestic non-state-owned corporation	2.47%	66,269,137	-6011048	0	66,269,137		
Central Huijin Asset Management Ltd.	State-owned corporation	1.11%	29,843,550	0	0	29,843,550		
Zhou Wenhua	Domestic individual	1.05%	28,081,956	-9360652	28,081,956	0		
GIC Private Limited	Overseas corporation	0.95%	25,529,095	-7042577	0	25,529,095		
Dalian Tonghe Investment Co., Ltd. — Tonghe Progressive Private Investment Fund (12)	Other	0.85%	22,882,724	1753800	0	22,882,724		
Dalian Tonghe Investment Co., Ltd. — Tonghe Fuxiang Investment Fund (1)	Other	0.72%	19,374,136	1186749	0	19,374,136		

Strategic investor or general corporation becoming a top-10 shareholder in a rights issue (if any) (see note 3)	N/A		
Related or acting-in-concert parties among the shareholders above	Suzhou Gold Mantis Enterprise (Group) Co., Ltd. and Golden Feather Corporation are controlled by the Company's actual controller Zhu Xingliang.		
Shareholders above entrusting/entrusted with or waiving voting rights	N/A		
Top 10 unrestricted shareholders			
Name of shareholder	Unrestricted shares held at the period-end	Shares by class	
		Class	Shares
Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	635,805,330	RMB-denominated ordinary shares	635,805,330
Golden Feather Corporation	635,042,264	RMB-denominated ordinary shares	635,042,264
Perseverance Asset Management Partnership L.L.P. – Perseverance Linshan No.1 Yuanwang Fund	110,000,000	RMB-denominated ordinary shares	110,000,000
Hong Kong Securities Clearing Company Limited	66,625,915	RMB-denominated ordinary shares	66,625,915
China Securities Finance Corporation Limited	66,269,137	RMB-denominated ordinary shares	66,269,137
Central Huijin Asset Management Ltd.	29,843,550	RMB-denominated ordinary shares	29,843,550
GIC Private Limited	25,529,095	RMB-denominated ordinary shares	25,529,095
Dalian Tonghe Investment Co., Ltd. – Tonghe Progressive Private Investment Fund (12)	22,882,724	RMB-denominated ordinary shares	22,882,724
Dalian Tonghe Investment Co., Ltd. – Tonghe Fuxiang Investment Fund (1)	19,374,136	RMB-denominated ordinary shares	19,374,136
Zhu Xingliang	18,327,718	RMB-denominated ordinary shares	18,327,718
Related or acting-in-concert parties among top 10 unrestricted public shareholders, as well as between top 10 unrestricted public shareholders and top 10 shareholders	Suzhou Gold Mantis Enterprise (Group) Co., Ltd. and Golden Feather Corporation are controlled by the Company's actual controller Zhu Xingliang.		

Top 10 ordinary shareholders involved in securities margin trading (if any) (see note 4)	Shareholder Suzhou Gold Mantis Enterprise (Group) Co., Ltd. held 635,805,330 shares in the Company in its ordinary securities account, and 17,000,000 shares in the Company in its securities refinancing margin account in China Securities Finance Corporation Limited, totaling 652,805,330 shares.
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Indicate whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repurchase during the Reporting Period.

Yes No

No such cases in the Reporting Period.

2. Controlling Shareholder

Nature of the controlling shareholder: foreign-controlled

Type of the controlling shareholder: corporation

Name of the controlling shareholder	Legal representative/person-in-charge	Date of incorporation	Organization code	Principal activities
Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	Zhu Haiqin	28 March 2001	913205947272769800 (unified social credit code)	Industrial investments (except for projects exclusively controlled by the state); sale of construction materials; engineering and construction; and business management consulting services (where an administrative permit is required according to law, it shall be obtained before operation)
Interests held in other domestically and overseas listed companies in the Reporting Period	As at the end of the Reporting Period, Gold Mantis Group held 2,500,000 shares (0.63%) in Guangzhou Football Club Co., Ltd. (stock name: ST Guangzhou Football; stock code: 834338). ST Guangzhou Football has been delisted from the National Equities Exchange and Quotations since 10 March 2021. Also, Gold Mantis Group held 1,576,000 shares (0.047%) in Tysan Holdings Limited (stock name: Tysan Holdings; stock code: 00687). In addition, Gold Mantis Group participated in the subscription for new stocks such as Ruixin Technology, Xiangjia Animal Husbandry, and CEM during the Reporting Period.			

Change of the controlling shareholder in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

3. Actual Controller and Acting-in-Concert Parties

Nature of the actual controller: overseas individual

Type of the actual controller: individual

Name of the actual controller	Relationship with the actual controller	Nationality	Residency in other countries or regions or not

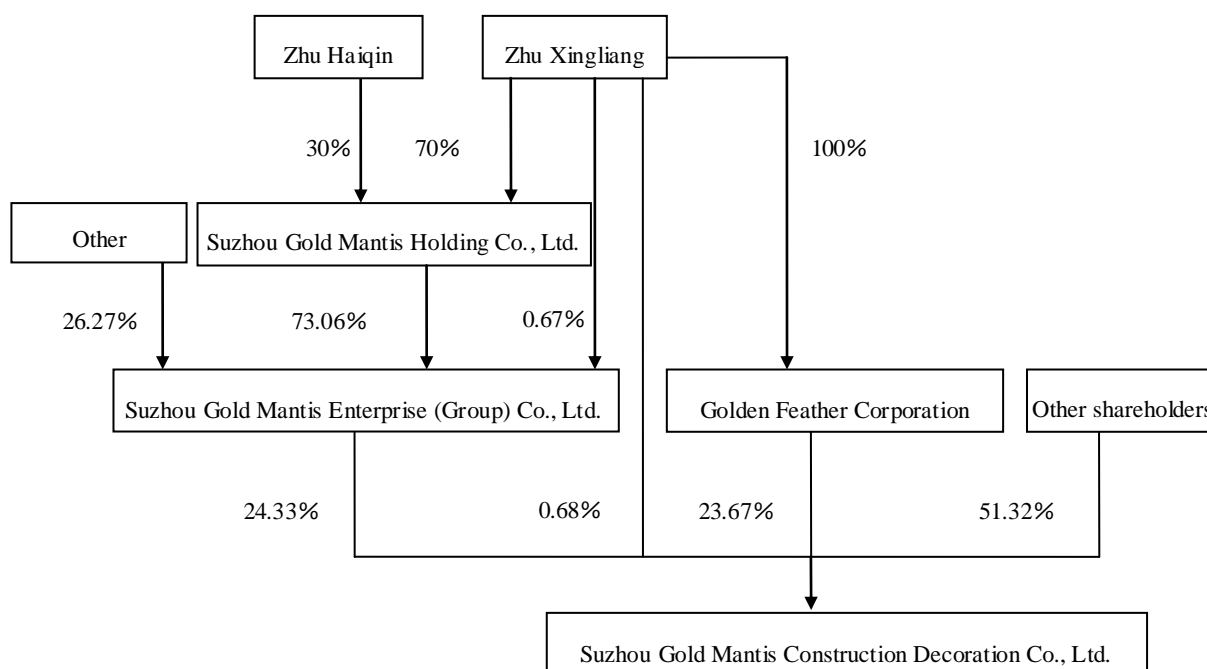
Zhu Xingliang	Actual controller himself	Hong Kong, China	Yes
Main occupations and positions	Chairman of the Board of Suzhou Gold Mantis Holding Co., Ltd., Director of Suzhou Gold Mantis Enterprise (Group) Co., Ltd., Chairman of the Board of Golden Feather Corporation, Director of Suzhou LJT Intelligent Technology Co., Ltd., General Manager of Suzhou Gold Gain Investment Co., Ltd., Chairman of the Board of Suzhou Nuojin Investment Co., Ltd., Chairman of the Board of Suzhou Nuojin Finance Lease Co., Ltd., Executive Director of Jintang Capital Holdings Co., Ltd., Director of Singapore Gold Mantis Pte. Ltd., and Director of HBA Holdings Pte. Ltd.		
Controlling interests in other domestically and overseas listed companies in the past 10 years	N/A		

Change of the actual controller in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

Ownership and control relationship between the actual controller and the Company:



Indicate whether the actual controller controls the Company via trust or other ways of asset management.

Applicable Not applicable

4. Other 10% or Greater Corporate Shareholders

Applicable Not applicable

Name of corporate shareholder	Legal	Date of	Registered capital	Principal activities
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	representative/person-in-charge	incorporation		
Golden Feather Corporation	Zhu Xingliang	24 July 1998	USD1	Industrial investment

5. Limitations on Shareholding Decrease by the Company's Controlling Shareholder, Actual Controller, Reorganizer and Other Commitment Makers

Applicable Not applicable

Part VII Preference Shares

Applicable Not applicable

No preference shares in the Reporting Period.

Part VIII Convertible Corporate Bonds

Applicable Not applicable

No convertible corporate bonds in the Reporting Period.

Part IX Directors, Supervisors, Senior Management and Staff

I Changes in the Shareholdings of Directors, Supervisors and Senior Management

Name	Office title	Incumbent/Former	Gender	Age	Start of office term	End of office term	Opening shareholding (share)	Increase in the current period (share)	Decrease in the current period (share)	Other increase/decrease (share)	Closing shareholding (share)
Wang Hanlin	Chairman of the Board	Incumbent	Male	47	8 April 2016	2 April 2022	3,000,000	0	0	0	3,000,000
Cao Liming	Director and General Manager	Incumbent	Male	42	8 April 2016	2 April 2022	3,199,808	0	0	0	3,199,808
Shi Guoping	Director and Executive Deputy General Manager	Incumbent	Male	43	23 May 2017	2 April 2022	3,000,000	0	0	0	3,000,000
Zhu Ming	Director	Incumbent	Male	36	20 May 2015	2 April 2022	0	0	0	0	0
Zhu Xingquan	Director and Deputy General Manager	Incumbent	Male	57	15 November 2004	2 April 2022	6,266,027	0	1,566,500	0	4,699,527
Zhang Xinhong	Director	Incumbent	Male	43	15 May 2020	2 April 2022	0	0	0	0	0
Wan Jieqiu	Independent Director	Incumbent	Male	66	8 April 2016	2 April 2022	0	0	0	0	0
Yu Xuehua	Independent Director	Incumbent	Male	58	8 April 2016	2 April 2022	0	0	0	0	0
Zhao Zengyao	Independent Director	Incumbent	Male	58	3 April 2019	2 April 2022	0	0	0	0	0
Zhu Panying	Chairman of the Board	Incumbent	Female	49	12 September 2016	2 April 2022	24,000	0	0	0	24,000

	Supervisor y Committee										
Qian Ping	Supervisor	Incumbent	Female	54	8 April 2016	2 April 2022	4,800	0	0	0	4,800
Zhang Jun	Supervisor	Incumbent	Male	49	25 March 2013	2 April 2022	67,500	0	0	0	67,500
Wang Hong	Deputy General Manager	Incumbent	Male	53	17 April 2010	2 April 2022	1,010,469	0	0	0	1,010,469
Dong Sheng	Deputy General Manager	Incumbent	Male	45	8 April 2016	2 April 2022	500,000	0	0	0	500,000
Cai Guohua	Deputy General Manager and Chief Financial Officer	Incumbent	Male	46	8 April 2016	2 April 2022	500,000	0	0	0	500,000
Ning Bo	Deputy General Manager and Board Secretary	Incumbent	Male	39	2 March 2018	2 April 2022	500,000	0	0	0	500,000
Total	--	--	--	--	--	--	18,072,604	0	1,566,500	0	16,506,104

II Changes of Directors, Supervisors and Senior Management

√ Applicable □ Not applicable

Name	Office title	Type of change	Date	Reason
Zhang Xinhong	Director	Elected	15 May 2020	Elected as a Director at the 2019 Annual General Meeting

III Biographical Information

Professional backgrounds, main work experience and current positions in the Company of the incumbent directors, supervisors and senior management:

Wang Hanlin: Mr. Wang was previously a Project Manager of Jiangsu Sinda Decoration Co., Ltd. and the General Manager of a branch of Suzhou Gold Mantis Construction Decoration Co., Ltd. He currently serves as the Chairman of the Board of the Company, a Vice President of China Building Decoration Association, a Director of Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd., a Director of Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd., a Director of Gold Mantis

Supply Chain Management (Suzhou) Co., Ltd., the Chairman of the Board of Gold Mantis Art Co., Ltd., the Chairman of the Board of Gold Mantis North China (Beijing) Construction Decoration Engineering Co., Ltd., a Director of Gold Mantis Home Decoration E-commerce (Suzhou) Co., Ltd., a Director of Suzhou Gold Mantis Landscape Co., Ltd., the Chairman of the Board of Gold Mantis East China Construction Decoration Co., Ltd., and a Director of Singapore Gold Mantis Pte. Ltd.

Cao Liming: Mr. Cao previously served as the Director of the Human Resources Department and the Director of the Legal Counsel Office of Nanjing Lianqiang Metallurgical Group Co., Ltd.; the Director of the Risk Management Department of Nanjing BC Foods Co., Ltd.; the General Manager Assistant, and the Manager of the Legal Department and the Financial Settlement Department of Suzhou Meiruide Construction Decoration Co., Ltd.; the General Manager Assistant, and the Manager of the Legal and Contract Center of Suzhou Gold Mantis Construction Decoration Co., Ltd.; an Executive Deputy General Manager of the Marketing Center of Suzhou Gold Mantis Construction Decoration Co., Ltd.; the General Manager of the marketing company; a Vice President and Executive Director of Suzhou Exploration & Design Association and the President of the Decoration Design Branch. Now he serves as a Director and the General Manager of the Company, a Director of Gold Mantis Art Co., Ltd., a Director of Suzhou Gold Mantis Landscape Co., Ltd., the General Manager of Suzhou Gold Mantis Construction Investment Co., Ltd., a Director of Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd., a Director of Gold Mantis East China Construction Decoration Co., Ltd., the Chairman of the Board of Gold Mantis (International) Construction Decoration Limited, a Director of Gold Mantis International Development Co., Ltd., the Chairman of the Board of Gold Mantis HK Construction Decoration Limited, and a director of Sierra Gold Mantis Joint Venture (Private) Limited.

Zhu Ming: Mr. Zhu previously served as the General Manager of Suzhou LJT Intelligent Technology Co., Ltd., and is currently a Director of the Company, a Director of Suzhou Gold Mantis Enterprise (Group) Co., Ltd., a Director of Suzhou Gold Mantis Holding Co., Ltd., a Director of Suzhou Nuojin Investment Co., Ltd., a Director of Suzhou LJT Intelligent Technology Co., Ltd., a Director of Suzhou Gold Mantis Yihe Technology Co., Ltd., a director of Suzhou Meiruide Construction Decoration Co., Ltd., a director of Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd., a Director of Suzhou Gold Mantis Landscape Co., Ltd., a Director of Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd., a Director of Suzhou Gold Mantis Construction Investment Co., Ltd., a Director of Suzhou Gold Mantis Curtain Wall Co., Ltd., a Director of Singapore Gold Mantis Pte. Ltd., a Director of HBA Holdings Pte. Ltd., a Director of Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd., a Director of Gold Mantis Home Decoration E-commerce (Suzhou) Co., Ltd., a Director of Gold Mantis Supply Chain Management (Suzhou) Co., Ltd., a Director of Suzhou Gold Mantis Culture Development Co., Ltd., a Director of Suzhou Jinnuo Commercial Factoring Co., Ltd., a Director of Suzhou Nuojin Finance Lease Co., Ltd., a Director of Shanghai Tangjinmei Data Technology Co., Ltd., a Director of Guangzhou Jinnuo Microfinance Co., Ltd., the Chairman of the Board of Suzhou Huizhu Information Technology Co., Ltd., and a Director of Suzhou Gold Mantis Charity Foundation.

Zhu Xingquan: Mr. Zhu previously served as a Manager of Suzhou Jinda Decoration Co., Ltd.; and the Manager of the Department VIII, the Manager of Branch V, the General Manager Assistant, a Deputy General Manager of Suzhou Gold Mantis Construction Decoration Co., Ltd. He is currently a Director and a Deputy General Manager of the Company, an Executive Director of Jiangsu Decoration Association, a Vice Chairman of Suzhou Decoration Industry Association, the Chairman of the Board and General Manager of Suzhou Meiruide Construction Decoration Co., Ltd., an Executive Director of Suzhou Meiruide Building Materials Co., Ltd., and a Director of Suzhou Gold Mantis Charity Foundation.

Shi Guoping: Mr. Shi previously served as a Project Manager of the Company, the General Manager of Branch V, the Regional Manager of the Management Region VIII, and a Deputy General Manager of the Engineering Management Center. He is now a Director and a Deputy General Manager of the Company, the Chairman of the Board and General Manager of Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd., a Director of Gold Mantis East China Construction Decoration Co., Ltd., the Chairman of the Board of Suzhou Huali Jinshi Construction Decoration Co., Ltd., a Director of Macao Gold Mantis Construction Decoration Limited, and an Executive Director of Gold Mantis International Development Co., Ltd.

Zhang Xinhong: Mr. Zhang was previously a Deputy Departmental Manager of Jiangsu Gangning Decoration Co., Ltd. and the General Manager of Branch III of Suzhou Gold Mantis Construction Decoration Co., Ltd. Now he is a Director of the Company.

Yu Xuehua: Mr. Yu was previously a Lecturer at Nanjing Agricultural University, and is now an Independent Director of the Company, an Associate Professor and Master's Supervisor of Accounting at Soochow University, an Independent Director of Jiangsu Shagang Co., Ltd., an Independent Director of Jiangsu Hengli Hydraulic Co., Ltd., an Independent Director of Jiangsu Tongrun Equipment Co., Ltd., and an Independent Director of General Elevator Co., Ltd.

Wan Jieqiu: Mr. Wan was previously a teacher of Xi'an Army Academy, a Lecturer and an Associate Professor of the Faculty of Finance and Economics of Soochow University. Now he is an Independent Director of the Company, a Professor and Doctoral Supervisor of Soochow University, an Independent Director of Nanji E-commerce Co., Ltd., and an Independent Director of Freewon China Co., Ltd.

Zhao Zengyao: Mr. Zhao was previously a Lecturer, Associate Professor and Professor of Northwest University, and an Independent Director of the Company. He is currently a Professor of the Faculty of Business of Soochow University, an Independent Director of Jiangsu Sidike New Materials Science & Technology Co., Ltd. and an Independent Director of Jiangsu Acha Aluminium Group Co., Ltd.

Zhu Panying: Ms. Zhu previously served as a Deputy Manager of the Affairs Department of Suzhou Yangyu Garment Co., Ltd.; the Personnel Manager of Suzhou Jinlaike Electric Co., Ltd.; the Personnel Manager of Suzhou Gold Mantis Construction Decoration Co., Ltd., a Vice President of the Business School, and the Human Resources Director. She is currently the Chairman of the Supervisory Committee of the Company, the Principal of Suzhou Virtues Construction Professional Training School, the Principal of

Virtues Professional Training School of Suzhou Industrial Park, the Principal of Suzhou Gold Mantis Professional Training School, a Deputy Dean of Soochow University Gold Mantis School of Architecture and Urban Environment, and the Chairman of the Board of Shuicheng Ruitong Construction and Development Co., Ltd.

Qian Ping: Ms. Qian was previously the Audit Supervisor of Jiangsu Tiandi Steel Structure Engineering Group Co., Ltd., the Audit Manager of Suzhou Gold Mantis Construction Decoration Co., Ltd., the Chairman of the Supervisory Committee of Suzhou Gold Mantis Culture Development Co., Ltd., and a Supervisor of Suzhou Gold Mantis Landscape Co., Ltd. Currently, she serves as a Supervisor of the Company, a Supervisor of Suzhou Gold Gain Investment Co., Ltd., a Supervisor of Suzhou Gold Mantis Investment Co., Ltd., a Supervisor of Gold Mantis Construction Engineering Co., Ltd. in Suzhou Industrial Park, a Supervisor of Suzhou Jinhua Property Development Co., Ltd., a Supervisor of Suzhou Gold Mantis Charity Foundation, a Supervisor of Suzhou Gold Mantis 3D Software Co., Ltd., a Supervisor of Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd., a Supervisor of Suzhou Gold Mantis Construction Investment Co., Ltd., a Supervisor of Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd., a Supervisor of Gold Mantis Home Decoration E-commerce (Suzhou) Co., Ltd., a Supervisor of Gold Mantis Supply Chain Management (Suzhou) Co., Ltd., a Supervisor of Suzhou Jinnuo Commercial Factoring Co., Ltd., a Supervisor of Suzhou LJT Intelligent Technology Co., Ltd., a Supervisor of Suzhou Nuojin Investment Co., Ltd., a Supervisor of Suzhou Nuojin Finance Lease Co., Ltd., a Supervisor of Guangzhou Jinnuo Microfinance Co., Ltd., a Supervisor of Gold Mantis Art Co., Ltd., and a Supervisor of Jintang Capital Holding Co., Ltd.

Zhang Jun: Mr. Zhang was previously the Manager of the Engineering Department III of Suzhou Gold Mantis Construction Decoration Co., Ltd. and the General Manager of Suzhou Gold Mantis Landscape Co., Ltd. Currently, he serves as a Supervisor of the Company, a Vice President of Suzhou Society of Landscape Architecture, the Chairman of the Board and General Manager of Suzhou Gold Mantis Landscape Co., Ltd., and an Executive Director of Jiangsu Gold Mantis Horticultural Co., Ltd.

Wang Hong: Mr. Wang previously served as a Director of the Auditing Firm of Mingguang City, Anhui Province; a member of the Party Committee Organization of Nushanhu Town, Mingguang City, Anhui Province; the Financial Manager of Beijing Zhongshi Dadi Advertising Co., Ltd.; an Audit Specialist of Shanghai Fosun Industrial Co., Ltd., the Chief Financial Officer of its subsidiary; the Chief Financial Officer of Pacific Construction Group; a Director of Suzhou Meiruide Construction Decoration Co. Ltd.; a Supervisor of Suzhou Gold Mantis Curtain Wall Co., Ltd. Currently, he is a Deputy General Manager of the Company and a Supervisor of Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd.

Dong Sheng: Mr. Dong was previously a lawyer of Jiangsu Nantong Wanfeng Law Firm, the Legal Manager of Zhongnan Holding Group Co., Ltd. and the General Manager of the Fund Settlement Center of Suzhou Gold Mantis Construction Decoration Co., Ltd. Now he serves as a Deputy General Manager of the Company.

Cai Guohua: Mr. Cai previously served as an Audit Specialist of Jiangsu Gongzheng Accounting Firm, the Financial Manager of

Suzhou Gold Mantis Construction Decoration Co., Ltd., the Chief Financial Officer of Suzhou Gold Mantis Curtain Wall Co., Ltd., and the Deputy Chief Financial Officer of Suzhou Gold Mantis Construction Decoration Co., Ltd. Currently, he serves as an Deputy General Manager and the Chief Financial Officer of the Company, a Director of Suzhou Gold Mantis Construction Investment Co., Ltd., and a Director of Suzhou Industrial Park Jindejin Construction Engineering Co., Ltd.

Ning Bo: Mr. Ning previously served as an Audit Specialist of Ernst & Young Hua Ming LLP, a Senior Audit Manager of Shanghai Youxin Accounting Firm (General Partnership), and the General Manger Assistant of the Company. He is currently a Deputy General Manager and the Board Secretary of the Company.

Offices held concurrently in shareholding entities:

Applicable Not applicable

Name	Shareholding entity	Office held in the entity	Start of office term	End of office term	Remuneration or allowance from the entity or not
Zhu Ming	Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	President	11 July 2018		Yes
Note	N/A				

Offices held concurrently in other entities:

Applicable Not applicable

Name	Other entity	Office held in the entity	Start of office term	End of office term	Remuneration or allowance from the entity or not
Wang Hanlin	China Building Decoration Association	Vice Chairman	15 June 2016		Not
Wan Jieqiu	Soochow University	Professor, and Doctoral Supervisor	15 September 1986		Yes
Wan Jieqiu	Nanji E-Commerce Co., Ltd.	Independent Director	19 June 2018	18 June 2021	Yes
Wan Jieqiu	Freewon China Co., Ltd.	Independent Director	1 December 2017	30 November 2020	Yes
Yu Xuehua	Soochow University	Associate Professor of Accounting, and Master Supervisor	15 September 1993		Yes
Yu Xuehua	Jiangsu Shagang Co., Ltd.	Independent Director	2 September 2019	22 March 2023	Yes
Yu Xuehua	Jiangsu Hengli Hydraulic Co., Ltd.	Independent Director	11 September 2019	10 September 2022	Yes
Yu Xuehua	Jiangsu Tongrun Equipment Technology Co., Ltd.	Independent Director	22 May 2018	21 May 2021	Yes
Yu	General Elevator Co., Ltd.	Independent Director	25 March 2019	24 March 2022	Yes

Xuehua					
Zhao Zengyao	Soochow University	Professor of the Business School	1 September 2011		Yes
Zhao Zengyao	Jiangsu Alcha Aluminium Co., Ltd.	Independent Director	17 September 2019	16 September 2022	Yes
Zhao Zengyao	Jiangsu Sidike New Materials Science & Technology Co., Ltd.	Independent Director	16 November 2020	15 November 2023	Yes
Zhu Panying	Gold Mantis School of Architecture of Soochow University	Deputy Dean	2 June 2016		Not
Zhang Jun	Suzhou Society of Landscape Architecture	Vice Chairman	25 March 2015		Not
Zhu Xingquan	JiangSu Decoration Association	Executive Director	1 December 2005		Not
Zhu Xingquan	Suzhou Decoration Industry Association	Vice Chairman	18 May 2005		Not

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior management as well as those who resigned in the Reporting Period:

Applicable Not applicable

IV Remuneration of Directors, Supervisors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors, supervisors and senior management:

The Company has established a sound performance appraisal system and remuneration policies, conducted regular appraisals on its directors, supervisors and senior management according to their positions and the Company's performance appraisal mechanism, and determined their remuneration based on the appraisal status. The remunerations of the Company's directors, supervisors and senior management are determined on the basis of the business results and performance appraisal indicators of the Company.

Remuneration of directors, supervisors and senior management for the Reporting Period

Unit: RMB'0,000

Name	Office title	Gender	Age	Incumbent/Former	Total before-tax remuneration from the Company	Remuneration from any related party or not
Wang Hanlin	Chairman of the Board	Male	47	Incumbent	100	
Cao Liming	Director and General Manager	Male	42	Incumbent	68	

Name	Office title	Gender	Age	Incumbent/Former	Total before-tax remuneration from the Company	Remuneration from any related party or not
Shi Guoping	Director and Executive Deputy General Manager	Male	43	Incumbent	76.4	
Zhu Ming	Director	Male	36	Incumbent		Yes
Zhang Xinhong	Director	Male	43	Incumbent	130.75	
Zhu Xingquan	Director and Deputy General Manager	Male	57	Incumbent	108	
Wan Jieqiu	Independent Director	Male	66	Incumbent	6	
Yu Xuehua	Independent Director	Male	58	Incumbent	6	
Zhao Zengyao	Independent Director	Male	58	Incumbent	6	
Zhu Panying	Chairman of the Supervisory Committee	Female	49	Incumbent	80	
Qian Ping	Supervisor	Female	54	Incumbent	55	
Zhang Jun	Supervisor	Male	49	Incumbent	101.4	
Wang Hong	Deputy General Manager	Male	53	Incumbent	63.6	
Dong Sheng	Deputy General Manager	Male	45	Incumbent	66	
Cai Guohua	Deputy General Manager and Chief Financial Officer	Male	46	Incumbent	60	
Ning Bo	Deputy General Manager and Board Secretary	Male	39	Incumbent	58	
Total	--	--	--	--	985.15	--

Equity incentives granted to directors and senior management in the Reporting Period:

Applicable Not applicable

Unit: share

Name	Office title	Exercisa	Exercised	Exercise	Market	Opening	Unlocked	Restricted	Grant	Closing
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		ble shares in the Reportin g Period	shares in the Reporting Period	price of exercised shares in the Reporting Period (RMB/shar e)	price at the period-end (RMB/shar e)	restricted shares held	in the current period	shares granted in the current period	price (RMB/shar e)	restricted shares held
Wang Hanlin	Chairman of the Board					3,000,000	900,000	0	3.99	2,100,000
Cao Liming	Director and General Manager					3,000,000	900,000	0	3.99	2,100,000
Shi Guoping	Director and Executive Deputy General Manager					3,000,000	900,000	0	3.99	2,100,000
Wang Hong	Deputy General Manager					500,000	150,000	0	3.99	350,000
Dong Sheng	Deputy General Manager					500,000	150,000	0	3.99	350,000
Cai Guohua	Deputy General Manager and Chief Financial Officer					500,000	150,000	0	3.99	350,000
Ning Bo	Deputy General Manager and Board Secretary					500,000	150,000	0	3.99	350,000
Total	--	0	0	--	--	11,000,000	3,300,000	0	--	7,700,000
Notes (if any)	On 9 June 2020, 3.3 million shares held by the Company's directors and senior management and with the restriction conditions lifted in the first lifting restriction period for the first grant portion of the 2018 restricted share incentive plan were listed for trading. There were 7.7 million shares remaining to be unlocked.									

V Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the Company as the parent	9,121
Number of in-service employees of principal subsidiaries	5,985
Total number of in-service employees	15,106
Total number of paid employees in the Reporting Period	15,106
Number of retirees to whom the Company as the parent and its principal subsidiaries need to pay retirement pensions	0
Functions	
Function	Employees
Production	5,189
Sales	813
Technical	5,494
Financial	291
Administrative	557
Budgets and final accounts	1,683
Others	1,079
Total	15,106
Educational backgrounds	
Educational background	Employees
Master's degree and above	271
Bachelor's degree	7,395
Junior college	5,364
Technical secondary school and below	2,076
Total	15,106

2. Remuneration Policy

The Company has established a sound performance appraisal system and remuneration policies, conducted regular appraisals on its employees according to the Company's performance appraisal mechanism, and determined their remuneration based on the appraisal status.

3. Training Plans

The Company has been committed to building an internal talent team that can promote transformation and upgrading, and innovative development, so as to bolster the development of talents for construction decoration and its industrial ecological chain. On the basis of unifying the Company's corporate culture values, professional skills and the management ability were the main training dimensions. Besides, behavioral standards and training courses for different positions were developed according to different categories and ranks. In terms of training implementation, the Company insisted on combining hybrid training such as networking, mobile, game-based and scenario-based training with mentorship and apprenticeship, and creatively carried out a series of learning programs to promote the application of learning results, practices of performance improvement and organizational reform. By doing so, employees' professional skills and comprehensive literacy were continuously improved.

4. Labor Outsourcing

Applicable Not applicable

Part X Corporate Governance

I General Information of Corporate Governance

During the Reporting Period, the Company continuously improved its corporate governance structure, enhanced its internal control system, and continued to carry out in-depth corporate governance activities in strict accordance with the requirements in the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies, the Rules for Stock Listing of Shenzhen Stock Exchange, the Guidelines of the Shenzhen Stock Exchange for the Standard Operation of Listed Companies and other relevant laws and regulations. By doing so, the Company further regulated its operations and improved the level of corporate governance.

During the Reporting Period, the Company's governance was satisfactory and in compliance with the requirements of the regulatory documents issued by the CSRC on the governance of listed companies. Details are as follows:

1. Shareholders and General Meetings

The Company formulated the Articles of Association and the Rules of Procedure for General Meetings, and regulated the procedures for convening, holding, voting at and proposing at general meetings in strict accordance with relevant provisions and requirements. The Company treated all shareholders equally, improved the convenience for minority shareholders to attend the general meetings by providing online voting in accordance with relevant regulations, and separately calculated the voting results of small and medium investors to effectively safeguard their rights and interests. During the Reporting Period, the Company convened general meetings in accordance with the provisions of the Company Law and the Articles of Association. Moreover, the meetings were witnessed by lawyers on site.

2. The Company and its Controlling Shareholder

The Company was capable of independent business activities and independent operations, and was independent of the controlling shareholder in terms of business, personnel, assets, institutions and financial matters. The Board of Directors, the Supervisory Committee and internal institutions of the Company operated independently. The Company's major decisions were made by the general meeting in accordance with laws. During the Reporting Period, the controlling shareholder exercised its rights through the general meeting based on its shareholding in the Company. There was no situation where the controlling shareholder appropriated the Company's funds, nor any act where the Company provided guarantees for the controlling shareholder and its subsidiaries.

3. Directors and the Board of Directors

The Company elected its directors in strict accordance with the procedures stipulated in the Company Law and the Articles of

Association of the Company. The Company's Board of Directors consisted of nine directors. There were three independent directors on the Board, including one accounting professional. During the Reporting Period, the Board of Directors convened and held meetings of the Board of Directors and general meetings of shareholders in strict accordance with the provisions of the Articles of Association, the Rules of Procedure of the Board of Directors and the Work Policy for Independent Directors, and carried out the resolutions of the general meetings. All directors attended the meetings of the Board of Directors and the general meetings in a serious and rigorous manner, performed their duties diligently and conscientiously, carefully deliberated on the proposals and exercised their voting rights. The independent directors were able to independently perform their duties, free from any influence.

4. Supervisors and the Supervisory Committee

The Company elected its supervisors in strict accordance with the procedures stipulated in the Company Law and the Articles of Association of the Company. There were three supervisors in the Supervisory Committee, including one employee supervisor. The number and composition of the Supervisory Committee were in compliance with the requirements of laws and regulations. The supervisors of the Company were able to conscientiously perform their duties in accordance with the requirements of the Rules of Procedure of the Supervisory Committee, be responsible to the shareholders, and effectively supervise and express their opinions on the material matters, financial status, related-party transactions, performance of duties by directors and senior managers of the Company, so as to safeguard the legitimate rights and interests of the Company and its shareholders.

5. Internal Control

In accordance with the requirements of the Company Law, the Securities Law, the relevant regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Basic Standards for the Internal Control of Enterprises and the supporting guidelines, the Company formulated management policies such as the Policy on Related-Party Transactions and the Policy on External Guarantees, and developed definite regulations for corporate governance, information disclosure, preparation of financial reports, related-party transactions, project management, control of monetary assets, control of procurement procedures, seal management and other important aspects, which provided solid institutional support for the Company to achieve operational efficiency, compliance and legal goals, and goals of strategic development.

6. Stakeholders

The Company fully respected and protected the legitimate rights and interests of all stakeholders, strengthened communication and exchanges with all parties, took the initiative to assume social responsibilities, and strove to achieve a balance of interests between the society, shareholders, employees and other parties to jointly promote the sustainable and healthy development of the Company.

7. Information Disclosure and Transparency

The Company strictly abode by the provisions of relevant laws and regulations. The Securities Department, with the Board

Secretary as the core, disclosed relevant information truthfully, accurately, timely, fairly and completely in accordance with relevant laws. During the Reporting Period, in addition to disclosing information in light of regulatory requirements, the Company properly interacted with investors through the investor interactive platform, online results presentation, telephone calls, and reception of investor research to respond to investors' relevant inquiries and questions in a timely and serious manner. At the same time, the Company further strengthened regular contact and active communication with regulators and actively reported the relevant matters of the Company to regulators to ensure more standardized information disclosure of the Company. The Company has designated China Securities Journal, Shanghai Securities News, STCN (www.stcn.com), Securities Daily and Cninfo (<http://www.cninfo.com.cn>) as its information disclosure media to ensure that all shareholders have a fair opportunity to obtain information.

The Company will continue to strengthen its corporate governance, establish a long-term corporate governance mechanism, effectively protect the interests of investors, and lay a solid foundation for its sustainable, healthy and steady development.

Indicate whether there were any significant differences between the actual situation of the corporate governance of the Company and the regulatory documents published by the China Securities Regulatory Commission on the governance of listed companies?

Yes No

No such cases in the Reporting Period.

II Independence of the Company from its Controlling Shareholder on Businesses, Personnel, Assets, Structure, and Finance

The Company is completely independent of its controlling shareholder in terms of businesses, structure, personnel, finance, and assets and has fully independent businesses and operations. 1. Business: The Company had a complete business system and the ability to operate independently and directly to the market. Its business was independent of the controlling shareholder, and there was no horizontal competition or unfair related-party transactions with the controlling shareholder and its affiliates. 2. Personnel: The Company had a completely independent personnel and salary system. All senior management of the Company worked for the Company and received remunerations, and did not hold any positions except for directors and supervisors or receive remunerations from the controlling shareholder and its subsidiaries. The financial personnel of the Company did not work part-time for the controlling shareholder or its subsidiaries. 3. Assets: The Company has independent office and business premises, independent land use rights, housing ownership and other assets, and is equipped with production systems related to its production and operations. It has legal ownership of equipment related to production and operations, independent procurement and sales systems, and supporting facilities. 4. Institutions: The Company has established sound internal institutions for operations and management, which independently exercised their operation and management functions. There was no institutional mix-up with the controlling shareholder and its affiliates. 5. Finance: The Company had standardized financial and accounting policies. With independent financial and accounting departments, full-time accounting personnel and an independent accounting system, it was able to make

independent financial decisions. The Company opened bank accounts independently and paid taxes independently. There was no circumstance where the controlling shareholder or any of its affiliates occupy the Company's funds and assets without compensation.

III Horizontal Competition

Applicable Not applicable

IV Annual and Extraordinary General Meetings Convened during the Reporting Period

1. General Meeting Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Date of the meeting	Disclosure date	Index to disclosed information
The 2019 Annual General Meeting	Annual General Meeting	55.72%	15 May 2020	16 May 2020	Announcement No. 2020-028 disclosed on http://www.cninfo.com.cn

2. Extraordinary General Meetings Convened at the Request of Preference Shareholders with Resumed Voting Rights

Applicable Not applicable

V Performance of Duty by Independent Directors in the Reporting Period

1. Attendance of Independent Directors at Board Meetings and General Meetings

Attendance of independent directors at board meetings and general meetings							
Independent director	Total number of board meetings the independent director was eligible to attend	Board meetings attended on site	Board meetings attended by way of telecommunication	Board meetings attended through a proxy	Board meetings the independent director failed to attend	The independent director failed to attend two consecutive board meetings or not	General meetings attended
Yu Xuehua	4	4	0	0	0	Not	1
Wan Jieqiu	4	4	0	0	0	Not	1
Zhao Zengyao	4	4	0	0	0	Not	1

Explanation of why any independent director failed to attend two consecutive board meetings:

No such cases.

2. Objections Raised by Independent Directors on Matters of the Company

Indicate whether any independent directors raised any objections on any matter of the Company.

Yes No

No such cases in the Reporting Period.

3. Other Information about the Performance of Duty by Independent Directors

Indicate whether any suggestions from independent directors were adopted by the Company.

Yes No

Explanation on adoption/rejection of recommendations of independent directors:

During the Reporting Period, the independent directors of the Company were able to perform their duties faithfully and diligently in accordance with the relevant laws and regulations, actively attended the meetings of the Board of Directors and general meetings of the Company, carefully reviewed the proposals for each meeting of the Board of Directors of the Company, and carefully and prudently put forward their independent opinions. In addition, the independent directors of the Company regularly grasped the operating updates of the Company and made valuable suggestions on the development of internal control, audit work and business development planning of the Company.

VI Duty Performance of Special Committees under the Board of Directors during the Reporting Period

1. Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee held two meetings to study and review the remuneration allocation system of the Company, and reviewed the performance appraisal mechanism and remuneration allocation plan for directors and senior management. The committee members discussed the removal of trading restrictions on restricted shares in the first grant portion of the Company's 2018 restricted shares, believed that the conditions for the removal of restrictions were in compliance with the regulations, and agreed with the repurchase and cancellation of the restricted shares of some resigned employees.

2. Audit Committee

The Audit Committee held six meetings to supervise and evaluate the design and implementation of important measures for internal control and risk management of the Company, and supervised and inspected major decision-making matters of the Company. It examined the internal audit of the Company and appropriately supervised the external audit, reviewed the work reports prepared by the Audit Department, reviewed the annual original financial statements prepared by the Company, communicated with the accountant to determine the time of the annual audit and the audit schedule, and reviewed the financial statements with the preliminary audit opinions issued by the accountant.

3. Nomination Committee

The Nomination Committee held a meeting, searched for and reviewed candidates for additional directors and nominated candidates for additional directors.

4. Strategy Committee

The Strategy Committee held a meeting to summarize the Company's business situation and put forward a plan for future development.

VII Performance of Duty by the Supervisory Committee

Indicate whether the Supervisory Committee identified any risk to the Company during its supervision in the Reporting Period.

Yes No

The Supervisory Committee raised no objections with respect to matters of the Company.

VIII Appraisal of and Incentive for Senior Management

The Company established a performance appraisal, incentive and restraint mechanism which linked the remunerations of senior management with its business results, implemented a remuneration appraisal system combining the basic annual salary and year-end performance appraisal, and conducted an annual performance appraisal at the end of the year based on the completion of its annual operation targets and the performance of senior managements. The Company granted annual performance salaries based on the results of the performance appraisal, and rewarded and punished relevant persons. The Company has implemented the *First Stock Option Incentive Plan*. The awardees of the first stock option incentive plan (senior managements and core elites/business personnel) have exercised their first, second and third stock options. The Company implemented the "Jincheng No. 1" Employee Stock Ownership Plan to offer stock ownership incentives to eligible employees. The plan has been implemented and terminated, and the property liquidation and distribution have been completed. The Company implemented the Company's *2018 Restricted Share Incentive Plan* to grant restricted shares to awardees by means of the targeted issue of new stocks, and set the performance appraisal requirements at the corporate level and the performance appraisal requirements for individual awardees.

The implementation of the stock option incentive plan, restricted share incentive plan and employee stock ownership plan effectively stimulated the enthusiasm of managers, core elites and employees, and played a positive role in retaining the existing excellent managers and business elites and attracting outstanding external talents, so as to better promote the long-term and stable development of the Company.

IX Internal Control Assessment Report

1. Significant Defects in Internal Control Identified during the Reporting Period

Yes No

2. Internal Control Self-Assessment Report

Date of disclosure of the full internal control assessment report	30 April 2021	
Index of full disclosure of the internal control assessment report	http://www.cninfo.com.cn	
Ratio of the total assets of the organizations included in the assessment to the Company's consolidated total assets	100.00%	
Ratio of the operating revenue of the organizations included in the assessment to the Company's operating revenue in the consolidated financial statements	100.00%	
Deficiency identification criteria		
Category	Financial report	Non-financial report
Qualitative criteria	In case of the following circumstances (including but not limited to such circumstances), it shall be deemed that a financial report contains material deficiencies: (1) Fraudulent conduct by directors, supervisors and senior managements of the Company; (2) Correction of a published financial report by the Company; (3) Significant misstatement in the financial report of the year identified by a certified public accountant but not identified during the Company's internal control audit; (4) Invalid supervision of the Audit Committee and the Audit Department over the Company's external financial reports and internal control of financial reports. In case of the following circumstances (including but not limited to such circumstances), it shall be deemed that there are "significant deficiencies" or obvious signs of "significant deficiencies": (1) Failure to select or apply accounting policies in accordance with the Accounting Standards for Business Enterprises; (2) Failure to develop anti-fraud	In case of the following circumstances, it shall be deemed that there are "material deficiencies": (1) Lack of democratic decision-making procedures, or unreasonable decision-making procedures, which lead to serious mistakes and cause the Company major property losses; (2) Serious violation of national laws and regulations; (3) Lack of important business management policies, or ineffective systematic functioning of policies; (4) Untimely remediation of the Company's material or significant internal control deficiencies; (5) Constant or massive occurrence of significant internal control deficiencies in the Company. In case of other circumstances, the deficiencies shall be determined as important or

	<p>procedures and control measures; (3) Lack of corresponding control mechanism for accounting treatment of unconventional or special transactions, or failure to implement the mechanism and take corresponding compensatory control measures; (4) One or more deficiencies in the control of the financial reporting at the end of the period and failure to reasonably ensure true and accurate statements in the financial report. General deficiencies refer to the control deficiencies other than material and significant deficiencies mentioned above.</p>	<p>general deficiencies according to the degree of influence.</p>
Quantitative criteria	<p>If there is a reasonable possibility that a single internal control deficiency, or an internal control deficiency together with several deficiencies may lead to circumstances where misstatements cannot be timely prevented or identified and remedied and relate to an amount equivalent to or exceeding 5% of the year's gross profit, the deficiency shall be deemed as a material deficiency. If there is a reasonable possibility that a single internal control deficiency, or an internal control deficiency together with several deficiencies may lead to circumstances where misstatements cannot be timely prevented or identified and remedied and relate to an amount equivalent to or exceeding 3% of the year's gross profit but less than 5% of the year's gross profit, the deficiency shall be deemed as a significant deficiency. Internal control deficiencies which do not constitute material or significant deficiencies shall be deemed as general deficiencies.</p>	<p>If a deficiency has a direct or potential negative influence that may cause direct property losses equivalent to or exceeding 3% of the net profit attributable to shareholders of the listed company, the deficiency shall be deemed as a material deficiency. If a deficiency has a direct or potential negative influence that may cause direct property losses equivalent to or exceeding 1% but less than 3% of the net profit attributable to shareholders of the listed company, the deficiency shall be deemed as a significant deficiency. If a deficiency has a direct or potential negative influence that may cause direct property losses less than 1% of the net profit attributable to shareholders of the listed company, the deficiency shall be deemed as a general deficiency.</p>
Number of material deficiencies in financial reports		0
Number of material deficiencies in non-financial reports		0
Number of significant deficiencies in financial reports		0
Number of significant deficiencies in non-financial reports		0

X CPA Firm's Audit or Assurance Report on Internal Control

Assurance report on internal control:

Opinion paragraph	
Gold Mantis maintained, in all material respects, effective internal control over financial reporting as of 31 December 2020, based on the Basic Rules on Enterprise Internal Control issued by the Ministry of Finance and other applicable rules.	
Assurance report on internal control disclosed or not	Disclosed
Disclosure date	30 April 2021
Index to the disclosed report	The Assurance Report on Internal Control disclosed by the Company on http://www.cninfo.com.cn/ dated 30 April 2021
Type of opinion	Unmodified unqualified opinion
Material weakness in internal control not related to financial reporting	None

Indicate whether any modified opinion is expressed in the Assurance Report on Internal Control.

 Yes No

Indicate whether the Assurance Report on Internal Control is consistent with the internal control self-evaluation report issued by the Company's Board of Directors.

 Yes No

Part XI Corporate Bonds

Does the Company have any corporate bonds publicly offered on the stock exchange, which were outstanding before the date of this Report's approval or were due but could not be redeemed in full?

No.

Part XII Financial Statements

I Independent Auditor's Report

Type of the independent auditor's opinion	Unmodified unqualified opinion
Date of signing the independent auditor's report	28 April 2021
Name of the independent auditor	RSM China
Number of the independent auditor's report	RSM China Audit Report [2021] No. 230Z0598
Names of the certified public accountants	Song Wen, Hong Zhiguo, and Long Bing

Independent Auditor's Report

To the Shareholders of Suzhou Gold Mantis Construction Decoration Co., Ltd.

I Opinion

We have audited the financial statements of Suzhou Gold Mantis Construction Decoration Co., Ltd. (the "Company"), which comprise the consolidated and parent company (the Company as the parent exclusive of subsidiaries) balance sheets as at 31 December 2020, the consolidated and parent company statements of income, cash flows and changes in owners' equity for the year then ended, as well as the notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated and parent company financial position of the Company at 31 December 2020, and the consolidated and parent company operating results and cash flows for the year then ended, in conformity with the Chinese Accounting Standards (CAS).

II Basis for Opinion

We conducted our audits in accordance with the Audit Standards for Chinese Registered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III Key Audit Matters

Key audit matters are matters that, based on our professional judgment, are deemed most important to the audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(I) Recognition of Contract Revenue

1. Description

According to the notes to the financial statements including "III. 28 Revenue Recognition Principles and Measurement Methods" and "V. 40 Operating Revenue and Cost of Sales", Gold Mantis's revenue from construction decoration services amounted to RMB30,117,163,000, accounting for 96.40% of its operating revenue. The amount of revenue from construction decoration services as well as its ratio to the operating revenue were both material.

Regarding the construction decoration services provided by it, Gold Mantis recognized relevant revenue within a certain period of time according to the contract performance progress. The contract performance progress was recognized by the ratio of the actual contract cost for previous contract fulfillment to the projected total cost. The Management of Gold Mantis (hereinafter referred to as the Management) shall reasonably estimate the total contract revenue and total contract cost of the project at the beginning to determine the progress, and constantly evaluate and revise major accounting estimations related to the Management during the contract implementation. Therefore, we regarded the recognition of contract revenue as a key audit matter.

2. Audit Response

Major audit procedures we performed for contract revenue recognition include the following:

- (1) Test key internal control procedures related to contract budgeting and revenue recognition.
- (2) Recalculate the progress in the project's contract ledger to verify its accuracy.
- (3) Extract significant project construction contracts, check the total contract revenue, review key contract provisions, and perform confirmation procedures on the contract status.
- (4) Examine the contract and cost budget information on which the Management's projected total revenue and projected total cost are based, and evaluate the reasonableness of the estimations made by the Management and adequacy of the basis.
- (5) Select a sample to test contract costs incurred during the year.
- (6) Select engineering projects, conduct on-site inspections of the visual progress of the projects, discuss with the engineering management departments to confirm the progress of the projects, and compare with the progress of contract recognition in the books to analyze the reasons for differences.
- (7) Carry out analytical review of the fluctuation of the contract revenue, cost and gross margin of major projects.

(II) Recoverability of Accounts Receivable

1. Description

According to the notes to the financial statements including "III. 10 Financial Instruments" and "V. 4 Accounts Receivable", as at 31 December 2020, the gross amount of accounts receivable in the consolidated financial statements of Gold Mantis was RMB15,470,608,800 and the total amount of allowances for doubtful accounts receivable was RMB1,952,818,800 in total. The

Company set aside loss allowances for accounts receivable according to the lifetime expected credit losses, divided accounts receivable into several groups by their risk characteristics, and calculated the expected credit losses based on the groups. Since this matter related to the major accounting estimations and judgments applied by the Management and the recoverability of accounts receivable were vital to the financial statements, therefore, we regarded the recoverability of accounts receivable as a key audit matter.

2. Audit Response

Major audit procedures we performed for recoverability of accounts receivable include the following:

(1) Learn about the Management's key internal control measures for financial reporting related to credit control, recovery of accounts, and assessment of the impairment allowances for receivables, and evaluate the design and operating effectiveness of these internal control measures.

(2) Assess the accuracy of the methods, inputs and assumptions used by the Management in calculating the impairment allowances for receivables, and review the adequacy of the allowances for doubtful accounts.

(3) Obtain and examine contracts of major customers to understand the contractual settlement policies and conduct comparative analysis of them and the credit policies actually implemented.

(4) Review the Management's considerations and objective evidence related to the assessment of the recoverability of accounts receivable.

(5) Retrieve the industrial and commercial records or inquire the industrial and commercial information of major customers in the national enterprise credit information publicity system, examine the aging of accounts receivable and repayment histories, and assess whether the recoverability of accounts receivable is affected by the financial problems of the counterparties.

(6) Check the litigation situation within the Reporting Period, and learn about the recovery status of corresponding accounts receivable and the allowances for doubtful accounts.

(7) Evaluate the reasonableness of the Management's establishment of allowances for doubtful accounts in relation to the accounts receivable for which the Management set aside the allowances for doubtful accounts according to the groups by credit risk characteristics, and give consideration to the credit risk characteristics and aging analysis during the evaluation.

(8) Implement confirmation procedures and post-recovery checks to evaluate the reasonableness of the Management's establishment of allowances for doubtful accounts.

IV Other Information

The Company's management is responsible for the other information. The other information comprises all of the information included in the Company's 2020 Annual Report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance

conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V Responsibilities of Management and Those Charged with Governance for Financial Statements

The Company's management is responsible for the preparation of the financial statements that give a fair view in accordance with CAS, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI Auditor's Responsibilities for Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls.

(III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(IV) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by CAS to draw users' attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any noteworthy deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II Financial Statements

Currency unit for the financial statements and the notes thereto: RMB

1. Consolidated Balance Sheet

Prepared by Suzhou Gold Mantis Construction Decoration Co., Ltd.

31 December 2020

Unit: RMB

Item	31 December 2020	31 December 2019
Current assets:		

Monetary assets	6,372,631,845.72	6,077,758,993.30
Settlement reserve		
Loans to other banks and financial institutions		
Held-for-trading financial assets	2,172,086,741.05	1,694,650,654.74
Derivative financial assets		
Notes receivable	8,834,516,728.65	4,365,558,567.45
Accounts receivable	13,517,789,956.57	22,003,095,138.84
Receivables financing	275,822,920.18	261,530,861.26
Prepayments	184,622,237.74	287,524,499.91
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	238,574,992.82	248,803,300.64
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	53,841,882.04	101,344,129.28
Contract assets	8,776,903,224.25	
Assets held for sale		
Current portion of non-current assets	89,386,364.69	31,381,819.35
Other current assets	113,007,717.52	116,384,039.46
Total current assets	40,629,184,611.23	35,188,032,004.23
Non-current assets:		
Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables	1,528,021,000.84	1,438,636,412.30
Long-term equity investments	225,124.06	22,838,423.66
Investments in other equity instruments		
Other non-current financial assets	512,022,000.00	444,022,000.00

Investment property	135,295,908.94	78,250,561.70
Fixed assets	892,169,838.74	910,175,452.03
Construction in progress	41,215,785.57	71,905,579.25
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	89,542,508.36	109,105,821.09
Development costs		
Goodwill	408,055,407.05	435,818,777.74
Long-term prepaid expense	49,904,354.32	157,443,245.55
Deferred income tax assets	438,241,669.12	415,401,109.41
Other non-current assets	279,435,220.04	201,762,268.01
Total non-current assets	4,374,128,817.04	4,285,359,650.74
Total assets	45,003,313,428.27	39,473,391,654.97
Current liabilities:		
Short-term borrowings	714,363,172.85	875,691,128.75
Borrowings from the central bank		
Loans from other banks and financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	4,871,222,687.68	4,602,520,476.92
Accounts payable	17,046,906,908.50	13,279,769,499.13
Advances from customers		790,724,499.17
Contract liabilities	818,343,554.80	
Financial assets sold under repurchase agreements		
Customer deposits and deposits from other banks and financial institutions		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	1,700,769,141.23	1,748,073,732.96

Taxes and levies payable	216,975,877.33	256,606,598.88
Other payables	299,482,436.62	593,947,128.96
Including: Interest payable		
Dividends payable	10,574,000.00	6,620,000.00
Fees and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	51,083,934.28	22,000,000.00
Other current liabilities	1,297,749,046.76	1,062,569,828.91
Total current liabilities	27,016,896,760.05	23,231,902,893.68
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	836,918,353.34	838,561,722.30
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income		
Deferred income tax liabilities	4,163,618.41	2,931,338.35
Other non-current liabilities		
Total non-current liabilities	841,081,971.75	841,493,060.65
Total liabilities	27,857,978,731.80	24,073,395,954.33
Owners' equity:		
Share capital	2,683,358,689.00	2,676,408,689.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	368,723,316.20	342,175,389.87
Less: Treasury shares	121,595,650.00	132,069,000.00

Other comprehensive income	-7,462,575.66	57,504,092.23
Specific reserve		
Surplus reserves	1,360,431,738.20	1,358,670,354.99
General reserve		
Retained earnings	12,725,196,506.07	10,853,403,316.80
Total equity attributable to owners of the Company as the parent	17,008,652,023.81	15,156,092,842.89
Non-controlling interests	136,682,672.66	243,902,857.75
Total owners' equity	17,145,334,696.47	15,399,995,700.64
Total liabilities and owners' equity	45,003,313,428.27	39,473,391,654.97

Legal representative: Wang Hanlin Head of accounting affairs: Cai Guohua Head of the accounting department: Cai Guohua

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	31 December 2020	31 December 2019
Current assets:		
Monetary assets	4,157,896,016.45	3,236,414,236.21
Held-for-trading financial assets	891,634,191.47	1,177,233,688.22
Derivative financial assets		
Notes receivable	5,603,812,080.85	2,720,966,717.92
Accounts receivable	9,578,054,598.29	15,070,584,579.15
Receivables financing	211,831,423.35	227,611,894.42
Prepayments	109,893,040.95	67,179,176.34
Other receivables	335,745,131.01	369,029,544.53
Including: Interest receivable		
Dividends receivable	40,000,000.00	40,000,000.00
Inventories	465,048.33	2,108,652.15
Contract assets	5,258,632,942.40	
Assets held for sale		
Current portion of non-current assets		
Other current assets	256,087.10	141,935.84
Total current assets	26,148,220,560.20	22,871,270,424.78
Non-current assets:		

Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	2,504,132,432.26	2,450,189,252.52
Investments in other equity instruments		
Other non-current financial assets	512,022,000.00	444,022,000.00
Investment property	113,286,785.38	92,392,476.23
Fixed assets	720,890,710.89	725,719,586.11
Construction in progress	40,535,876.61	50,987,676.95
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	28,715,614.95	31,263,899.40
Development costs		
Goodwill		
Long-term prepaid expense	33,042,253.63	36,115,310.40
Deferred income tax assets	292,343,099.89	269,961,767.22
Other non-current assets	112,297,729.01	90,447,503.15
Total non-current assets	4,357,266,502.62	4,191,099,471.98
Total assets	30,505,487,062.82	27,062,369,896.76
Current liabilities:		
Short-term borrowings	92,385,970.13	454,870,134.35
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	2,600,907,620.27	2,524,818,850.29
Accounts payable	10,747,889,172.00	8,227,541,063.77
Advances from customers		325,775,470.52
Contract liabilities	449,649,019.21	
Employee benefits payable	1,300,435,009.72	1,377,238,718.10
Taxes and levies payable	111,246,421.74	94,928,342.32
Other payables	150,784,450.66	489,198,564.99
Including: Interest payable		
Dividends payable	10,574,000.00	6,620,000.00

Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities		
Other current liabilities	949,026,505.13	810,122,476.37
Total current liabilities	16,402,324,168.86	14,304,493,620.71
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income		
Deferred income tax liabilities	245,128.72	185,053.23
Other non-current liabilities		
Total non-current liabilities	245,128.72	185,053.23
Total liabilities	16,402,569,297.58	14,304,678,673.94
Owners' equity:		
Share capital	2,683,358,689.00	2,676,408,689.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	464,113,394.70	437,549,701.78
Less: Treasury shares	121,595,650.00	132,069,000.00
Other comprehensive income		
Specific reserve		
Surplus reserves	1,360,431,738.20	1,358,670,354.99
Retained earnings	9,716,609,593.34	8,417,131,477.05
Total owners' equity	14,102,917,765.24	12,757,691,222.82
Total liabilities and owners' equity	30,505,487,062.82	27,062,369,896.76

3. Consolidated Income Statement

Unit: RMB

Item	2020	2019
1. Revenues	31,243,227,802.04	30,834,654,530.30
Including: Operating revenue	31,243,227,802.04	30,834,654,530.30
Interest income		
Insurance premium income		
Fee and commission income		
2. Costs and expenses	28,234,372,648.30	27,926,731,277.92
Including: Cost of sales	26,058,435,143.23	25,164,792,617.65
Interest expense		
Fee and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and levies	108,178,512.22	94,606,201.19
Selling expense	375,964,501.30	650,794,185.74
Administrative expense	604,846,088.47	1,001,785,370.49
R&D expense	955,782,334.18	879,866,123.50
Finance costs	131,166,068.90	134,886,779.35
Including: Interest expense	145,524,591.79	142,341,566.80
Interest income	41,474,553.83	26,670,537.36
Add: Other income	54,684,095.82	19,660,084.94
Return on investment (“—” for loss)	37,648,383.31	33,199,676.51
Including: Share of profit or loss of joint ventures and associates	-9,556,696.62	-6,162,676.00
Income from the derecognition of financial assets at amortized cost		

Exchange gain (“—” for loss)		
Net gain on exposure hedges (“—” for loss)		
Gain on changes in fair value (“—” for loss)	-723,913.69	-59,789,345.26
Credit impairment loss (“—” for loss)	-452,355,161.86	-205,096,377.78
Asset impairment loss (“—” for loss)	66,073,084.77	-3,651.14
Asset disposal income (“—” for loss)	114,042.29	-1,219,850.07
3. Operating profit (“—” for loss)	2,714,295,684.38	2,694,673,789.58
Add: Non-operating income	285,660.49	4,950,546.95
Less: Non-operating expense	4,298,740.33	4,533,450.34
4. Gross profit (“—” for gross loss)	2,710,282,604.54	2,695,090,886.19
Less: Income tax expense	369,673,831.88	434,386,321.47
5. Net profit (“—” for net loss)	2,340,608,772.66	2,260,704,564.72
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“—” for net loss)	2,340,608,772.66	2,260,704,564.72
5.1.2 Net profit from discontinued operations (“—” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	2,373,915,319.52	2,349,395,605.96
5.2.2 Net profit attributable to non-controlling interests	-33,306,546.86	-88,691,041.24
6. Other comprehensive income, net of tax	-67,210,472.64	19,359,395.45
Other comprehensive income, net of tax attributable to owners of the Company as the parent	-64,966,667.89	23,261,261.16
6.1 Other comprehensive income that will not be reclassified to profit or loss		
6.1.1 Changes caused by remeasurements on defined benefit schemes		

6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments		
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Others		
6.2 Other comprehensive income that will be reclassified to profit or loss	-64,966,667.89	23,261,261.16
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Changes in the fair value of other debt investments		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for other debt investments		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	-64,966,667.89	23,261,261.16
6.2.7 Others		
Other comprehensive income, net of tax attributable to non-controlling interests	-2,243,804.75	-3,901,865.71
7. Total comprehensive income	2,273,398,300.02	2,280,063,960.17
Total comprehensive income attributable to owners of the Company as the parent	2,308,948,651.63	2,372,656,867.12
Total comprehensive income attributable to non-controlling interests	-35,550,351.61	-92,592,906.95
8. Earnings per share:		

8.1 Basic earnings per share	0.88	0.88
8.2 Diluted earnings per share	0.89	0.88

Where business combinations involving entities under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMB , with the amount for last year being RMB .

Legal representative: Wang Hanlin Head of accounting affairs: Cai Guohua Head of the accounting department: Cai Guohua

4. Income Statement of the Company as the Parent

Unit: RMB

Item	2020	2019
1. Operating revenue	19,488,441,946.54	18,407,435,161.21
Less: Cost of sales	16,086,748,755.05	14,958,708,586.59
Taxes and levies	70,254,919.85	55,820,655.17
Selling expense	215,311,596.91	213,708,147.95
Administrative expense	207,882,651.82	311,841,065.34
R&D expense	630,431,222.68	581,507,156.73
Finance costs	21,814,116.30	30,275,095.10
Including: Interest expense	39,834,849.73	41,481,410.00
Interest income	25,703,322.50	12,746,149.65
Add: Other income	7,225,891.98	10,536,596.42
Return on investment (“—” for loss)	22,017,920.22	144,357,442.83
Including: Share of profit or loss of joint ventures and associates	-2,390,420.50	-4,226,587.96
Income from the derecognition of financial assets at amortized cost (“—” for loss)		
Net gain on exposure hedges (“—” for loss)		
Gain on changes in fair value (“—” for loss)	400,503.25	-62,766,311.78
Credit impairment loss (“—” for loss)	-274,434,880.37	-99,321,459.92
Asset impairment loss (“—” for loss)	60,930,272.68	
Asset disposal income (“—” for loss)	1,244.46	-137,414.85

2. Operating profit (“—” for loss)	2,072,139,636.15	2,248,243,307.03
Add: Non-operating income	17,608.54	1,793,615.46
Less: Non-operating expense	3,460,122.37	3,544,219.28
3. Gross profit (“—” for gross loss)	2,068,697,122.32	2,246,492,703.21
Less: Income tax expense	248,609,717.13	271,729,104.10
4. Net profit (“—” for net loss)	1,820,087,405.19	1,974,763,599.11
4.1 Net profit from continuing operations (“—” for net loss)	1,820,087,405.19	1,974,763,599.11
4.2 Net profit from discontinued operations (“—” for net loss)		
5. Other comprehensive income, net of tax		
5.1 Other comprehensive income that will not be reclassified to profit or loss		
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments		
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Others		
5.2 Other comprehensive income that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of other debt investments		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		

5.2.4 Credit impairment allowance for other debt investments		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Others		
6. Total comprehensive income	1,820,087,405.19	1,974,763,599.11
7. Earnings per share:		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2020	2019
1. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	28,786,537,582.19	28,351,807,710.20
Net increase in customer deposits and deposits from other banks and financial institutions		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, fees and commissions received		
Net increase in loans from other banks and financial institutions		
Net increase in proceeds from		

repurchase transactions		
Net proceeds from acting trading of securities		
Tax and levy rebates	1,284,072.45	
Cash generated from other operating activities	93,168,696.84	309,362,695.48
Subtotal of cash generated from operating activities	28,880,990,351.48	28,661,170,405.68
Payments for goods and services	22,055,723,564.18	21,861,009,207.12
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and other banks and financial institutions		
Payments for claims on original insurance contracts		
Net increase in loans to other banks and financial institutions		
Interest, fees and commissions paid		
Policy dividends paid		
Cash paid to and for employees	3,079,182,809.78	3,307,568,892.12
Taxes and levies paid	1,437,637,805.83	1,272,742,487.76
Cash used in other operating activities	531,330,929.53	464,629,835.97
Subtotal of cash used in operating activities	27,103,875,109.32	26,905,950,422.97
Net cash generated from/used in operating activities	1,777,115,242.16	1,755,219,982.71
2. Cash flows from investing activities:		
Proceeds from disinvestment	10,750,380,711.98	15,990,497,000.00
Return on investment	36,709,817.00	71,824,868.85
Net proceeds from the disposal of fixed assets, intangible assets and other long-term assets	10,427,451.26	15,604,661.15
Net proceeds from the disposal of subsidiaries and other business units	18,588,895.83	6,979,638.34
Cash generated from other	40,803,606.39	28,232,114.75

investing activities		
Subtotal of cash generated from investing activities	10,856,910,482.46	16,113,138,283.09
Payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets	156,882,830.00	234,621,611.98
Payments for investments	11,272,570,711.98	14,508,833,700.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units	1,155,000.00	1,155,000.00
Cash used in other investing activities		
Subtotal of cash used in investing activities	11,430,608,541.98	14,744,610,311.98
Net cash generated from/used in investing activities	-573,698,059.52	1,368,527,971.11
3. Cash flows from financing activities:		
Capital contributions received	12,097,000.00	
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings received	1,152,731,644.19	1,513,451,675.11
Cash generated from other financing activities	8,947,438.58	
Subtotal of cash generated from financing activities	1,173,776,082.77	1,513,451,675.11
Repayment of borrowings	1,286,050,226.89	960,980,251.99
Interest and dividends paid	684,834,689.56	675,762,948.06
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities		25,511,610.47
Subtotal of cash used in financing activities	1,970,884,916.45	1,662,254,810.52
Net cash generated from/used in financing activities	-797,108,833.68	-148,803,135.41
4. Effect of foreign exchange rate changes on cash and cash equivalents	-103,159,005.40	7,342,160.41

5. Net increase in cash and cash equivalents	303,149,343.56	2,982,286,978.82
Add: Cash and cash equivalents, beginning of the period	6,051,660,327.62	3,069,373,348.80
6. Cash and cash equivalents, end of the period	6,354,809,671.18	6,051,660,327.62

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	2020	2019
1. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	18,436,592,629.73	16,825,060,500.01
Tax and levy rebates	1,284,072.45	
Cash generated from other operating activities	43,713,301.52	321,241,968.44
Subtotal of cash generated from operating activities	18,481,590,003.70	17,146,302,468.45
Payments for goods and services	13,571,164,135.69	12,923,688,852.58
Cash paid to and for employees	1,913,288,537.87	1,704,660,273.86
Taxes and levies paid	899,383,766.94	721,116,299.74
Cash used in other operating activities	381,796,864.00	108,175,930.61
Subtotal of cash used in operating activities	16,765,633,304.50	15,457,641,356.79
Net cash generated from/used in operating activities	1,715,956,699.20	1,688,661,111.66
2. Cash flows from investing activities:		
Proceeds from disinvestment	6,917,500,000.00	9,528,608,000.00
Return on investment	20,818,419.64	113,021,049.74
Net proceeds from the disposal of fixed assets, intangible assets and other long-term assets	447,821.68	3,008,052.09
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	24,713,108.45	15,385,633.48

Subtotal of cash generated from investing activities	6,963,479,349.77	9,660,022,735.31
Payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets	80,448,492.27	88,674,858.35
Payments for investments	6,748,098,222.33	9,208,549,753.60
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	6,828,546,714.60	9,297,224,611.95
Net cash generated from/used in investing activities	134,932,635.17	362,798,123.36
3. Cash flows from financing activities:		
Capital contributions received	12,097,000.00	
Borrowings received	396,206,771.20	454,690,696.85
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	408,303,771.20	454,690,696.85
Repayment of borrowings	758,511,497.92	50,172,297.61
Interest and dividends paid	577,292,481.85	572,560,553.00
Cash used in other financing activities	16,564,171.89	
Subtotal of cash used in financing activities	1,352,368,151.66	622,732,850.61
Net cash generated from/used in financing activities	-944,064,380.46	-168,042,153.76
4. Effect of foreign exchange rate changes on cash and cash equivalents	-2,897,559.61	3,663,831.23
5. Net increase in cash and cash equivalents	903,927,394.30	1,887,080,912.49
Add: Cash and cash equivalents, beginning of the period	3,236,146,447.61	1,349,065,535.12
6. Cash and cash equivalents, end of the period	4,140,073,841.91	3,236,146,447.61

7. Consolidated Statements of Changes in Owners' Equity

2020

Unit: RMB

Item	2020														
	Equity attributable to owners of the Company as the parent												Non-controlling interests	Total owners' equity	
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Others			Subtotal
		Preference shares	Perpetual bonds	Others											
1. Balance as at the end of the prior year	2,676,408,689.00				342,175,389.87	132,069,000.00	57,504,092.23		1,358,670,354.99		10,853,403.316.80		15,156,092.842.89	243,902,857.75	15,399,995,700.64
Add: Adjustments for changes in accounting policies								1,761,383.21		34,339,607.55		36,100,990.76	3,075,706.90	39,176,697.66	
Adjustments for correction of previous errors															
Adjustments for business combinations involving entities under common control															
Other adjustments															
2. Balance as at the beginning of the year	2,676,408,689.00				342,175,389.87	132,069,000.00	57,504,092.23		1,360,431,738.20		10,887,742.924.35		15,192,193.833.65	246,978,564.65	15,439,172,398.30
3. Increase/decrease in the period ("—" for decrease)	6,950,000.00				26,547,926.33	-10,473,350.00	-64,966,667.89				1,837,453,581.72		1,816,458,190.16	-110,295,891.99	1,706,162,298.17
3.1 Total							-64,966,667.89				2,373,453,581.72		2,308,458,190.16	-35,559,891.99	2,273,453,581.72

comprehensive income						6,667.89				915,319.52		948,651.63	0,351.61	398,300.02
3.2 Capital increased and reduced by owners	6,950,000.00				26,547,926.33	-10,473,350.00						43,971,276.33	-74,745,540.38	-30,774,264.05
3.2.1 Ordinary shares increased by owners	6,950,000.00											6,950,000.00	-74,745,540.38	-67,795,540.38
3.2.2 Capital increased by holders of other equity instruments														
3.2.3 Share-based payments recognized in owners' equity					26,563,692.92	32,080,000.00						-5,516,307.08		-5,516,307.08
3.2.4 Others					-15,766.59	-42,553,350.00						42,537,583.41		42,537,583.41
3.3 Profit distribution										-536,461,737.80		-536,461,737.80		-536,461,737.80
3.3.1 Appropriation to surplus reserves														
3.3.2 Appropriation to general reserve														
3.3.3 Appropriation to owners (or shareholders)										-536,461,737.80		-536,461,737.80		-536,461,737.80
3.3.4 Other														
3.4 Transfers within owners' equity														

Item	2019														
	Equity attributable to owners of the Company as the parent												Non-controlling interest	Total owners' equity	
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Others			Subtotal
Preference shares		Perpetual bonds	Others												
1. Balance as at the end of the prior year	2,676,408,689.00				256,683,499.94	132,069,000.00	34,242,831.07		1,161,193,995.08		9,236,765,808.55		13,233,225,823.64	372,327,191.88	13,605,553,015.52
Add: Adjustments for changes in accounting policies															
Adjustments for correction of previous errors															
Adjustments for business combinations involving entities under common control															
Other adjustments															
2. Balance as at the beginning of the year	2,676,408,689.00				256,683,499.94	132,069,000.00	34,242,831.07		1,161,193,995.08		9,236,765,808.55		13,233,225,823.64	372,327,191.88	13,605,553,015.52
3. Increase/decrease in the period ("-" for decrease)					85,491,889.93		23,261,261.16		197,476,359.91		1,616,637,508.25		1,922,867,019.25	-128,424,334.13	1,794,442,685.12
3.1 Total comprehensive income							23,261,261.16				2,349,395,605.96		2,372,656,867.12	-92,592,906.95	2,280,063,960.17

3.2 Capital increased and reduced by owners					84,466,463.78							84,466,463.78	-35,831,427.18	48,635,036.60
3.2.1 Ordinary shares increased by owners													-35,831,427.18	-35,831,427.18
3.2.2 Capital increased by holders of other equity instruments														
3.2.3 Share-based payments recognized in owners' equity					84,466,463.78							84,466,463.78		84,466,463.78
3.2.4 Others														
3.3 Profit distribution					1,025,426.15			197,476,359.91	-732,758,097.71			-534,256,311.65		-534,256,311.65
3.3.1 Appropriation to surplus reserves							197,476,359.91	-197,476,359.91						
3.3.2 Appropriation to general reserve														
3.3.3 Appropriation to owners (or shareholders)									-535,281,737.80			-535,281,737.80		-535,281,737.80
3.3.4 Other					1,025,426.15							1,025,426.15		1,025,426.15
3.4 Transfers within owners' equity														
3.4.1 Increase in														

capital (or share capital) from capital reserves															
3.4.2 Increase in capital (or share capital) from surplus reserves															
3.4.3 Surplus reserves used to offset loss															
3.4.4 Changes in defined benefit schemes transferred to retained earnings															
3.4.5 Other comprehensive income transferred to retained earnings															
3.4.6 Others															
3.5 Specific reserve															
3.5.1 Increase in the period															
3.5.2 Used in the period															
3.6 Other															
4. Balance as at the end of the period	2,676,408,689.00				342,175,389.87	132,069,000.00	57,504,092.23		1,358,670,354.99		10,853,403,316.80		15,156,092,842.89	243,902,857.75	15,399,995,700.64

8. Statements of Changes in Owners' Equity of the Company as the Parent

2020

Unit: RMB

Item	2020											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Others	Total owners' equity
		Preference shares	Perpetual bonds	Others								
1. Balance as at the end of the prior year	2,676,408,689.00				437,549,701.78	132,069,000.00			1,358,670,354.99	8,417,131,477.05		12,757,691,222.82
Add:												
Adjustments for changes in accounting policies									1,761,383.21	15,852,448.90		17,613,832.11
Adjustments for correction of previous errors												
Other adjustments												
2. Balance as at the beginning of the year	2,676,408,689.00				437,549,701.78	132,069,000.00			1,360,431,738.20	8,432,983,925.95		12,775,305,054.93
3. Increase/decrease in the period ("-" for decrease)	6,950,000.00				26,563,692.92	-10,473,350.00				1,283,625,667.39		1,327,612,710.31
3.1 Total comprehensive income										1,820,087,405.19		1,820,087,405.19
3.2 Capital increased and reduced by owners	6,950,000.00				26,563,692.92	-10,473,350.00						43,987,042.92
3.2.1 Ordinary shares increased by owners	6,950,000.00											6,950,000.00
3.2.2												

Capital increased by holders of other equity instruments												
3.2.3 Share-based payments recognized in owners' equity					26,563,692.92	32,080,000.00						-5,516,307.08
3.2.4 Other						-42,553,350.00						42,553,350.00
3.3 Profit distribution											-536,461,737.80	-536,461,737.80
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)											-536,461,737.80	-536,461,737.80
3.3.3 Other												
3.4 Transfers within owners' equity												
3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Surplus reserves used to offset loss												
3.4.4 Changes in defined benefit schemes transferred to												

retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the period	2,683,358,689.00				464,113,394.70	121,595,650.00			1,360,431,738.20	9,716,609,593.34		14,102,917,765.24

2019

Unit: RMB

Item	2019											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Others	Total owners' equity
		Preference shares	Perpetual bonds	Others								
1. Balance as at the end of the prior year	2,676,408,689.00				353,083,238.00	132,069,000.00			1,161,193,995.08	7,175,125,975.65		11,233,742,897.73
Add:												
Adjustments for changes in accounting policies												
Adjustments for correction of previous errors												
Other adjustments												
2. Balance as at	2,676,				353,083	132,069,			1,161,1	7,175,125		11,233,742,

the beginning of the year	408,689.00				,238.00	000.00			93,995.08	,975.65		897.73
3. Increase/decrease in the period (“-” for decrease)					84,466,463.78				197,476,359.91	1,242,005,501.40		1,523,948,325.09
3.1 Total comprehensive income										1,974,763,599.11		1,974,763,599.11
3.2 Capital increased and reduced by owners					84,466,463.78							84,466,463.78
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments recognized in owners’ equity					84,466,463.78							84,466,463.78
3.2.4 Other												
3.3 Profit distribution									197,476,359.91	-732,758,097.71		-535,281,737.80
3.3.1 Appropriation to surplus reserves									197,476,359.91	-197,476,359.91		
3.3.2 Appropriation to owners (or shareholders)										-535,281,737.80		-535,281,737.80
3.3.3 Other												
3.4 Transfers within owners’ equity												

3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Surplus reserves used to offset loss												
3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the period	2,676, 408,68 9.00				437,549 ,701.78	132,069, 000.00			1,358,6 70,354. 99	8,417,131 ,477.05		12,757,691, 222.82

III Basic Information of the Company

1. Company Profile

Suzhou Gold Mantis Construction Decoration Co., Ltd. (hereinafter referred to as the "Company"), which was changed from the former Suzhou Gold Mantis Construction Decoration Limited, was established as a foreign-invested company limited by shares with a registered capital of RMB70 million under the approval of SH.Z.Y.P. [2004] No. 242 and the Approval Certificate SH.W.Z.Z.SH.Z. [2004] No. 0082 of the Ministry of Commerce of the People's Republic of China. The Company went through the industrial and commercial registration at the Administration for Industry and Commerce of Jiangsu Province in accordance with the law on 30 April 2004. With the approval granted by the China Securities Regulatory Commission under Document ZH.J.F.X.Z. [2006] No. 100, the Company publicly issued 24 million ordinary shares on 2 November 2006, increasing its registered capital to RMB94 million after the issuance. On 20 November 2006, the Company's stock was listed on the Shenzhen Stock Exchange under the stock code "002081" and the stock name "Gold Mantis".

In May 2008, the Company implemented a profit distribution plan for 2007, transferring 5 shares for every 10 shares of Capital reserves to all shareholders, increasing its registered capital to RMB141 million.

In April 2009, the Company implemented a profit distribution plan for 2008, transferring 5 shares for every 10 shares of Capital reserves to all shareholders, increasing its registered capital to RMB211.5 million.

In November 2009, the Company increased its registered capital by RMB1,296,000 to RMB212,796,000 by exercising the first phase of share options of the first share option incentive plan by 18 share option awardees, including Ni Lin, Yang Zhen and Yan Duolin, under the First Share Option Incentive Plan of Suzhou Gold Mantis Construction Decoration Co., Ltd.

In April 2010, the Company implemented a profit distribution plan for 2009, giving all shareholders 5 shares for every 10 shares of Retained earnings, increasing its registered capital to RMB319,194,000.

In March 2011, the Company implemented a profit distribution plan for 2010, giving all shareholders 5 shares for every 10 shares of Retained earnings, increasing its registered capital to RMB478,791,000.

In June 2011, the Company increased its registered capital by RMB2,612,250 to RMB481,403,250 by exercising the second phase of share options of the first share option incentive plan by 15 share option awardees, including Ni Lin, Yang Zhen and Yan Duolin, under the First Share Option Incentive Plan of Suzhou Gold Mantis Construction Decoration Co., Ltd.

In November 2011, in accordance with the resolutions of the 1st Extraordinary General Meeting and the 2nd Extraordinary General Meeting of 2011, and as approved by the China Securities Regulatory Commission's Approval of the Non-public Offering of Shares of Suzhou Gold Mantis Construction Decoration Co., Ltd. (ZH.J.X.K. [2011] No. 1388), the Company made a non-public offering of RMB36,843,800 ordinary shares, increasing its registered capital to RMB518,247,050.

In May 2012, the Company implemented a profit distribution plan for 2011, transferring 5 shares for every 10 shares of capital reserves to all shareholders, increasing its registered capital to RMB777,370,575.

In December 2012, the Company increased its registered capital by RMB4,100,378 to

RMB781,470,953 by independently exercising the third phase of share options of the first share option incentive plan by 12 share option awardees, including Ni Lin, Yang Zhen and Yan Duolin, under the First Share Option Incentive Plan of Suzhou Gold Mantis Construction Decoration Co., Ltd.

In March 2013, the Company increased its registered capital by RMB1,063,371 to RMB782,534,324 by independently exercising the third phase of share options of the first share option incentive plan by 5 share option awardees, including Ni Lin, under the First Share Option Incentive Plan of Suzhou Gold Mantis Construction Decoration Co., Ltd.

In May 2013, the Company implemented a profit distribution plan for 2012, transferring 5 shares for every 10 shares of Capital reserves to all shareholders, increasing its registered capital to RMB1,173,801,486.

In September 2013, the Company increased its registered capital by RMB1,002,376 to RMB1,174,803,862 by independently exercising the third phase of share options of the first share option incentive plan by 3 share option awardees, including Zhu Xingquan, under the First Share Option Incentive Plan of Suzhou Gold Mantis Construction Decoration Co., Ltd.

In June 2014, the Company implemented a profit distribution plan for 2013, transferring 5 shares for every 10 shares of Capital reserves to all shareholders, whereby increasing the registered capital to RMB1,762,205,793.

In June 2016, the Company implemented a profit distribution plan for 2015, giving all shareholders 5 shares for every 10 shares of Retained earnings, whereby increasing the registered capital to RMB2,643,308,689.

In December 2018, in accordance with the Proposal on the Proposal on the Company's 2018 Restricted Share Incentive Plan (Draft) and Its Summary reviewed and approved at the 1st Extraordinary General Meeting of the Company in 2018 and the resolution of the 13th Extraordinary Meeting of the 5th Board of Directors, restricted shares were granted to 32 restricted share awardees, including Wang Hanlin, Cao Liming and Shi Guoping, increasing its registered capital by RMB33.1 million to RMB2,676,408,689.

In January 2020, in accordance with the Proposal on the Company's 2018 Restricted Share Incentive Plan (Draft) and Its Summary reviewed and approved at the 1st Extraordinary General Meeting of the Company in 2018 and the resolution of the 1st Extraordinary Meeting of the 6th Board of Directors, restricted shares were granted to 14 restricted share awardees, including Wang Zhenlong and Gao Hongqiang, increasing its registered capital by RMB8 million to RMB2,684,408,689.

In May 2020, in accordance with the resolution of the 2019 Annual General Meeting and the Proposal on the Repo and Cancellation of Part of Restricted Shares of the Company which were reviewed and approved at the 5th Meeting of the 6th Board of Directors in 2020, as Yang Peng and Xie Jinan, the original awardees, had left the Company, the Company repurchased and canceled 1.05 million restricted shares granted to them but not yet unlocked, reducing its registered capital by RMB1.05 million. After the completion of the repurchase and cancellation, its registered capital was changed to RMB2,683,358,689.

The Domicile of the Company: Within the private industrial zone, Suzhou Industrial Park, Jiangsu Province. Legal representative: Wang Hanlin.

The Company's business scope: architectural engineering procurement construction (EPC); design and construction of interior and exterior decoration projects of various buildings; installation of utilities and electrical equipment for public and civil construction projects; consulting, services, technology development and technology transfer for construction decoration design; furniture manufacturing. Design and construction of indoor and outdoor artworks for various buildings; design and construction of soft decoration accessories; design and construction of environmental way-finding systems; design, production, manufacturing, installation and construction of curtain wall projects for various buildings; processing, manufacturing and construction of metal doors and windows; wooden products production; building stone processing. Manufacturing and installation of mechanical and electrical equipment installation projects; design and construction of urban landscaping projects; design and construction of ancient-style landscaping; design and construction of firefighting facilities projects; civil and public building engineering design; steel-structure engineering and construction; light steel-structure engineering design; urban and road lighting engineering; sales: construction materials; contracting of overseas construction decoration and curtain wall engineering, as well as domestic projects put out to international tender; contracting of the survey, consulting, design and supervision projects of the aforesaid overseas projects; export of the equipment and materials required for the aforesaid overseas projects; dispatch of leased employees needed to implement the aforesaid overseas projects. (Business activities that require approval in accordance with laws shall be subject to approval by relevant authorities.)

Date of approval of financial report: The Financial Statement was approved to be reported by the resolution of the Board of Directors of the Company on 28 April 2021.

2. Scope of the Consolidated Financial Statements

(1) Subsidiaries Included in the Consolidated Financial Statements in the Current Period

Serial No.	Full name of subsidiary	Abbr. of subsidiary	The Company's interest (%)	
			Direct	Indirect
1	Suzhou Meiruide Construction Decoration Co., Ltd.	Meiruide	100.00	—
2	Suzhou Meiruide Construction Materials Co., Ltd.	Meiruide Materials	—	100.00
3	Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd.	Suzhou Furniture	100.00	—
4	Suzhou Gold Mantis Curtain Wall Co., Ltd.	Gold Mantis Curtain Wall	100.00	—
5	Qidong Gold Mantis Curtain Wall Co., Ltd.	Qidong Curtain Wall	—	100.00
6	Suzhou Gold Mantis Landscape Co., Ltd.	Gold Mantis Landscape	100.00	—
7	Jiangsu Gold Mantis Horticultural Co., Ltd.	Gold Mantis Horticultural	—	100.00
8	Datong Gold Mantis Landscape Co., Ltd.	Datong Gold Mantis	—	100.00
9	Jining Economic Development Zone Gold	Jining Gold Mantis	—	100.00

	Mantis Landscape Engineering Co., Ltd.			
10	Suzhou Gold Mantis Construction Investment Co., Ltd.	Construction Investment	100.00	—
11	Liaoning Gold Mantis Construction Decoration Co., Ltd.	Liaoning Gold Mantis	100.00	—
12	Singapore Gold Mantis Pte. Ltd.	Singapore Gold Mantis	100.00	—
13	HBA Holdings Pte. Ltd. *1	HBA	—	86.62
14	Gold Mantis (International) Construction Decoration Limited	Gold Mantis International	100.00	—
15	Russia Gold Mantis Construction Decoration Co., Ltd.	Russia Gold Mantis	—	100.00
16	JTL Fit Out Middle East L.L.C.	JTL Fit Out Middle East	—	100.00
17	Gold Mantis Construction Decoration (CNMI), LLC	Saipan Gold Mantis	—	100.00
18	Gold Mantis Building Decoration (Cambodia) Co., Ltd.	Cambodia Gold Mantis	—	100.00
19	Gold Mantis International Development Pte. Ltd.	International Development	—	100.00
20	Gold Mantis (Vietnam) Construction Company Limited	Gold Mantis (Vietnam)	—	100.00
21	Gold Mantis (HK) Construction Decoration Limited	Gold Mantis (HK)	—	100.00
22	Gold Mantis (Lanka) Construction (Private) Limited	Gold Mantis (Lanka)	—	100.00
23	Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd.*2	Prefabricated Construction Technology	70.00	—
24	Gold Mantis Home Decoration E-commerce (Suzhou) Co., Ltd.*3	Home Decoration E-commerce	—	90.00
25	Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd.	Refined Decoration & Technology	—	100.00
26	Gold Mantis Supply Chain Management (Suzhou) Co., Ltd.	Gold Mantis Supply Chain	—	100.00
27	Suzhou Jijia Materials Co., Ltd.	Jijia Materials	100.00	—
28	Gold Mantis Art Co., Ltd.	Gold Mantis Art	100.00	—
29	Suzhou Jinpu No. 9 Cultural Industrial Development Co., Ltd.	Jinpu No. 9	100.00	—
30	Xi' an Hi-tech Zone Jinchuang Commercial Operation Management and Development Co., Ltd.	Xi' an Jinchuang	90.00	—
31	Gold Mantis Municipal Engineering Construction (Guizhou) Co., Ltd.	Gold Mantis Municipal	100.00	—

32	Suzhou Industrial Park Jindejin Construction Engineering Co., Ltd.	Jindejin Construction	100.00	—
33	Gold Mantis North China (Beijing) Construction Decoration Engineering Co., Ltd.	Gold Mantis North China	100.00	—
34	Sierra Gold Mantis Joint Venture (Private) Limited	Sierra Gold Mantis	50.00	—
35	GMI Construction Corp.	GMI Construction	—	100.00
36	M+ Design Associates Pte. Ltd.	M+	—	63.00
37	Gold Mantis East China Construction Decoration Co., Ltd.	Gold Mantis East China	100.00	—
38	Suzhou Huali Jinshi Construction Decoration Co., Ltd.	Huali Jinshi	60.00	—
39	Shuicheng Ruitong Construction and Development Co., Ltd.	Shuicheng Ruitong	90.00	—
40	Archi-Feeling Design (SuZhou) Co., Ltd.	Archi-Feeling	70.00	—
41	GMI International Inc.	GMI Construction Decoration	—	100.00
42	Jining Gold Mantis Construction Engineering Co., Ltd.	Jining Gold Mantis Engineering	—	100.00
43	Hangzhou Gold Mantis Landscape Co., Ltd.	Hangzhou Gold Mantis	—	100.00

Note*1: HBA incorporated 24 subsidiaries.

*2: Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd. is formerly known as “Gold Mantis E-commerce Co., Ltd.”.

*3: Home Decoration E-commerce incorporated 44 “Gold Mantis Home” subsidiaries.

For further information about the subsidiaries above, please refer to Note VII “Interests in Other Entities”. Those in which the Company held direct stakes were subsidiaries of the Company, while the others were sub-subsidiaries of the Company.

(2) Changes in the Scope of the Consolidated Financial Statements of the Current Period

① Newly Added Subsidiaries in the Current Period

Serial No.	Full name of subsidiary	Abbr. of subsidiary	Reason for inclusion in the consolidation scope of the current period
1	Jining Gold Mantis Construction Engineering Co., Ltd.	Jining Gold Mantis Engineering	Newly incorporated
2	Hangzhou Gold Mantis Landscape Co., Ltd.	Hangzhou Gold Mantis	Newly incorporated

② Excluded Subsidiaries in the Current Period

Serial No.	Full name of subsidiary	Abbr. of subsidiary	Reason for exclusion from the consolidation scope of the current period
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1	“Gold Mantis Home” companies	*	Transferred or de-registered
2	Suzhou Miaoyu Construction Materials Co., Ltd.	Miaoyu Construction	De-registered

Note*: Home Decoration E-commerce transferred or de-registered 51 “Gold Mantis Home” subsidiaries in the current period.

For further information about the newly added and excluded subsidiaries, please refer to Note VI “Changes in the Scope of the Consolidated Financial Statements”.

IV Basis of Preparation for the Financial Statements

1. Basis of Preparation

Based on the transactions and events that have actually occurred and the recognition and measurement in accordance with the provisions of China’s Accounting Standards for Business Enterprises (CAS) and its application guidance and interpretations of the standards, the Company prepared the financial statement on the going concern basis. In addition, the Company also disclosed relevant financial information in accordance with the Rules No. 15 Governing the Preparation of Information Disclosure by Companies Publicly Offering Securities - General Provisions of Financial Reports (Revision 2014) of the China Securities Regulatory Commission.

2. Going Concern

The Company has assessed its ability to continue as a going concern for the 12 months from the end of the Reporting Period and no matters affecting the ability have been identified. Thus, it was reasonable of the Company to prepare its financial statements on a going concern basis.

V. Significant Accounting Policies and Accounting Estimation

Specific accounting policies and accounting estimation hint:

The following significant accounting policies and accounting estimation of the Company have been formulated in accordance with the Accounting Standards for Business Enterprises. Operations not mentioned were carried out in accordance with the relevant accounting policies in the CAS.

1. Statement of Compliance with the CAS

The financial statements prepared by the Company complied with the requirements of the CAS and gave a true and complete view of the financial status, operational results, changes in owners' equity, cash flows and other relevant information.

2. Accounting Period

The Company has adopted the Gregorian calendar year, which means from 1 January to 31 December as its accounting year.

3. Operating Cycle

The normal operating cycle of the Company was one year.

4. Functional Currency

The Company's functional currency was RMB, and the functional currency for accounting of the overseas (branch) subsidiaries was the currency of the country or region in which they are located.

5. The Accounting Methods of Business Combinations Involving Entities under Common Control and Business Combinations Not Involving Entities under Common Control

(1) Business Combinations Involving Entities under Common Control

Assets and liabilities acquired by the Company in a business combination were measured at the carrying value of the acquiree in the consolidated financial statements of the ultimate controlling party at the date of combination. In particular, if the accounting policies adopted by the party being consolidated and the Company prior to the business combination were different, the accounting policies were unified based on the principle of materiality, i.e. the carrying value of the assets and liabilities of the acquiree shall be adjusted in accordance with the Company's accounting policies. If there was a difference between the carrying value of the net assets acquired by the Company in a business combination and the carrying value of the consideration paid, the Capital reserves (Capital premium or Share capital premium) was first adjusted. If the balance of the Capital reserves (Capital premium or share capital premium) is not sufficient for elimination, the Surplus reserves and Retained earnings were eliminated in turn.

For the accounting methods of business combinations under common control through step transactions, please refer to: Section XII. V. (6).

(2) Business Combinations Not Involving Entities under Common Control

Each of the Company's identifiable assets and liabilities of the acquiree acquired in a business

combination was measured at the fair value at the date of acquisition. In particular, if the accounting policies adopted by the acquiree and the Company prior to the business combination were different, the accounting policies were unified based on the principle of materiality, i.e. the carrying value of the acquiree's assets and liabilities shall be adjusted in accordance with the Company's accounting policies. The difference between the cost of consolidation at the date of acquisition and the fair value of the acquiree's identifiable assets and liabilities acquired in a business combination was recognized as Goodwill. If the cost of consolidation was less than the fair value of the acquiree's identifiable assets and liabilities acquired in a business combination, the cost of consolidation and the fair value of the acquiree's identifiable assets and liabilities acquired in a business combination shall be first reviewed. If, after the review, the cost of consolidation was still less than the fair value of the acquiree's identifiable assets and liabilities, the difference would be recognized as profit or loss of current period.

For the accounting methods of business combinations under common control through step transactions, please refer to: Section XII. V. (6).

(3) Treatment of Relevant Transaction Expenses in Business Combinations

Intermediary fees such as audit, legal services, evaluation and consulting and other related administrative expenses incurred in connection with a business combination were included in the profit or loss of current period. Transaction expenses for equity securities or debt securities of consideration issuance for a combination were included in the initial recognition amount of the equity securities or debt securities.

6. Preparation Methods for Consolidated Financial Statements

(1) Determination of Consolidation Scope

The consolidation scope in the consolidated financial statements was determined on a control basis and includes not only subsidiaries determined on the basis of voting rights (or similar voting rights) or in combination with other arrangements, but also structured entities determined on the basis of one or more contractual arrangements.

Control means that the Company has power over the investee, enjoys variable returns through its involvement in the investee's related activities and has the ability to use the power to influence the amount of returns. Subsidiaries are entities that are controlled by the Company (including enterprises, divisible parts of investees, and structured entities controlled by enterprises, etc.). Structured entities are the entities that are not designed to have voting or similar rights as a decisive factor in determining their controlling party (note: sometimes referred to as special purpose entities).

(2) Special Provisions Regarding the Company as the Parent Being an Investment Entity

If the Company as the parent was an investment entity, only the subsidiaries that provide services related to the investment activities of the investment entity were included in the consolidated scope and other subsidiaries are not consolidated. Equity investors in subsidiaries that

were not included in the consolidation scope were recognized as financial assets measured at fair value through profit or loss for the current period.

The Company as the parent was an investment entity when it satisfied all the following conditions:

- ① The Company aimed to provide investment management services to investors and obtain funds from one or more investors.
- ② The Company's sole business purpose was to provide a return for investors through capital appreciation, return on investment or both.
- ③ The Company considered and evaluated the performance of almost all investments at fair value.

When the Company as the parent was transformed from a non-investment entity to an investment entity, the enterprise ceased to consolidate its other subsidiaries from the date of transformation, except to include only the subsidiaries providing services related to its investment activities in the scope of the consolidated financial statements for the purpose of preparing the consolidated financial statements, and treated the other subsidiaries with reference to the principle of partial disposal of equity interests in subsidiaries without loss of control.

When the Company as the parent was transformed from an investment entity to a non-investment entity, the subsidiaries that were not included in the scope of the consolidated financial statements shall be included at the date of transformation, and the fair value of such subsidiaries at the date of transformation shall be recognized as the transaction consideration for the acquisition in accordance with the accounting methods for business combinations not involving entities under common control.

(3) Preparation Methods for Consolidated Financial Statements

The Company prepared consolidated financial statements on the basis of its own financial statements and those of its subsidiaries and in line with other relevant information.

The Company prepared consolidated financial statements by considering the entire enterprise group as one accounting entity, reflecting the overall financial status, operational results and cash flows in accordance with the recognition, measurement and presentation requirements of relevant accounting standards for enterprises and the unified accounting policies.

- ① The assets, liabilities, owners' equity, income, expenses and cash flows of the Company as the parent with those of its subsidiaries were consolidated.
- ② The Company as the parent's long-term equity investments in the subsidiaries were offset against the Company as the parent's shares in the subsidiaries' owners' equity.
- ③ The impact of internal transactions between the Company as the parent and its subsidiaries, as well as between subsidiaries and each other, was offset. If an internal transaction indicated an impairment loss on a related asset, the portion of the loss was recognized in full.
- ④ The special transactions were adjusted from the perspective of the enterprise group.

(4) Treatment of Additions and Deletions of Subsidiaries within the Reporting Period

① Addition of subsidiaries or businesses

A. Increase in subsidiaries or businesses in a business combination involving entities under common control

(a) When preparing the consolidated balance sheet, the Company adjusted the opening amount of the consolidated balance sheet, together with the relevant items in the comparative statements, as if the consolidated reporting entity had been in existence from the point at which control by the ultimate controlling party commenced.

(b) When preparing the consolidated profit statement, the subsidiaries and the revenues, expenses and profits of the business combination from the beginning of the business combinations to the end of the Reporting Period were included in the consolidated profit statement, with adjustments to the relevant items in the comparative statements, as if the consolidated reporting entity had been in existence from the point at which control by the ultimate controlling party commenced.

(c) When preparing the consolidated cash flow statement, the subsidiaries and the cash flows from the beginning of the business combination to the end of the Reporting Period were included in the consolidated cash flow statement, with adjustments to the relevant items in the comparative statements, as if the consolidated reporting entity had been in existence from the point at which control by the ultimate controlling party commenced.

B. Increase in subsidiaries or businesses in a business combination not involving entities under common control

(a) When preparing the consolidated balance sheet, no adjustment was made to the opening amount.

(b) When preparing the consolidated profit statement, the subsidiaries and the income, expenses and profits of the business from the date of acquisition to the end of the Reporting Period were included.

(c) When preparing the consolidated statement of cash flows, the cash flows of the subsidiaries from the date of acquisition to the end of the Reporting Period were included.

② Disposal of subsidiaries or businesses

A. When preparing the consolidated balance sheet, no adjustment was made to the opening amount.

B. When preparing the consolidated profit statement, the subsidiaries and the income, expenses and profits of the business from the beginning of the period to the date of disposal were included.

C. When preparing the consolidated cash flow statement, the subsidiary and the cash flows of the business from the beginning of the period to the date of disposal were included.

(5) Special Considerations in Consolidation Offsets

① Long-term equity investments of the Company held by subsidiaries were treated as treasury shares of the Company and shown as a deduction of owners' equity, and it was shown as "Deduction: Treasury shares" in the consolidated balance sheet under the heading of owners' equity.

Long-term equity investments held by subsidiaries against each other were offset against the Company's shares of the subsidiaries' owners' equity, as compared with the Company's equity investment in the subsidiaries.

② "Specific reserve" and "General reserve" items were not part of paid-up capital (or share capital) and capital reserves or retained earnings, and were also different from retained earnings. They were restored to the owner's shares of the Company as the parent after offsetting long-term equity investments against the subsidiaries' owners' equity.

③ If a temporary difference arose between the carrying value of assets and liabilities in the consolidated balance sheet and their tax bases in the taxable entity to which they belong as a result of offsetting unrealized internal sales profit or loss, the deferred income tax assets or deferred income tax liabilities were recognized in the consolidated balance sheet, while adjusting the income tax expense, except for the transactions or events directly included in owners' equity and the deferred income tax relating to business combinations.

④ Unrealized profit or loss on internal transactions of the Company arising from the sale of assets to subsidiaries were fully offset against the "net profit attributable to the Company as the parent owner". Unrealized profit or loss on internal transactions arising from the sale of assets by a subsidiary to the Company were offset by allocating between "Net profit attributable to the Company as the parent owner" and "Net profit attributable to non-controlling interests" in proportion to the Company's allocation to that subsidiary. Unrealized profit or loss on internal transactions arising from the sale of assets between subsidiaries were offset by allocating between "Net profit attributable to the Company as the parent owner" and "Net profit attributable to non-controlling interests" in proportion to the Company's allocation to the selling subsidiary.

⑤ If the minority of shareholders' shares of the current loss of a subsidiary exceeded the minority of shareholders' shares of owners' equity at the beginning of the period of the subsidiary, the balance was still eliminated by non-controlling interests.

(6) Accounting of Special Transactions

① Acquisition of the equity of minority shareholders

If the Company acquired the equity of a subsidiary owned by the minority shareholders of the subsidiary, in individual financial statements, the investment costs of the long-term equity investments newly obtained from the acquisition of minority equity were measured at the fair value of considerations paid for the acquisition. In the consolidated financial statements, for the difference between the long-term equity investments newly obtained from the acquisition of minority equity and the portion of net assets in the subsidiary calculated from the date of acquisition or the date of combination on an ongoing basis at the ratio of new shares held, the capital reserves (capital or share capital premiums) were adjusted, and if the capital reserves were insufficient for offset, surplus reserves and retained earnings were offset in turn.

② Obtaining of control of a subsidiary in stages through multiple transactions

A. Business combinations involving entities under common control achieved in stages through multiple transactions

If the deals fell into a "Package Deal", the Company processed such transactions as one

transaction of obtaining control of the subsidiary. In the individual financial statements, in each transaction prior to the date of combination, all equity investments were recognized as long-term equity investments and their initial investment cost was recognized according to the share of the carrying value of the net assets of the combined party in the consolidated financial statements of the ultimate controlling party calculated at the shareholding ratio. For the difference between the initial costs of long-term equity investments and the carrying value of considerations paid, capital reserves (capital or share capital premiums) were adjusted, and if the capital reserves (capital or share capital premiums) were insufficient for offset, surplus reserves and retained earnings were offset in turn. In the subsequent measurement, long-term equity investments were accounted for under the cost method without involving the preparation of the consolidated financial statements. On the combination date, the Company recognized the initial cost of long-term equity investments according to its share of the carrying value of the net assets of the combined party in the consolidated financial statements of the ultimate controlling party calculated at the accumulative shareholding ratio. For the difference between the initial investment costs and the sum of the carrying value of the long-term equity investments before the combination and the carrying value of the new payment consideration of shares further acquired on the combination date, capital reserves (capital or share capital premiums) were adjusted, and if the capital reserves (capital or share capital premiums) were insufficient for offset, surplus reserves and retained earnings were offset in turn. Meanwhile, the Company prepared a consolidated financial statement on the combination date and made adjustments in the consolidated financial statement with all parties participating in the combination deemed to have been existing since the time point when the ultimate controlling party began the control.

If the clauses, conditions, and economic impact of various transactions fell under one or more of the following circumstances, the multiple transactions were generally regarded as a "Package Deal".

(a) These transactions are reached concurrently or after the impact thereof on each other is taken into consideration.

(b) These transactions may achieve a complete business result only as a whole.

(c) The occurrence of a transaction depends on the occurrence of, at a minimum, one another transaction.

(d) A transaction is considered uneconomical separately but is considered economical when other transactions are also taken into consideration.

If the deals did not fall into a "Package Deal", in each transaction prior to the combination date, all transactions of the Company were recognized as financial assets (financial assets at fair value through profit and loss for the current period or available-for-sale financial assets) or long-term equity investments accounted for under the equity method according to the fair value of the consideration paid. On the combination date, in the individual financial statements, the Company recognized the initial investment cost of long-term equity investments according to its share of the carrying value of net assets of the subsidiary that were attributable to the Company after the combination. For the difference between the initial investment cost of long-term equity investments on the combination date and the sum of the carrying value of the long-term equity investments before the combination and the carrying value of the new payment consideration of shares further

acquired on the combination date, the capital reserves (capital or share capital premiums) were adjusted, and if the capital reserves were insufficient for offset, surplus reserves and retained earnings were offset in turn.

In the consolidated financial statements, the Company made adjustments based on deeming that all parties participating in the combination have been existing since the time point when the ultimate controlling party began the control. When preparing the consolidated financial statements, the Company consolidated the relevant assets and liabilities of the combined party into the comparative statements of the consolidated financial statements of the combining party no earlier than the time point when the combining party and the combined party were under the control of the ultimate controlling party, and adjusted the relevant items under owners' equity in the comparative statements according to the increased net assets arising from the combination. If the retained earnings recorded by the combined party before the combination that were attributable to the combining party were not fully recovered in the consolidated financial statements because the balance of the capital reserves (capital or share capital premiums) of the combining party was insufficient, the Company explained such cases in the notes to the financial statements, including retained earnings recorded by the combined party before the combination, the amount attributable to the Company, and retained earnings not transferred to the consolidated balance sheets due to the insufficient balance of the capital reserves.

For the equity investment that was held by the combining party before obtaining the control of the combined party and accounted for under the equity method, the changes, from the date when the original equity was acquired or the date when the combining party and the combined party were ultimately controlled by the same party, whichever was later, to the combination date, in relevant profits and losses, other comprehensive income, and other owners' equity to have been recognized and were offset respectively against the opening retained earnings during the Reporting Period.

B. Business combinations not involving entities under common control achieved in stages through multiple transactions

If the deals fell into a "Package Deal", the Company processed such transactions as one transaction of obtaining control of the subsidiary. In the individual financial statements, in each transaction prior to the date of combinations, all equity investments were recognized as long-term equity investments and their initial investment costs were recognized according to the fair value of considerations paid. In the subsequent measurement, long-term equity investments were accounted for under the cost method without involving the preparation of the consolidated financial statements. On the combination date, in the individual financial statements, the sum of the carrying value of long-term equity investments originally held and the newly added investment cost (fair value of the new payment consideration of shares further acquired) was regarded as the initial investment cost of long-term equity investments on the combination date. In the consolidated financial statements, the initial investment cost was offset against the Company's share of the fair value of the identifiable net assets in the subsidiary, and the difference was recognized as goodwill or included in the consolidated profit and loss of the current period.

If the deals do not fall into a "Package Deal", in each transaction prior to the combination date, all transactions of the investor were recognized as financial assets (financial assets at fair value through profit and loss for the current period or available-for-sale financial assets) or long-term

equity investments accounted for under the equity method according to the fair value of the consideration paid. On the combination date, in the individual financial statements, the sum of the carrying value of long-term equity investments (financial assets or long-term equity investments accounted for under the equity method) originally held and the newly added investment cost was regarded as the initial cost of long-term equity investments accounted for under the cost method. In the consolidated financial statements, the equities of the acquiree held before the acquisition date are re-measured at the fair value of the equities on the acquisition date, and the difference between the fair value and the carrying value was included in the return on investment of the current period; and if the equities of the acquiree held by the enterprise before the date of acquisition involved other comprehensive income under accounting by the equity method, other comprehensive income related to such equity shall be included in the current income on the date of acquisition, excluding the other comprehensive income arising from changes in the net assets or net liabilities caused by re-measurement of the defined benefit pension plan of the combined party. The Company disclosed in the notes the fair value on the date of acquisition of the equities of the acquiree held by it before the date of acquisition and the amounts of relevant gains or losses after re-measurement to the fair value.

③ The Company disposed of the long-term equity investments made in a subsidiary without losing control over the subsidiary

If the Company as the parent disposes of part of the long-term equity investments made in a subsidiary without losing control over the subsidiary, in the consolidated financial statements, for the difference between the payment for equity disposed of and the Company as the parent's portion of net assets in the subsidiary calculated from the date of acquisition or the date of combination on an on-going basis corresponding to the long-term equity investments disposed of, the capital reserves (capital or share capital premiums) were adjusted, and if the capital reserves were insufficient for offset, the retained earnings were adjusted.

④ The Company lost control over the subsidiary for the disposal of long-term equity investments

A. Disposal through one transaction

If the Company lost control over the investee for the disposal of part of equity investments or any other reason, when it prepared consolidated financial statements, the residual equity was re-measured at the fair value on the date when it lost control of the investee. The sum of the consideration obtained from the disposition of equity and the fair value of the residual equity minus the Company's portion of net assets in the former subsidiary calculated from the date of acquisition or the date of combination on an ongoing basis at the original shareholding ratio was included in the return on investment of the current period when the Company lost the control, and was offset against the goodwill (Note: If the former enterprise was combined not under common control and there was goodwill). Other comprehensive income, among others, related to the equity investments in the former subsidiary was included in the return on investment of the current period when the Company lost the control.

In addition, other comprehensive income and changes in other owners' equity related to the equity investments in the former subsidiary were included in the profit and loss of the current period, excluding the other comprehensive income arising from the changes in net liabilities or net assets

due to re-measurement of the defined benefit pension plan of the investee.

B. Disposal in stages through multiple transactions

In the consolidated financial statements, a judgment of whether transactions in stages fell into a "Package Deal" shall be made first.

If transactions in stages did not fall into a "Package Deal", all transactions before the Company lost over a subsidiary shall be treated in accordance with the relevant provisions in "the Company as the parent disposes of the long-term equity investments made in a subsidiary without losing control over the subsidiary".

If transactions in stages fall into a "Package Deal", each transaction shall be treated as a transaction that resulted in the loss of control of the subsidiary in accounting processing. Specifically, the difference between each disposal price before the loss of control and the parent company's share of the subsidiary's net assets corresponding to the disposal investment shall be recognized as other comprehensive income in the consolidated financial statements and, after losing the control, transferred to the profit and loss of the current reporting period.

⑤ The equity ratio of the Company as the parent was diluted due to capital increase by minority shareholders of a subsidiary

If the equity ratio of the Company as the parent in a subsidiary was diluted since other shareholders (minority shareholders) of the subsidiary increased their capital contribution. In the consolidated financial statements, the Company's share of the carrying amount of the net assets of the former subsidiary was calculated according to the equity ratio of the Company as the parent before the capital increased. For the difference between the share and the Company as the parent's share of the carrying amount of the net assets of the subsidiary calculated at the shareholding ratio, capital reserves (capital or share capital premiums) were adjusted, and if the capital reserves (capital or share capital premiums) were insufficient for offset, the retained earnings were adjusted.

7. Classification of Joint Operation Arrangements and Accounting Methods for Joint Operations

A joint arrangement is an arrangement over which two or more parties have joint control. The Company's joint arrangements were divided into joint operations and joint ventures.

(1) Joint Operations

A joint operation is a joint arrangement whereby the Company has rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Company recognized the following items in relation to its interest in a joint operation, and accounted for them in accordance with relevant accounting standards:

- ① Its solely held assets, and its share of any assets were incurred jointly;
- ② Its solely assumed liabilities, and its share of any liabilities incurred jointly;
- ③ Its revenue from the sale of its share of the output arising from the joint operation;

- ④ Its share of the revenue from the sale of the output by the joint operation;
- ⑤ Its solely incurred expenses, and its share of any expenses incurred jointly.

(2) Joint Ventures

A joint venture is a joint arrangement whereby the Company only has rights to the net assets of the arrangement.

The Company adopted the equity method under long-term equity investments in accounting for its investments in joint ventures.

8. Recognition Criteria of Cash and Cash Equivalents

Cash refers to the cash on hand and other deposits of the Company that can be used for payment at any time. Cash equivalents refer to short-term (generally referring to maturities of three months or less from the acquisition date) investments with high liquidity held which can be easily converted to cash in a known amount with small risks of value changes.

9. Translation of Transactions and Financial Statements Denominated in Foreign Currencies

(1) Method of Determining the Exchange Rate for Translation in Foreign Currency Transactions

At initial recognition, foreign currency transactions of the Company were translated into the standard currency for accounting using the spot exchange rate or the rate that approximated the spot exchange rate on the dates of the transactions.

(2) Methods of Translation of Monetary Items Denominated in Foreign Currencies on the Balance Sheet Date

On the balance sheet date, the foreign currency monetary items were translated at the spot exchange rate on that date. Exchange difference resulting from the difference between the spot exchange rate on the balance sheet date and that at the initial recognition or on the previous balance sheet date was recognized as the profit and loss of the current period.

(3) Methods of Translation of Foreign Currency Financial Statements

Before translating its financial statements about the overseas businesses, the Company adjusted accounting periods and policies for overseas businesses to be in line with its accounting periods and policies, then prepared the financial statements in corresponding currencies (other than the standard currency for accounting) according to the adjusted accounting periods and policies, and translated the financial statements about the overseas businesses according to the following methods:

- ① The assets and liabilities in the balance sheet shall be translated at the spot exchange rate on the balance sheet date. Except "retained earnings", all the other owners' equity items were converted at the spot exchange rate at the time of occurrence.

② Items under income and expenses in the income statement were translated at the spot exchange rate or the rate that approximates the spot exchange rate on the date of the transaction.

③ The differences arising from the translation of foreign currency-denominated financial statements were presented separately as "Other comprehensive income" under owners' Equity in the consolidated balance sheet when preparing consolidated financial statements.

④ Foreign currency cash flows and overseas subsidiaries' cash flows were translated at the spot exchange rate or the rate that approximated the spot exchange rate on the date of cash flows. The effect of a change in the exchange rate on cash was, as an adjustment item, separately presented in the cash flow statement.

10. Financial Instruments

Financial instruments refer to contracts that form the financial assets of a party and form financial liabilities or equity instruments of other parties.

(1) Recognition and Derecognition of Financial Instruments

When the Company became a party to a financial instrument contract, it recognized relevant financial assets or financial liabilities.

If a financial asset met any of the following conditions, it shall be stopped from recognition:

- ① The contractual right to obtain cash flows from the financial asset is terminated;
- ② The said financial asset is transferred and it meets the following derecognition conditions for the transfer of financial assets.

If current obligations of the financial liability (or part of the liability) have been released, the Company shall derecognize the financial liability (or the part of the liability). If the Company (the borrower) and a lender signed an agreement to replace the existing financial liability by way of assumption of a new financial liability with the terms of the new financial liability substantially different from those of the existing financial liability, it derecognized the existing financial liability while recognizing the new financial liability. If the Company made material changes to the contract terms of the existing financial liability in whole (or in part), the existing financial liability shall be derecognized, and the financial liability after changes of terms shall be recognized as a new financial liability.

All regular acquisition or sales of financial assets were recognized and derecognized on a trading day basis. Regular acquisition or sales of financial assets means delivering financial assets within the time limit of laws, regulations and usual market practices and in line with contract terms. The trading day refers to the date when the Company promises to acquire or sell financial assets.

(2) Classification and Measurement of Financial Assets

At initial recognition, according to the business model of managing financial assets and the contractual cash flow characteristics of financial assets, the Company classified financial assets into the following categories: financial assets measured at the amortized cost, financial assets measured at fair value through profit and loss for the current period, and financial assets measured at fair

value through other comprehensive income of the current period. In this case, unless the Company changed its business model of managing financial assets, all relevant financial assets that were affected shall be subject to re-classification on the first day during the first Reporting Period, and shall not be re-classified after the initial recognition.

Financial assets were measured at fair value upon initial recognition. For financial assets measured at fair value through profit and loss for the current period, transaction costs were directly included in profit and loss of the current period. For other types of financial assets, related transaction costs were included in their initial recognized amounts. The Company conducted the initial measurement of the accounts receivable and notes receivable arising from selling products or providing labor services without or not considering major financing components according to the transaction prices defined by the revenue standards.

The subsequent measurement of financial assets depended on their categories:

① Assets measured at amortized cost

Financial assets that meet all the following conditions shall be classified as financial assets measured at amortized cost: The Company's business model of managing the financial assets aims at obtaining contractual cash flows; and, as stipulated by contract clauses of the financial assets, the cash flows generated on a specific date are merely for the payment of principal or interest from the unpaid principal. Such financial assets were subsequently measured at amortized costs using the effective interest method. Gain or loss arising from derecognition, amortization using the effective interest method or impairment was included in profit and loss of the current period.

② Financial assets at fair value through other comprehensive income

Financial assets that met all the following conditions shall be classified as financial assets measured at fair value through other comprehensive income: The Company's business model of managing the financial assets aims at obtaining contractual cash flows as well as selling financial assets; and, as stipulated by contract clauses of the financial assets, the cash flows generated on a specific date are merely for the payment of principal or interest from the unpaid principal. Such financial assets shall be subsequently measured at fair value. Except for impairment losses or gains and exchange gains and losses that were recognized as profit and loss of the current period, changes in the fair value of such financial assets shall be recognized as other comprehensive income, until the financial assets were derecognized when accumulative gains or losses shall be transferred to profit and loss of the current period. The interest income of the financial asset calculated by the effective interest method shall be recognized as the profit and loss of the current period.

For financial assets measured at fair value through other comprehensive income that were irrevocably chosen and designated by the Company from some non-trading equity instruments, the relevant dividend income shall be included in profit and loss of the current period and changes in the fair value shall be recognized as other comprehensive income, until the financial assets were derecognized when accumulative gains or losses shall be transferred to retained earnings.

③ Financial assets measured at fair value through profit and loss for the current period

The above financial assets measured at amortized cost and financial assets other than those measured at fair value through other comprehensive income were classified as financial assets at fair value through profit and loss for the current period. Such financial assets shall be measured at

fair value, and all changes in fair value were recognized as the profit and loss of the current period.

(3) Classification and Measurement of Financial Liabilities

The Company classified financial liabilities into financial liabilities measured at fair value through profit and loss for the current period, loan commitments at an interest rate that was lower than the market interest rate and financial guarantee contract liabilities, and financial liabilities measured at amortized cost.

The subsequent measurement of financial liabilities depended on their categories:

① Financial liabilities measured at fair value through profit and loss for the current period

Such financial liabilities included held-for-trading financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as financial liabilities measured at fair value through profit and loss for the current period. After initial recognition, for the subsequent measurement of such financial liabilities at fair value, except for those related to hedge accounting, gain or loss arising (including interest expense) shall be included in profit and loss of the current period. However, for financial liabilities measured at fair value through profit and loss for the current period designated by the Company, the changes in the fair value of such financial liabilities resulting from the changes in their own credit risks shall be included in other comprehensive income, and when such liabilities were derecognized, accumulative gains and losses that were previously included in other comprehensive income shall be transferred out of other comprehensive income and included in retained earnings.

② Loan commitments and financial guarantee contract liabilities

A loan commitment is a commitment offered by the Company to customers to grant loans to the customers according to the established contract clauses within the commitment period. Provisions shall be set aside for loan commitments according to the expected credit loss model.

Financial guarantee contracts refer to contracts that require the Company to pay a specific amount to the contract holder who has suffered losses when a specific debtor fails to pay in accordance with the initial or revised terms of the debt instrument. The subsequent measurement of financial guarantee contract liabilities shall be conducted based on the amount of loan loss provision determined following the impairment principle for financial instruments and the initial recognition amount after deducting the accumulated amortization amount determined according to the revenue recognition principle, whichever is higher.

③ Financial liabilities measured at amortized cost

After initial recognition, other financial liabilities shall be measured at a mortized cost under the effective interest method.

Except for special situations, financial liabilities and equity instruments were differentiated based on the following principles:

① If the Company fails to unconditionally avoid fulfilling a contractual obligation through the delivery of cash or other financial assets, the obligation fits the definition of financial liabilities. Although some financial instruments do not explicitly include terms and conditions that require any obligation of cash or other financial asset, other terms and conditions may be indirectly recognized as contractual obligations.

② If a financial instrument shall or may be settled with the Company's equity instruments, it shall be considered that whether the equity instrument used to settle is recognized as a substitute for cash or other financial assets or as an approach to enable the instrument holder to enjoy the remaining equity of the assets after the issuer deducts all liabilities. If the instrument is a substitute, it is a financial liability of the issuer; if the instrument is for the benefit of its holder, it is an equity instrument for the issuer. In some cases, the Company shall or may settle the financial instrument with its equity instruments according to the financial instrument contract and the amount of contractual obligations or contractual duties equals what the number of equity instruments that are acquirable or need to be delivered multiplies the fair value of the settlement. On top of that, no matter the amount of contractual obligations and contractual duties is fixed or adjusts based partially or completely on variants aside from the market price of the Company's equity instruments (such as interest rate, the price of a certain good or that of a certain financial instrument), the contract is classified as financial liabilities.

(4) Financial Derivatives and Embedded Derivatives

Financial derivatives were initially measured at fair value on the date on which the derivative contract was entered into, and were subsequently remeasured at fair value. Derivatives were recognized as assets when the fair value was positive and as liabilities when the fair value was negative.

The effective portion of the cash flow hedge is included in other comprehensive income and is transferred from other comprehensive income and included in the profit or loss of the current period as the hedged instrument affected profit or loss. In other cases, gains or losses generated by changes in the fair value were directly included in the profit or loss of the current period.

For hybrid instruments that include embedded derivatives, if the hybrid contract contained a host that was a financial asset, hybrid instruments fell into regulations applicable to financial assets classification. Otherwise, the embedded derivatives were separated from the hybrid instruments and treated as separate derivatives financial instruments if the hybrid contract was not measured at fair value through profit or loss for the current period, their economic characteristics and risks were not closely related to those of the host contract and the separate instrument with the same terms as the embedded derivatives met the definition of a derivative. If the embedded derivative could not be measured at fair value separately on the date it was obtained or subsequent balance sheet dates, the hybrid instruments were designated to be financial assets or financial liabilities at fair value through profit or loss for the current period.

(5) Impairment of Financial Instruments

The Company recognized, on the basis of expected credit losses, the loss reserves associated with its financial assets at amortized cost, debt investments, contract assets, lease receivables, loan commitments, and financial guarantee contracts which were measured at fair value and included in other comprehensive income.

① Measurement of expected credit loss

Expected credit loss refers to the weighted average of credit loss of financial instruments weighted with default risks. Credit loss refers to the difference between all contract cash flow receivables discounted at the original effective interest rate under the contract and all expected cash

flow receivables, i.e., the present value of all cash shortages. Specifically, acquired or originated credit-impaired financial assets of the Company shall be translated at the credit-adjusted effective interest rate.

Lifetime expected credit losses refer to those caused by possible defaults during the entire expected duration of a financial instrument.

The expected credit losses in the next 12 months refers to those caused by the default events of the financial instrument that may occur within 12 months (or the expected duration if the expected duration of the financial instrument is less than 12 months) after the balance sheet date, and it is part of the expected credit losses in the entire duration.

On each balance sheet date, the Company respectively measured the expected credit losses of financial instruments in different stages. If the credit risk of a financial instrument has had no significant increase since its initial recognition, the instrument shall fall in the first stage, for which the Company would measure the loss reserves according to the expected credit losses in the future 12 months. If the credit risk of a financial instrument has had a significant increase since its initial recognition but no credit impairment has occurred, the instrument shall fall in the second stage, for which the Company would measure the loss reserves according to the expected credit losses in the entire duration of the instrument. If the credit impairment has occurred since its initial recognition, the financial instrument shall fall in the third stage, for which the Company would measure the loss reserves according to the expected credit losses in the entire duration of the instrument.

As for a financial instrument with low credit risks on the balance sheet date, the Company measured the loss reserves according to the expected credit losses in the future 12 months, assuming that its credit risk has had no significant increase since its initial recognition.

For financial instruments with low credit risks in stages 1 and 2, the Company calculated the interest income at the effective interest rate and on the carrying amount of the instruments without deductions for provisions for asset impairment. For financial instruments in stage 3, interest income was calculated at the effective interest rates and on the amortized cost by reducing the provisions for asset impairment from the carrying amount.

For notes receivables, accounts receivables, financing receivables, contract receivables, and long-term receivables, whether there was a significant financial component or not, the Company measured the loss reserves based on the lifetime expected credit losses.

A. Receivables/Contract assets

Receivables with objective evidence of impairment and those applicable to individual assessment, such as notes receivable, accounts receivable, other receivables, receivables financing, contract assets and long-term receivables, were individually tested for impairment to recognize expected credit losses and accrue the individual provisions for asset impairment. For receivables without objective evidence of impairment, such as notes receivable, accounts receivable, other receivables, receivables financing, contract assets and long-term receivables, or when an individual financial asset could not assess expected credit losses at a reasonable cost, the Company classified notes receivable, accounts receivable, other receivables, receivables financing, contract assets and long-term receivables into several groups based on credit risk features, and expected credit losses were calculated based on the groups. The grounds for the determination of groups were presented as

follows:

(a) Notes receivable groups were determined based on the following grounds:

Group 1 of note receivable: Bank acceptance

Group 2 of note receivable: Trade acceptance

For notes receivables classified as groups, the Company calculated expected credit losses through exposure to default risks and the expected credit loss rate during the entire duration with historical credit losses, current situations and forecast for the future economy as a reference.

(b) Groups of accounts receivable were determined based on the following grounds:

Group 1 of accounts receivable: Related party group

Group 1 of accounts receivable: Non-related party group

For accounts receivables classified as groups, the Company calculated expected credit losses through exposure to default risks and the expected credit loss rate during the entire duration, with historical credit losses, current situations, and forecast of the future economy as a reference.

(c) Groups of other receivables were determined based on the following grounds:

Group 1 of other receivables: Related party group

Group 2 of other receivables: Non-related party group

For other receivables classified as groups, the Company calculated expected credit losses through exposure to default risks and the expected credit loss rate in 12 coming months or the entire duration, with historical credit losses, current situations, and forecast of the future economy as a reference.

(d) Groups of receivable financing were determined based on the following grounds:

Group 1 of receivable financing: Notes receivable

Group 2 of receivable financing: Accounts receivable

For receivables financing classified as groups, the Company calculated expected credit losses through exposure to default risks and the expected credit loss rate during the entire duration, with historical credit losses, current situations, and forecast of the future economy as a reference.

(e) Groups of contract assets were determined based on the following grounds:

Group 1 of contract assets: Finished but unsettled assets

Group 2 of contract assets: Undue guarantee deposits

For contract assets classified as groups, the Company calculated the expected credit losses through exposure to default risks and the expected credit loss rate during the entire duration, with historical credit losses, current situations, and estimates for the future economy as a reference.

(f) Groups of long-term receivable were determined based on the following grounds:

Group 1 of long-term receivables: Construction receivables

Group 2 of long-term receivables: Other receivables

For long-term receivables classified as Group 1, the Company calculated expected credit losses through exposure to default risks and the expected credit loss rate in the entire duration, with historical credit losses, current situations, and estimates for the future economy as a reference.

For long-term receivables classified as Group 2, the Company calculated expected credit losses through exposure to default risks and the expected credit loss rate in 12 coming months or the entire duration, with historical credit losses, current situations, and estimates for the future economy as a reference.

B. Debt investments and other debt investments

For debt investments and other debt investments, the Company, on the basis of the nature of investment and various types of counter-parties and risk exposures, calculated expected credit losses through exposure to default risks and the expected credit loss rate in 12 coming months or the entire duration.

② Low credit risks

A financial instrument was considered as one with low credit risks if the following conditions were met: the financial instrument has low risks of default; the borrower's capability to fulfill the contractual cash flow obligations in a short term is strong and will not be undermined by negative changes in long-term economic development and operation environment.

③ A surge in credit risks

By comparing the default rate within the expected duration of a financial instrument recognized on the date of balance sheet and the default rate within the expected duration at initial recognition, the Company determined the relative changes of the default rate within the expected duration so that whether the credit risks of a financial instrument rocketed since the initial recognition was assessed.

When doing the assessment, the Company considered reasonable and well-grounded information that needed no unnecessary extra costs or endeavors including forward-looking information. The Company considered the following information:

A. Whether the internal price indicator caused by the change in credit risks varies significantly;

B. Adverse changes in businesses, financial or economic situations that are expected to cause significant changes in the debtor's capability to perform the obligation of repayment;

C. Whether the effective or expected operation achievements of the debtor change significantly; whether there are unfavorable changes in the borrower's regulatory, economic and technical environment;

D. Whether the value of collateral for debt mortgage, or the quality of the collateral or credit enhancement provided by a third party changes significantly; These expected changes will reduce the debtor's economic motive for repaying on the agreed date or affect the rate of default;

E. Whether the economic motive that is expected to affect repayment on the agreed date changes significantly;

F. Whether expected changes of loan contract including the expected breach of contract will lead to the exemption from or the revision of contractual obligations, interest-free periods, the interest

jump, requirement for more collaterals or guaranties, or other changes in the contractual framework of financial instruments;

G. Whether the expected performance and repayment of the debtor change significantly; and

H. Whether the contract payment is overdue for 30 days or more.

According to the nature of financial instruments, the Company assessed whether the credit risk increased significantly based on individual financial instruments or portfolios of financial instruments. When doing the portfolio-based assessment, the Company could classify financial instruments based on shared features of credit risks, for instance, overdue information and credit risk ratings.

Usually, if a financial instrument was more than 30 days overdue, the Company recognized that its credit risks had increased significantly. Unless the Company could obtain reasonable and well-grounded information without too many costs and efforts to prove that there was no surge of credit risks since initial recognition although the payment had been over 30 days later than the payment period agreed in a contract.

④ Financial assets with incurred credit impairment

The Company assessed whether credit impairment has incurred to the financial assets measured at amortized cost and the debt investments measured at fair value and included in other comprehensive income on the balance sheet date. If one or more incidents that had an adverse effect on the expected cash flows of a financial asset occurred, the asset was recognized as one with incurred credit impairment. Evidence for financial assets with incurred credit impairment included the following observable information:

The issuer or debtor has significant financial difficulties; the debtor breaches the contract, such as default or being overdue in the payment of interest or principal; for economic or contractual reasons related to the debtor, the creditor gives the debtor concessions that he would not make under any other circumstance; the debtor is likely to go bankrupt or undergo other financial reorganization; the financial difficulty of the issuer or debtor leads to the disappearance of the active market for the financial asset; the purchase or generation of a financial asset at a substantial discount that reflects the fact that a credit loss has occurred.

⑤ Presentation on expected credit loss reserves

To reflect changes in the credit risk of financial instruments since the initial recognition, the Company remeasured expected credit losses on every balance sheet date. The consequent increases or reversals of loss reserve shall be included as impairment losses or gains into profit or loss for the current period. For financial assets measured at amortized cost, impairment losses were allocated to offset the carrying value of the financial asset presented in the balance sheet. For the debt investments measured at fair value through other comprehensive income, the Company recognized their loss reserves in other comprehensive income but not offset the carrying value of the financial asset.

⑥ Write-offs

If the Company no longer reasonably expected the contractual cash flows of a financial asset could be completely or partially recaptured, the carrying amount of the financial asset shall be

directly written down. Such write-downs constructed the derecognition of relevant financial assets. This usually happened when the Company recognized that the debtor did not have assets or income sources to generate sufficient cash flows for the repayment of write-downs.

Recaptured financial assets with write-downs were included as the reversal of impairment losses in profit or loss for the current period.

(6) Financial asset transfer

Financial asset transfer refers to the following two situations:

A. The contractual right to obtain cash flows from the financial asset is transferred to the other party.

B. The financial asset is completely or partially transferred to the other party, but the contractual right to obtain cash flows is reserved and the contractual obligation to pay cash flow obtained to one or more payees was assumed.

① Derecognition of transferred financial assets

A financial asset was derecognized if almost all the risks and rewards of its ownership had been transferred or if the Company had retained no control over the financial asset, even if almost all the risks and rewards of its ownership were neither transferred nor retained.

Judgment about waiver of the control over transferred financial assets was based on the effective capability of the transferor to sell the financial asset. If the transferor could have ex parte and overall sales of the transferred financial asset to an unrelated third party, and the sales were with no extra constraining factors attached, it was recognized that the Company had waived the control over the financial asset.

The Company valued the essence of financial asset transfer when judging whether the transfer met the conditions for derecognition.

If the overall transfer of financial assets met the conditions for derecognition, the difference between the following amounts was included in the profit and loss for the current period:

A. Carrying value of the transferred financial assets;

B. The sum of the consideration due to transfer and the cumulative amount of fair value changes originally included in other comprehensive income that corresponds to the derecognized portion (transfer-related financial assets refer to those classified as financial assets measured at fair value through other comprehensive income in line with Article 18 of Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments).

For partial transferred financial assets that met the conditions for derecognition, the carrying value of the overall transferred financial assets was allocated at the respective relative fair value on the transfer date between the recognized portion and the derecognized portion (in this case, retained service assets are considered as part of the recognized financial assets), and the following two accounts were included in profit or loss for the current period:

A. The carrying value of the derecognized portion on the derecognition date.

B. The sum of the consideration the derecognized portion and the cumulative amount of fair value changes originally included in other comprehensive income that corresponds to the

derecognized portion (transfer-related financial assets refer to those classified as financial assets measured at fair value through other comprehensive income in line with Article 18 of Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments).

② Continuous involvement of transferred financial assets

If almost all the risks and rewards of ownership of the transferred financial assets were neither transferred nor reserved and the control over it was not waived, relevant financial assets shall be recognized based on the extent of continuing involvement with transferred financial assets, and related liabilities shall be recognized as well.

The extent of continuing involvement with transferred financial assets refers to the extent of risks of changes in the value of transferred financial assets or the rewards the enterprise undertakes.

③ Continuous recognition of transferred financial assets

If almost all the risks and rewards of ownership of the transferred financial assets were reserved, the overall transferred financial asset shall be recognized continuously and the consideration obtained shall be recognized as a financial liability.

The financial asset could not offset relevant recognized financial liabilities. In the subsequent accounting period, the enterprise shall continue to recognize the revenues (or gains) generated by the financial asset and the costs (or losses) generated by the financial liability.

(7) Offset between Financial Assets and Financial Liabilities

Financial assets and financial liabilities shall be presented separately in the balance sheet and shall not offset each other. But if they met all the following conditions, the net amount after they offset each other was reported in the balance sheet:

The Company had an enforceable legal right to offset the recognized amounts.

The Company planned to settle them on a net basis or to realize the financial assets and pay off the financial liabilities at the same time.

The transferor shall not offset transferred financial assets that fail to meet the criteria for derecognition against relevant liabilities.

(8) Method of Determining the Fair Value of Financial Instruments

Please refer to Section XII. V. (10) for the method of determining the fair value of financial assets and financial liabilities.

11. Notes Receivable

Please refer to the description of financial instruments.

12. Accounts Receivable

Please refer to the description of financial instruments.

The Company shall comply with the disclosure requirements of the Guidelines No. 6 of Shenzhen Stock Exchange on Industry

Information Disclosure -- Listed Companies Engaging in Home Furnishing and Decoration Business.

Please refer to the description of financial instruments.

13. Receivables Financing

Please refer to the description of financial instruments.

14. Other Receivables

The determination methods and accounting methods of the expected credit losses of other receivables.

Please refer to the description of financial instruments.

15. Inventories

(1) Classification of Inventories

Inventories refer to finished products the Company holds for sales in routine activities, work in process, and materials and supplies consumed in production process or when providing services, such as raw materials, merchandise on hand, work in process, consumptive biological assets, and turnover materials.

(2) Pricing Method of Issuing Inventories

Inventories of the Company were priced using the weighted average method when being issued.

(3) The Inventory System

The Company adopted the perpetual inventory system which performed at least a stocktaking annually and included inventory shortage and overage into profit and loss for that year.

(4) The Accrual Method for Falling Price Reserves of Inventories

On the balance sheet date, the measurement, based on which was smaller between the cost and the net realizable value, was put in practice. If the cost of inventories was higher than its net realizable value, then the accrual for inventory falling prices reserves was implemented and the figure was included in the profit or loss for the current period.

The net realizable value of inventories was determined on the basis of reliable evidence while taking into account the purpose of holding inventories and the effect of items after the balance sheet date.

① In regular production and operation, the determination of the net realizable value for inventories for direct sales, such as finished goods, goods and materials for sale, was the expected selling price minus the expected selling expense and relevant taxes. The net realizable value of the inventories which were owned in order to execute a sale contract or a labor services agreement was measured on the basis of the contract price. If inventories owned by the Company were more than quantities ordered in sale contracts, the net realizable value of exceeding quantities of inventories was measured on the basis of the common selling price. The net realizable value of materials for sale and so on was measured on the basis of market price.

② In regular production and operation, the determination of the net realizable value of materials inventories that needed processing was the expected selling price of finished goods that were about to produce minus the cost that was about to be incurred when completion, the expected selling expense and the relevant taxes. If the net realizable value of the finished good that was about to produce was higher than the cost, the correlated material was measured at the cost; if the drop of the price of the material indicated that the net realizable value of the finished good was lower than the cost, the correlated material was measured at net realizable value and the accrual of reserves for falling price of inventories was implemented on the basis of the difference.

③ Generally the reserves for falling price of inventories were accrued at a single inventory unit, but if the number of inventories was large and the price was low, the accrual was on the basis of categories of inventories.

④ If the influence of the previous write-down value of inventories had vanished on the balance sheet date, the write-down was recovered and reversed within the amount of the previously accrued reserves for falling price of inventories. The reversed amount was included in the profit or loss for the current period.

(5) The Amortization Method of Turnover Materials

① Amortization method of low-value and perishable items: One-off resale method was adopted when these items were utilized.

② Amortization method of packaging items: One-off resale method was adopted when these items were utilized.

16. Contract Assets

Contract assets and contract liabilities

Applicable from 1 January 2020

The Company reported contract assets or contract liabilities on the balance sheet in accordance with the relationship of performance obligations and customer payment. The consideration the Company had the right to receive from transferring goods to or providing services from customers (in the meantime this right was dependent on other factors except time lapse) was reported as contract assets. The obligations of transferring goods to or providing services for customers as a result of the consideration that the Company had received or shall receive from customers were reported as contract liabilities.

Please refer to Section XII. V. (10) for the Company's recognition methods and accounting methods of the expected credit losses of contract assets.

Contract assets and contract liabilities were reported separately on the balance sheet. Contract assets and contract liabilities in the same contract were reported in the form of net amount. If the net amount was debit balance, it was reported in the items of "Contract assets" or "Other non-current assets" according to its liquidity. If the net amount was credit balance, it was reported in the items of "Contract liabilities" or "Other non-current liabilities" according to its liquidity. Then contract assets and contract liabilities in different contracts could not offset each other.

Please refer to Section XII. V. (10) for the Company's recognition methods and accounting treatment methods of the expected credit losses of contract assets.

17. Contract Costs

Applicable from 1 January 2020

The contract cost could be divided as contract performance cost and contract acquisition cost.

The cost incurred by performing a contract by the Company was recognized as an asset in the form of contract performance cost when it met all the following conditions:

① The cost was directly related to a current or an expected contract including the cost of direct labor, direct material and manufacture (or similar cost), and the clearly determined cost assumed by customers and other costs that were incurred only for the contract.

② The cost increased the resources that the Company would use for performing the performance liabilities in the future.

③ The cost was expected to be recovered.

If the incremental cost incurred by the Company's acquisition of the contract was expected to be recovered, it was recognized as an asset in the form of contract acquisition cost.

The asset relevant to contract cost was amortized on the same basis as goods or service revenue recognition relevant to this asset; but if the amortization period of the contract acquisition cost was no more than one year, the Company included it into the profit or losses for the current period when it was incurred.

If the carrying value of the assets related to contract costs was higher than the difference between the two figures below, the Company would set aside provisions for assets impairment to deal with the extra part, and recognized that part as asset impairment losses, further considering whether to accrue provisions related to contracts with losses:

① Estimated residual consideration to be obtained from the transfer of commodities or services related to the assets;

② Estimated costs incurred from the transfer of the relevant commodities or services.

If reversal occurred after the provisions for assets impairment mentioned above, the asset carrying value after reversal was no more than the carrying value of the asset on the reversal date assumed to be the amount without accrual of provision for assets impairment.

The contract performance cost recognized as an asset was reported in the item of "Inventories" if the amortization period was no more than one year or a regular operating period when it was first recognized; if the amortization period was more than one year or a regular operating period when it was first recognized, it would be reported in the item of "Other non-current assets".

The contract acquisition cost recognized as an asset was reported in the item of "Other current assets" if the amortization period was no more than one year or a regular operating period when it was first recognized; if the amortization period was more than one year or a regular operating period when it was first recognized, it would be reported in the item of "Other non-current assets".

18. Assets Held for Sale

(1) The Classification of Held-for-sale Non-current Assets or Disposal Groups

The Company classified the non-current assets or disposal groups that met all the following conditions as assets held for sale:

① In accordance with the practice of selling such assets or disposal groups in similar transactions, they could be sold immediately in the current situation;

② The sale was likely to occur, i.e., the Company has already made a resolution of an offer and the acquisition commitment was confirmed, and the offer was expected to be completed within one year. (Approval has been obtained for those that can be sold only after being approved by relevant authorities or regulators of the Company subject to relevant regulations.)

The non-current assets or disposal groups acquired by the Company in order to resell was classified as assets held for sale on the acquisition date if they not only met the condition that the sales were expected to finish within one year but that they were likely to meet other conditions to be classified as held-for-sale assets in a short term (usually 3 months).

If the Company lost its control rights over its subsidiary due to selling the investments in the subsidiary or for some other similar reasons, provided that the to-be-sold investments in the subsidiary met the condition to be classified as held-for-sale assets, in some of all the financial statements of the Company as the parent, these investments would be classified as assets held for sale, and in the consolidated financial statements, all assets and liabilities of the subsidiary would be classified as held-for-sale, no matter whether the Company maintained some of the equity investments after sales.

(2) The Measurement of Held-for-sale Non-current Assets or Disposal Groups

The measurements of the following items were applicable to other related accounting standards respectively: the investment property measured later at fair value model, the biological asset measured at the net amount which equaled the fair value minus sales cost, the assets formed by employees' salaries, deferred income tax assets, the financial assets regulated by accounting standards relevant to financial instruments and the rights generated in the insurance contract regulated by insurance-contract-related accounting standards.

When the held-for-sale non-current assets or disposal groups were initially measured or measured again on the balance sheet date, if the carrying value was higher than the net amount which equaled fair value minus sales cost, the carrying value was written down to the net amount equaling fair value minus sales cost, and the write-down was recognized as asset impairment loss and included in the profit and loss for the current period. And the provisions for asset impairment for the assets held for sale was accrued at the same time.

When non-current assets or disposal groups were no longer classified as held-for-sale assets because they no longer met the conditions to be classified as held-for-sale assets, or when non-current assets were removed from held-for-sale disposal groups, the measurement was based on whichever was smaller between the following two figures:

① The amount of the carrying value before the classification of held-for-sale assets and after the adjustment of depreciation, amortization or write-down that shall have been recognized assuming that the assets were not classified as held-for-sale.

② The amount that was recoverable.

(3) The Reporting

The Company reported the held-for-sale non-current assets or assets in disposal groups separately in the balance sheet to distinguish them from other assets, and reported the liabilities in held-for-sale disposal groups separately in the sheet to distinguish them from other liabilities. The held-for-sale non-current assets or assets in held-for-sale disposal groups could not offset the liabilities in held-for-sale disposal groups, and they were reported as current assets and current liabilities respectively.

19. Debt Investments

20. Other Debt Investments

21. Long-term Receivables

Please refer to the description of financial instruments.

22. Long-term Equity Investments

Long-term equity investments of the Company refer to the equity investments where the Company exerts control and significant influence on the investee as well as the equity investment in its joint ventures. If the Company is able to exert significant influence on it, the investee is an associate of the Company.

(1) The Grounds for Determining the Joint Control and Significant Influence over Investees

Joint control refers to the common control over a particular arrangement according to relevant agreement, and that the decisions on relevant activities under such arrangement are subject to the unanimous consent from the parties sharing the joint control. When the judgment of whether joint control existed or not was executed, the first to judge was whether all parties or a group of parties controlled the arrangement collectively. If relevant activities under an arrangement was only determined by the concerted action of all parties or a group of parties, then it was thought that all parties or a group of parties controlled the arrangement collectively. The next to judge was whether the decisions on relevant activities under such arrangement were subject to the unanimous consent from the parties that controlled the arrangement collectively. If there were two or more party groups that had the ability to control an arrangement collectively, there was no joint control. When the judgment of whether joint control existed was executed, the possessed protection right was not considered.

Significant influence refers to having the power to participate in the financial and operating

policy decision-making of the investee, but cannot control or, together with other parties, jointly control the formulation of these policies. In the determination of whether significant influence was exerted on the investee, the influence of the investees' voting power stocks that were held directly or indirectly by the investor, and the influence after assuming that the executable potential voting power for the current period held by the investor and other parties was converted into the equity interest of the investee were taken into account. These included the influences of convertible stock warrant, stock option and convertible corporate bonds for the current period issued by the investee.

When the Company held more than 20% (inclusive) but less than 50% of the voting power stocks of the investee directly or indirectly through a subsidiary, it was generally deemed as having a significant influence over the investee. Unless there was clear evidence indicating that under this condition the Company could not participate in the production and operation decisions of the investee, the significant influence still maintained.

(2) Determination of Initial Investment Cost

① The investment cost of the long-term equity investments formed by business combination was determined on the basis of the following regulations:

A. If the business combination was under the same control and the combinator used cash payment, non-cash asset assignment or debt assumption as the consideration of combination, the initial investment cost of the long-term equity investments was recognized at the portion of the carrying value of the combined party's owners' equity in the consolidated financial statement of the ultimate controlling party on the date of combination. The difference between the initial investment cost of long-term equity investments and the carrying value of paid cash, assigned non-cash assets and assumed debts was referred to adjusting capital reserves; if capital reserves were not enough for the reduction, then retained earnings were adjusted.

B. If the business combination was under the same control and the combinator used equity flotation as the consideration of combination, then the initial investment cost of the long-term equity investments was recognized at the portion of the carrying value of the combined party's owner's equity in the consolidated financial statement of the ultimate controlling party on the date of combination. The difference between the initial investment cost of the share capital and the long-term equity investments and the total carrying value of the issued stocks was the sum of the carrying value of the issued stocks, which was referred to adjusting capital reserves; if capital reserves were not enough for the reduction, then retained earnings were adjusted.

C. If the business combination was not under the same control, then the initial investment cost of the long-term equity investments was the combination cost, which was measured at the fair value of the assets paid for the control right over the acquired party, the liabilities incurred or assumed and the equity securities issued on the date of acquisition. The commissions incurred as a result of business combination, such as intermediary costs of audit, legal services, consultation and assessment, and other relevant administrative expenses, were included in the profit and loss for the current period when incurred.

② The investment cost of the long-term equity investments acquired by other means (that is, except by the means of business combination) was determined on the basis of the following regulations:

A. For the long-term equity investments acquired by payment in cash, the investment cost was the actual purchasing price that was paid. The initial investment cost included the expenses directly related to the acquisition of long-term equity investments, taxes and other necessary expenditure.

B. For the long-term equity investments acquired by issuing equity securities, the initial investment cost was the fair value of the issued equity securities.

C. For the long-term equity investments acquired by converting non-monetary assets, if the conversion had commercial substance and in the meantime the fair value of the received assets or surrendered assets could be measured reliably, the initial investment cost shall be the fair value of the surrendered assets and other taxes, and the difference between the fair value of the surrendered assets and the carrying value was included in the profit and loss for the current period; if the non-monetary assets conversion did not meet the aforesaid two conditions concurrently, the initial investment cost was the carrying value of the surrendered assets and other taxes.

D. For the long-term equity investments acquired through debt restructuring, the carrying value was determined based on the fair value of the waived creditor's rights and other costs such as taxes directly attributable to the asset, and the difference between the fair value and carrying value of the waived creditor's rights was included in the profit and loss of the current period.

(3) Subsequent Measurement and Recognition of Profit and Loss

The Company was able to account for the long-term equity investments controlled by the investee. The equity method would be adopted for long-term equity investments of associates and joint ventures.

① Cost method

For the long-term equity investments measured by cost method, the Company adjusted the cost of long-term equity investments when providing additional investments or repaying the investments; the cash dividends or profits declared by the investee were recognized as return on investment for the current period.

② Equity method

The common accounting treatment of long-term equity investments measured under the equity method:

If the amount of the Company's investment cost for the long-term equity investments was larger than the share of the investee's identifiable net assets of the fair value entitled to the Company at the time of investment, the initial investment cost of the long-term equity investments would not be adjusted. If the amount of the Company's initial investment cost for the long-term equity investments was smaller than the share of the investee's identifiable net assets of the fair value entitled to the Company at the time of investment, the difference was included in the profit and loss for the current period, while the cost of the long-term equity investments was adjusted concurrently.

The Company recognized the return on investment and other comprehensive income respectively, according to the allocated share of net profit and loss and other comprehensive income reported by the investee as it was entitled to share or was responsible for sharing, while the carrying value of the long-term equity investments were adjusted. The Company measured its allocated share according to the profits and cash dividend declared by the investee, while a commensurate

reduction incurred to the carrying value of the long-term equity investments. For other changes in owners' equity of the investee except the net profit and loss, other comprehensive income and profit distribution, the carrying value of the long-term equity investments was adjusted and the changes were included in the owners' equity. When recognizing the allocated share of net profit or loss of the investee, the Company recognized the net profit and loss of the investee after adjustment, based on the fair value of the identifiable net assets of the investee at the time of obtaining the investments. If there was any inconsistency of the accounting policy and accounting period between the investee and the Company, adjustments on the financial statements of the investee were conducted according to the Company's accounting policy and accounting period. Based on the adjustment, the return on investment and other comprehensive income were recognized correspondingly. The proportion attributed to the Company of unrecorded profit or loss of internal transactions between the Company and associates and joint ventures was calculated and set off according to the proportion entitled to the Company, while its profit or loss of the investments were recognized correspondingly. Unrecorded internal transaction losses incurred between the Company and the investee were recognized in full if they fell under asset impairment loss.

If the Company was able to impose critical impact on the investee or to implement common control but not constitute control due to the supplementary investment or any other reason, the sum of the cost of the additional investment and the fair value of the equity investment originally held by the Company was re-measured as the initial investment cost under the equity method. If the original equity investment of the Company was classified as investments in other equity instruments, the difference between the fair value and the carrying value, and the cumulative gains or losses originally included in the other comprehensive income shall be transferred from other comprehensive income to retained earnings at the time the investment was measured under the equity method.

If the Company lost the common control or critical impact on the investee due to the disposal of part of the equity investment or any other reason, the residual equity after disposal shall be included in the profit and loss of the current period at the difference between the fair value and the carrying value on the date the Company lost joint control or the date of critical impact on the investee. Other comprehensive income from the original equity investment calculated and recognized under the equity method shall be kept account of on the same basis of the direct disposal of relevant assets or liabilities by the investee when it was ceased to keep account of the investment using equity method.

(4) Equity Investment Held for Sale

For the related accounting treatment to wholly or partly classify the equity investment in associates or joint ventures as assets held for sale, please refer to Section XII. V. (18).

The residual equity investment not classified as assets held for sale was treated by the equity method.

If the equity investment in associates or joint ventures was classified as investment held for sale and was no longer eligible for the criteria to be classified as assets held for sale, the Company conducted retroactive adjustment under the equity method from the date it was classified as assets held for sale. The Company made corresponding adjustment to the financial statement classified as in the period held for sale.

(5) Impairment Test Method and Accrual Method of Provisions for Asset Impairment

For the methods to accrue assets impairment for the investments in the subsidiaries, associates and joint ventures, please refer to Section XII. V. (31).

23. Investment Property

Measurement model of Investment property

Measurement by the cost method

Depreciation or amortization method

(1) Measurement Model for Investment Property

The Company adopted the cost model to conduct follow-up measurement for the investment property. Please refer to Section XII. V. (31) for the methods to accrue assets impairment.

The Company adopted the straight line method for the calculation of depreciation or amortization of the cost of investment property after the accumulative impairment and net residual value were deducted from it. The depreciable life and the annual depreciation rate were determined according to the classification of the investment property, the estimated economic useful life, and the estimated net residual value rate.

Category	Depreciable life (year)	Residual value rate (%)	Annual depreciation rate (%)
Properties and buildings	20-30	5-10	4.75-3.00
Land use rights	50	-	2.00

24. Fixed Assets

(1) Recognition Conditions

Fix assets refer to tangible assets with higher unit values and a service life over one year that are held to produce goods, providing services, leasing or operation and management. If the fixed assets fulfilled all the following conditions, it would be recognized at the actual cost at the time it was acquired: a) The economic benefits related to this fixed assets have a good chance to flow into the enterprise. b) The cost of this fixed assets can be reliably measured. If the follow-up expenditure of fixed assets incurred was eligible for the recognition conditions of the fixed assets, the Company included it in the cost of fixed assets and the expenditure not eligible in profit or loss for the current period when it incurred.

(2) Depreciation Method

Category	Depreciation method	Depreciable life	Residual value rate	Annual depreciation rate
Properties and buildings	Straight-line depreciation method	20-30	5-10	4.75-3.00
Mechanical equipment	Straight-line depreciation method	10-14	5-10	9.50-6.43

Transportation equipment	Straight-line depreciation method	5-8	5-10	19.00-11.25
Office equipment	Straight-line depreciation method	5-8	5-10	19.00-11.25
Electronic equipment	Straight-line depreciation method	5-8	5-10	19.00-11.25
Other equipment	Straight-line depreciation method	5-8	5-10	19.00-11.25

If the provisions for asset impairment of the fixed assets had been accrued, the Company deducted the provision during the accrual of depreciation.

The Company reviewed the service life, the estimated net residual value, and the depreciation method of fixed assets at the end of each year. If there was any difference between the estimated service life and the original estimation, the service life of the fixed assets were adjusted.

(3) Determination Basis and Valuation and Depreciation Methods of Fixed Assets Acquired under Finance Leases

If the Company substantially transferred all the risks and rewards related to assets to the finance assets leased, this lease of the fixed assets was recognized as the finance lease. The cost of fixed assets obtained from finance lease was determined according to the lower amount of the fair value of the leasehold property on the date of the lease commencement and the present value of the minimum lease payment. The depreciation policy for the accrual of the depreciation of the leasehold property for the fixed assets acquired under the finance lease was consistent with that adopted for the Company's fixed assets. If it can be reasonably ascertained that the ownership of the leasehold property can be obtained by the expiration of the tenancy, the Company accrued the depreciation within the useful life of the leasehold property; otherwise, the Company accrued the depreciation within the shorter of the tenancy and the useful life of the leasehold property.

25. Construction in Progress

(1) Classification accounting was conducted for construction in progress according to the project admission.

(2) The standard and the time point for the construction in progress to be carried forward as fixed assets

For the projects of construction in progress, all expenses incurred before the constructed assets reached their expected serviceable condition were recognized as the book value of the fixed assets. It included the construction expenses, the original prices of the machines and equipment, other necessary expenditures incurred for the construction in progress to reach its expected serviceable condition, the borrowing costs incurred as the equity's special borrowings before it reached the expected serviceable condition, and the borrowing cost incurred as general borrowings required. The Company transferred the construction in progress to fixed assets, when the engineering installation and construction were completed and reached the expected serviceable condition. The constructed fixed assets which reached the expected serviceable condition but did not went through

the final accounting for the completion were transferred to fixed assets at their estimated value according to the project budget, cost estimation and the actual cost of the construction project, on the date it reached the expected serviceable condition. Meanwhile, its depreciation was accrued by the depreciation policy of the Company's fixed assets. The original provisional estimate was adjusted at actual cost after the final accounting for the completion, while the original amount of depreciation accrued was not adjusted.

26. Borrowing Costs

(1) Recognition Principle of the Capitalization of Borrowing Costs and the Period of the Capitalization

The Company's borrowing cost incurred directly attributable to the acquisition and construction of the assets eligible for the capitalization conditions was capitalized and included in the cost of related assets if the following conditions were satisfied simultaneously:

- ① Asset expenditure has been incurred;
- ② Borrowing costs have been incurred;
- ③ The necessary acquisition, construction, or production activities to make the assets reach the expected available state have begun.

Other loan interests, discounts or premiums and the exchange difference were included in the profit and loss for the current period when they were incurred.

If abnormal disruption were incurred for the assets eligible for the capitalization condition during the acquisition, construction, and production process, and the period of disruption was over 3 months continuously, the capitalization of the borrowing cost was suspended.

When the assets with the acquisition, construction or production meeting the capitalization conditions reached the expected available or marketable status, the borrowing cost ceased to be capitalized. The subsequent borrowing costs incurred were recognized as expenses for the current period.

(2) The Calculation Method of the Capitalization Rate and Capitalization Amount of Borrowing Costs

For the special borrowings borrowed for acquisition and construction or production of the assets eligible for capitalization, the capitalization amount of the interest expense of the special borrowings was determined based on the interest expense actually incurred in the current period of the special borrowings minus the interest income from unspent borrowing funds deposited in banks or the amount after the return on investment was obtained from the temporary investment.

If general borrowings were required for the acquisition, construction or production of the assets eligible for the capitalization condition, the interest amount of the general borrowing to be capitalized was calculated and determined as the weighted average of the asset expenditure for the amount of the accumulative capital expenditure that exceeded the special borrowings multiplied by the capitalization rate of the required general borrowings. The capitalization rate was determined based on the weighted average interest rate applicable to the general-purpose borrowings.

27. Biological Assets

(1) Recognition Criteria for Biological Assets

Biological asset refers to the asset consisting of living animals and plants. Biological assets were recognized if the following conditions were satisfied simultaneously:

- ① The Company owned or controlled the biological asset due to the past business transaction or matters;
- ② There was a high potential that the economic gains or service potential related to this biological asset would flow in the enterprise;
- ③ The cost of this biological asset could be reliably measured.

(2) Classification of the Biological Asset

The biological assets of the Company are wood assets, mainly seedlings. These are all expendable biological assets.

The expendable biological assets were initially measured at their costs.

- ① The actual expenditure of the expendable biological asset before its crown cover constituted the cost of the expendable biological assets. The follow-up expenditure incurred after its crown cover was included in the profit or loss for the current period.
- ② At the time of cutting, the cost of the expendable biological asset was carried down by the weighted average method.
- ③ At the end of each year, inspection was conducted for the expendable biological assets. If there was evidence that the carrying value of the expendable biological assets was higher than the net realizable value, reserves for falling prices of the biological assets were accrued according to the amount of the lower value and included in the profit or loss for the current period. If the factor for falling prices of the biological assets no longer existed, the previous reserves accrued for falling prices were reversed. The value reversed was included in the profit or loss for the current period.

28. Oil and Gas Assets

29. Right-of-use Assets

30. Intangible Assets

(1) Pricing method, Service Life, and Impairment Test

1) Pricing Method of Intangible Assets

Intangible assets were recorded at the actual cost when acquired.

2) Service Life and Amortization for the Intangible Assets

① Estimation of the service life of intangible assets with limited service lives:

Item	Estimated service life	Basis
Land use rights	50 years	Mandated use rights
Computer software	5 years	The Company determined the service life with the period of economic gains brought to the Company as a reference.

The Company reviewed the service life and amortization method of intangible asset with finite service life at the end of each year. After review, at the end of the current period, the service life and amortization method of the intangible assets had no difference with the previous estimation.

② If the length of period for the intangible assets to bring economic gains for the Company was not predictable, the Company considered the asset as intangible assets with uncertain service life. The Company reviewed the service life of the intangible assets with uncertain service life at the end of each year. If the service life was still considered uncertain after the review, the impairment test was conducted on the balance sheet date.

③ Amortization of intangible assets

For the intangible assets with a limited service life, the Company judged the service life upon obtaining the assets. Within the service life, the straight-line method system was adopted for rational amortization. The amortization amount was included in profit or loss for the current period. The specific amortization amount was the cost amount after the deduction of estimated residual value. If provisions for asset impairment of the intangible assets had been accrued, the accumulative amount of the accrued provisions was deducted with zero salvage value. However, there were the following exceptions: there was a third party who promised to purchase the intangible assets at the end of their service life, or the information of estimated residual value could be acquired according to the active market while the market was likely to exist till the end of the service life of the intangible assets.

Intangible assets with uncertain service life were not amortized. The service life of the intangible assets with uncertain service life was reviewed at the end of each year. If it was evident that the service life of the intangible assets was limited, the service life was estimated and rational amortization was conducted systematically within the estimated service life.

(2) Accounting Policies for Internal Research and Development Costs**1) Specific Criteria for the Classification of the Research Phase and Development Phase of Internal Research and Development Projects.**

① The Company assumed the data and other preparation activities processed for the further development activity as the research phase. The expenditure of the intangible assets incurred in the research phase was included in profit or loss for the current period.

② The development activities processed after the Company completed the work of the research phase were assumed as the development phase.

2) Specific Conditions for Capitalizing Expenditure during the Development Phase

The expenditure was recognized as intangible assets if the following conditions were satisfied simultaneously:

- ① The intangible assets were completed so that it was technically feasible that the intangible assets could be used or sold.
- ② Intentions existed to complete the intangible assets and to use or sell them.
- ③ The method for the intangible assets to generate economic gains included evidence that the products produced by using the intangible assets were in the market, or that there were markets for the intangible assets of its own. If the intangible assets were to be used internally, their usefulness was proved.
- ④ There were sufficient technologies, financial resources and other resources to support the completion of the development of the Intangible assets. Meanwhile, the capability to use or sell the intangible assets existed.
- ⑤ Expenditures attributable to the development phase of the intangible assets could be reliably measured.

31. Long-term Assets Impairment

(1) Test Methods and Accounting Methods for Impairment of Long-term Equity Investments

The Company inspected each long-term equity investment one by one on the balance sheet date, and judged whether there were signs of impairment for long-term equity investments based on various changes in the operation policies of the investee, legal environment, market demand, industry, and profitability. If the recoverable amount of the long-term equity investment was lower than the carrying amount, the difference between the recoverable amount and the carrying value of the long-term equity investments was accrued as the impairment provision for the long-term equity investments. Once the asset impairment loss was recognized, it shall not be reversed in subsequent accounting periods.

(2) Test Methods and Accounting Methods for Impairment of Investment Property

On the balance sheet date, the investment property was valued at the lower between the cost and the recoverable amount. If the recoverable amount was lower than the cost, impairment provision was accrued by the difference between the two. If the value of the investment property for which the impairment provision had been accrued was restored, the impairment provision accrued in the previous period shall not be reversed.

(3) Test Methods and Accounting Methods for Impairment of Fixed Assets

The Company made judgments on all fixed assets on the balance sheet date. If there were signs of impairment and the recoverable amount was estimated to be lower than the carrying value, the carrying value was written down to the recoverable amount, and the write-down amount was recognized as asset impairment loss and was included in profit or loss for the current period. The corresponding provision for assets impairment was accrued at the same time. Once the asset impairment loss was recognized, it shall not be reversed in subsequent accounting periods. The

impairment provision was accrued for the full amount by the single item of fixed assets if there were following signs:

- ① Fixed assets have been idle for a long time, will not be put in use in the foreseeable future, and have no transfer value;
- ② Fixed assets are no longer usable due to technological progress and other reasons;
- ③ Fixed assets are still usable, but the use of such assets results in a large quantity of defective products;
- ④ Fixed assets have been damaged and no longer have use value or transfer value;
- ⑤ Fixed assets can no longer bring factual economic benefits to the Company.

(4) Test Methods and Accounting Methods for Impairment of Construction in Progress

The Company inspected the construction in progress comprehensively on the balance sheet date. If there was evidence showing that the construction in progress had been impaired, and the recoverable amount was estimated to be lower than the carrying value, the carrying value was written down to the recoverable amount and the write-down amount was recognized as asset impairment loss which was included in profit or loss for the current period. The corresponding provision for assets impairment was accrued at the same time. Once the asset impairment loss was recognized, it shall not be reversed in subsequent accounting periods. The construction in progress shall be tested for impairment if one or several following conditions exist:

- ① Construction in progress has been suspended for a long time and are not expected to resume in the next three years;
- ② Construction has fallen behind in terms of its performance and technology, and brings huge uncertainties to economic benefits of the Company;

1. Other circumstances sufficient to prove that the construction in progress has been impaired.

(5) Test Methods and Accounting Methods for Impairment of Intangible Assets

If the recoverable amount of intangible assets was lower than the carrying value, the carrying value of the assets was written down to the recoverable amount, and the write-down amount was recognized as asset impairment loss which was included in profit or loss for the current period. The corresponding impairment provision for intangible assets was accrued at the same time. Once the intangible asset impairment loss was recognized, it shall not be reversed in subsequent accounting periods. The intangible assets shall be tested for impairment if one or several following conditions exist:

- ① The intangible assets have been replaced by other new technologies, which results in a major adverse impact on its ability to create economic benefits for the Company;
- ② The market prices of the intangible assets have declined significantly in the current period and may not rally during the remaining years;
- ③ Other circumstances sufficient to prove that the carrying value of the intangible assets has exceeded the recoverable amount.

(6) Test for Goodwill Impairment

For goodwill formed through business combinations, it shall be tested for impairment at least at the end of each year. When the Company conducted an impairment test on the related asset group or combination of asset groups that contain goodwill, the following procedures shall be taken if there were signs of impairment in the asset group or combination of asset groups related to goodwill:

First, the Company performed an impairment test on the asset group or combination of asset groups that do not contain goodwill, calculated the recoverable amount, and compared it with the carrying value of the related assets to recognize the corresponding impairment loss. Then, it performed an impairment test on the asset group or asset group that contains goodwill and compared the carrying value of the related asset group or combination of asset groups (including the allocated carrying value of goodwill) with their recoverable amount; if the recoverable amount of the related asset group or combination of asset groups was lower than the carrying value, the impairment loss was recognized by the difference. The amount of impairment loss was first allocated to offset the carrying value of goodwill in the asset group or combination of asset groups; then it offset the carrying value of other assets based on the proportion of the carrying value of other assets in the asset group or combination of asset groups other than goodwill.

32. Long-term Prepaid Expense

Long-term prepaid expense accounted for the expenses with an amortization term beyond a year of the Company which have incurred and shall be allocated to the expenses in the current period and the subsequent periods.

The long-term period prepaid expense of the Company shall be amortized equally within the beneficial period. The period of the amortized expenses was as follows:

Item	Amortization Period
Expenditure on the improvement of fixed assets leased through operating lease	Reasonable amortization by the best expected realization mode of economic benefits

33. Contract Liabilities

Method of determining the contract liabilities

Please refer to 16. Contract assets

34. Employee Remuneration

(1) Accounting Methods for Short-Term Remuneration

- ① Basic salaries of employees (wages, bonus, allowances and subsidies)

During the accounting period in which the employees provided services, the Company recognized the actual short-term remuneration as liabilities and included them in profit or loss for the current period (other than other remuneration to be included in the cost of assets as required or

allowed by accounting standards.

② Employee benefit expense

The employee benefits of the Company which have incurred were included in profit or loss for the current period or the cost of relevant assets at the actual amount incurred. If the employee benefits were non-monetary benefits, they shall be measured at fair value.

③ Social insurance expenses including medical insurance expense, work-related injury insurance expense and maternity insurance expense, public housing provision, as well as labor union expense and employee education expense

The employee remuneration, in the accounting period in which the employees provided services, was calculated and determined by the withdrawal basis and withdrawal ratio in the requirements of expenses paid by the Company, recognized as liabilities and included in profit or loss for the current period or the cost of relevant assets, including social insurance expenses such as medical insurance expense, work-related injury insurance expense and maternity insurance expense, public housing provision, as well as labor union expense and employee education expense paid by the Company.

④ Short-term paid absence

When the employees provided services and earned the right of paid absence to be exercised in the future, the Company recognized the employee remuneration related to cumulative paid absence and measured it at the expected payable amount arising from cumulative rights that were not exercised. During the accounting period in which an employee was actually absent, the Company recognized the employee remuneration relating to non-cumulative paid absence.

⑤ Short-term profit sharing plan

The Company recognized the relevant employee benefits payable if the profit sharing plan met all the following conditions simultaneously:

A. The corporate had legal obligations or constructive obligations to pay employee remuneration as a result of the previous events;

B. The amount of employee benefits payable arising from the profit sharing plan could be reliably estimated.

(2) Accounting Method for Post-employment Benefits

① Defined contribution plans

During the accounting period in which the employees provided services, the Company recognized the amounts to be deposited as calculated based on the defined contribution plan as liabilities, and included them in profit or loss for the current period or the cost of relevant assets.

Based on the defined contribution plan, if all amounts to be deposited were not expected to be paid within 12 months after the end of the annual reporting period in which the employees rendered relevant services, the employee benefits payable were measured at the discounted value of all amounts to be deposited at the corresponding discount rate (determined by the market rate of return

for treasury bonds matched with term and currency for paying the obligation under the defined contribution plan or the active and high-quality corporate bonds on the balance sheet date).

② Defined benefit plan

A. Determination of present value and service cost for the current period of the defined benefit plan

Based on the projected unit credit method, related demographic variables and financial variables were estimated by using unbiased and mutually compatible actuarial assumptions, the obligations under the defined benefit plan were measured, and the periods to which relevant obligations were attributed were determined. The Company discounted obligations arising from the defined benefit plan using the corresponding discount rate (determined by the market yields of the treasury bonds matched with the term and currency for paying the obligations in the defined benefit plan or of the high-quality and active corporate bonds) to determine the present value and the current service cost of the defined benefit plan.

B. Recognition of the net liabilities or assets of the defined benefit plan

If a defined benefit plan had assets, the Company shall recognize the deficit or surplus by deducting fair value of the defined benefit plan assets from the present value of the defined benefit plan obligations as a net liability or asset of defined benefit plan.

If the defined benefit plans had surplus, the Company shall measure the net profit of the defined benefit plan according to whichever was lower between the surplus and asset ceiling of the defined benefit plan.

C. Determination of the amount which shall be included in asset cost or loss and profit for the current period

Service cost includes service cost for the current period, service cost for the past periods, and settlement gains and losses. Specifically, other than service cost for the current period that were required or allowed to be included in asset cost, other service costs shall be included in profit and loss for the current period.

The net interest of net liabilities or net assets of the defined benefit plan, including interest income of assets of the plan, interest expense of obligations of the plan as well as the interest arising from asset ceiling, shall be included in profit and loss for the current period.

D. Determination of the amount that shall be included in other comprehensive income

Changes arising from the remeasurement of net liabilities or net assets of the defined benefit plan, including:

(a) Actuarial gains or loss, i.e., the increase decrease in the measurements of present value of obligations of the defined benefit plan arising from actuarial assumption and experience adjustment;

(b) Return on plan assets, deducting the amounts that were included in the net interest of net liabilities or net assets of the defined benefit plan;

(c) Changes arising from the asset ceiling, deducting the amounts that were included in net interest of the net liabilities or net assets of the defined benefit plan.

The aforesaid changes arising from the remeasurement of net liabilities or net assets of the

defined benefit plan shall be directly included in other comprehensive income and shall not be transferred back to profit and loss during the subsequent accounting periods. However, the Company may transfer these amounts recognized in other comprehensive income within its scope of rights and interests.

(3) Accounting Method for Dismissal Benefits

If the Company offered employees with dismissal benefits, the liabilities of employee remuneration shall be recognized and included in profit or loss for the current period on the earlier date of the two following circumstances:

- ① When the Company is not able to withdraw the dismissal benefits from termination of employment or resignation persuasion unilaterally;
- ② When the Company recognizes the costs and expenses relevant to the restructuring regarding dismissal benefits payment.

If the dismissal benefits were not expected to be paid in full amount within 12 months after the end of the Reporting Period, the amount of the dismissal benefits shall be discounted in line with the corresponding discount rate (determined by the market yields of the treasury bonds matched with the term and currency for paying the obligations in the defined benefit plan or of the high-quality and active corporate bonds). The employee benefits payable shall be measured at the discounted amount of the dismissal benefits.

(4) Accounting Method for Other Long-Term Employee Benefits

- ① Benefits meeting the conditions of the defined contribution plan

If other long-term employee benefits that the Company offered to employees met the conditions of the defined contribution plan, employee benefits payable shall be measured at the discounted value of all amounts to be deposited.

- ② Benefits meeting the conditions of the defined benefit plan

At the end of the Reporting Period, the Company shall recognize the employee remuneration costs arising from other long-term employee benefits as the following items:

- A. Service cost;
- B. Net interest of net liabilities or net assets of other long-term employee benefits;
- C. Changes arising from the remeasurement of net liabilities or net assets of other long-term employee benefits.

To simplify relevant accounting treatment, the total net amounts of the aforesaid items shall be included in profit and loss for the current period or relevant asset costs.

35. Lease Liabilities

36. Provisions

(1) Recognition Standard for Provisions

If an obligation relevant to contingency met all the following conditions at the same time, the Company will recognize it as provisions:

- ① The obligation is a present obligation assumed by the Company;
- ② The performance of the obligation is likely to cause economic benefits to flow out of the Company;
- ③ The amount of the obligation can be reliably measured.

(2) Method of Measuring Provisions

The provisions shall be initially measured according to the optimal estimate of the necessary expenses for the performance of the current obligation, taking into consideration the risks related to contingent events, uncertainty and the time value of currency. The carrying value of provisions shall be rechecked on each balance sheet date. If there was concrete evidence to prove that the carrying value was not able to reflect the current optimal estimate, the carrying value shall be adjusted according to the current optimal estimate.

37. Share-based Payment

(1) Category of Share-based Payment

The Company's share-based payment includes cash-settled share-based payment and equity-settled share-based payment.

(2) Method of Determining the Fair Value of Equity Instruments

① For shares granted to employees, their fair value shall be measured at the market price of the Company's shares, and be adjusted in accordance with terms and conditions for granting shares (excluding vesting conditions other than market conditions).

② For share options granted to employees, the market price was inaccessible in many cases. If there were no terms nor conditions similar to that of the exchange-traded option, the Company shall estimate the fair value of the granted options with the applicable model for option valuation.

(3) Grounds for Confirming the Optimal Estimation of Feasible Right Equity Instruments

On each balance sheet date within the vesting period, the Company shall make the best estimate based on the subsequent information latest obtained such as the change in the number of vested employees and revise the number of equity instruments that are expected to be vested in order to make the best estimate of vested equity instruments.

(4) Accounting Treatment for the Implementation of Share-based Payment Schemes

Cash-settled share-based payment:

① For a cash-settled share-based payment, if the right can be exercised immediately after the grant, the fair value of the liabilities borne by the Company shall, on the grant date, be included in the relevant costs or expenses and the liabilities shall be increased accordingly. On each balance sheet date before settlement and on the settlement date, the fair value of the liabilities shall be re-measured and the changes shall be included in profit or loss.

② For a cash-settled share-based payment, if the right cannot be exercised until the vesting period ends or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services acquired in the current period shall, based on the best estimate of the information about the exercisable right and at the fair value of the liabilities borne by the Company, be included in the costs or expenses and the corresponding liabilities.

Equity-settled share-based payment:

① For an equity-settled share-based payment in return for services of employees, if the right can be exercised immediately after the grant, the fair value of the equity instruments shall, on the grant date, be included in the relevant costs or expenses and the capital reserve shall be increased accordingly.

② For an equity-settled share-based payment in return for employee services, if the right cannot be exercised until the vesting period ends or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services acquired in the current period shall, based on the best estimate of the number of vested equity instruments, be included in the costs or expenses and capital reserves at the fair value of the equities instruments on the grant date

(5) Accounting Treatment for the Modification of Share-Based Payment Schemes

When the Company modifies a share-based payment scheme, if the modification increases the fair value of the equity instruments granted, the increase in the services acquired shall be recognized accordingly according to the increase in the fair value of the equity instruments; if the modification increases the number of equity instruments granted, the fair value of the increased equity instruments shall be recognized accordingly as the increase in the services acquired. The increase in the fair value of the equity instruments refers to the difference between the fair values of the equity instruments before and after the modification on the modification date. If the modification reduces the total fair value of the share-based payment or any other method not conducive to the employees is adopted to modify the terms and conditions of the share-based payment scheme, the accounting treatment of the services acquired would continue, as if such change had never occurred, unless the Company cancels some or all of the granted equity instruments.

(6) Accounting Treatment for the Termination of Share-Based Payment Schemes

If the Company canceled the granted equity instruments or settles the granted equity instruments (not including those canceled due to failure to meet vesting conditions) during the vesting period:

① The cancellation or settlement shall be processed as the vested right and the amount to be recognized within the remaining vesting period originally shall be recognized immediately.

② All payments made to employees at the time of cancellation or settlement was treated as

payments for equity repurchase, and the proportion of the repurchase amount above the fair value of the equity instrument on the repurchase date was included in the expenses for the current period.

If the Company repurchased an equity instrument in which the exercisable right has been exercised, its owners' equity was reduced; the proportion of the repurchase amount above the fair value of the equity instrument on the repurchase date was included in the profit or loss for the current period.

38. Preference Shares, Perpetual Bonds and Other Financial Instruments

39. Revenue

The Company shall comply with the disclosure requirements of the Guidelines No. 6 of Shenzhen Stock Exchange on Industry Information Disclosure -- Listed Companies Engaging in Home Furnishing and Decoration Business.

Revenue recognition principles and measurement methods

Applicable from 1 January 2020

(1) General Principles

Revenue is the total inflow of economic benefits generated in the Company's day-to-day activities that will result in an increase in shareholders' equity and are unrelated to the capital contributed by shareholders.

The Company shall recognize revenue when the performance obligations under the contracts are fulfilled, that is, when the customers obtain the control of related goods. Obtaining control of related goods refers to that customers can control the use of the goods and obtain almost all the economic benefits from the goods.

If a contract contains two or more performance obligations, the Company shall, on the inception date of the contract, allocate the transaction price to each performance obligation in accordance with the relative proportion of the stand-alone selling price of the goods or services promised by each performance obligation, and measure the revenue on the basis of the transaction price allocated to each performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. When determining a contract transaction price, if there is a variable consideration, the Company shall determine the best estimate of the variable consideration based on the expected value or the most likely amount, and recognize the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the relevant uncertainty is resolved. If a contract contains a significant financing component, the Company will determine the transaction price on the basis of the amount payable in cash when the customer obtains control of the goods, and use the effective interest method to amortize the difference between the transaction price and the contract consideration during the contract period. If the interval between the transfer of control and the payment by the customer does not exceed one year, the Company will not consider the financing component therein.

If one of the following conditions is met, it is an obligation performed within a certain period of time; otherwise, it is treated as performed at a point in time:

① The customer simultaneously received and consumed the benefits provided by the Company's performance as the Company performed obligation.

② The customer could control the goods as they are created during the Company's performance.

③ The goods produced by the Company's performance had no alternative use, and the Company had the right to collect payment for performance completed to date during the entire contract period.

For a performance obligation performed within a certain period of time, the Company recognized revenue in accordance with the progress of performance during that period, except when the progress could not be reasonably determined. The Company determined the progress of the performance of the service provided in accordance with the input method (or output method). When the performance progress could not be reasonably determined and the Company's incurred costs were expected to be compensated, the revenue was recognized according to the amount of the incurred costs until the performance progress could be reasonably determined.

For a performance obligation performed at a certain point in time, the Company recognized revenue at the point when the customer obtained control of the relevant goods. When judging whether the customer has obtained control of goods or services, the Company considered the following indicators:

① The Company had a present right to receive payment for the goods or services, i.e., the customer had a present obligation to pay for the goods.

② The Company had transferred the legal title of the goods to the customer, i.e., the customer had obtained the legal title of the goods.

③ The Company had transferred physical possession of the goods to the customer, i.e., the customer had taken physical possession of the goods.

④ The Company had transferred primary risks and rewards of ownership of the goods to the customer, i.e., the customer had obtained the primary risks and rewards of ownership of the goods.

⑤ The customer had accepted the goods.

(2) Specific Methods

The specific methods of the Company's revenue recognition are as follows:

In the construction and decoration business, since the customer could control the assets under construction during the obligation performance of the Company, the Company recognized them as a performance obligation performed within a certain period, and recognized revenue in accordance with the progress of performance, except when the progress could not be reasonably determined. The Company determined the progress of the performance of the service provided based on the incurred costs in accordance with the input method. When the performance progress could not be reasonably determined and the Company's incurred costs were anticipated to be compensated, the revenue was recognized according to the amount of the incurred costs until the performance

progress could be reasonably determined. If the contract cost could not be recovered, it was recognized as the current cost immediately when incurred, and no contract revenue was recognized. If the aggregate cost of the contract was likely to exceed the gross revenue, an anticipated loss of the contract was formed, included in provisions, and recognized as the current cost.

In the merchandise sale business, the sale contract between the Company and the customer contains the performance obligation for the transfer of goods such as building decoration materials, which belongs to the performance obligation at a point in time. The Company had delivered the goods to the customer in accordance with the contract and the customer had accepted the goods. The payment had been recovered or the receipt voucher had been obtained, and the relevant economic benefits were likely to flow in. The customer had obtained control of the relevant goods.

The following revenue accounting policies are applicable for 2019 and the prior years.

(1) Sales Revenue

The revenue was recognized when the Company had transferred the primary risks and rewards of the ownership of the goods to the acquirer, and neither reserved the continued management rights usually associated with the ownership, nor effectively controlled the sold goods. The amount of income could be reliably measured, the economic benefits relevant to the transaction were likely to flow into the Company, and the relevant costs incurred or to be incurred could be reliably measured.

(2) Revenue from Provided Services

① The results of the provided services could be reliably estimated

If the results of the transaction of the provided services could be reliably estimated on the balance sheet date, the percentage of completion method was used to recognize the revenue from provided services.

The results of the provided services could be reliably estimated only when the following conditions are met at the same time:

- A. The amount of revenue could be reliably measured.
- B. The relevant economic benefits were likely to flow into the Company.
- C. The completion schedule of the transaction could be reliably determined.
- D. The cost incurred or to be incurred during the transaction could be reliably measured.

The Company determined the completion schedule of the service transaction in accordance with the proportion of the incurred costs to the total budgeted costs. When the Company's service had not been completed, on the balance sheet date, the service revenue in the current period was recognized in accordance with the amount of the contract amount multiplied by the completion schedule after deducting the accumulated service revenue from the previous accounting period; at the same time, the service costs incurred in the current period was carried forward. If the service had been completed and had not yet been finally settled, the service revenue in the current period when the service was completed was recognized at the amount after deducting the accumulated revenue from the provided service in the previous accounting period from the contract amount; at the same time, the service costs incurred in the current period was carried forward. The difference between the final settlement amount and the contract amount at the time of final settlement was

adjusted at the final settlement.

- ② The results of the provided services could not be reliably estimated.

If the results of the services provided by the Company could not be reliably estimated on the balance sheet date, the situations were dealt with as follows:

A. If the service cost incurred was anticipated to be compensated, the service revenue was recognized at the amount of service cost incurred, and the service cost was carried forward at the same amount.

B. If the service cost incurred was not anticipated to be compensated, the service cost incurred was included in profit or loss, and no service revenue was recognized.

(3) Revenue from the Transfer of Asset Use Rights

The Company recognized revenue when the economic benefits relevant to the transaction were likely to flow into the Company and the amount of revenue could be reliably measured.

40. Government Grants

(1) Recognition of Government Grants

Government grants were recognized if the following conditions were met simultaneously:

- ① The Company could meet the conditions on government grants;
- ② The Company could receive government grants.

(2) Measurement of Government Grants

Government grants were measured at the amount received or receivable if they were monetary assets. Non-monetary government grants were measured at fair value; if the fair value could not be reliably obtained, they were measured at the nominal amount.

(3) Accounting Processing of Government Grants

- ① Government grants related to assets

The government grants obtained by the Company for acquisition and construction or to form long-term assets in other ways were classified as government grants related to assets. Government grants related to assets were recognized as deferred income, and were included in profit or loss in stages in accordance with a reasonable and systematic method during the useful life of the underlying assets. Government grants measured at nominal amount were directly recognized as profit or loss for the current period. If the underlying assets were sold, transferred, scrapped, or damaged before the end of the useful life, the unallocated balance of the relevant deferred income was transferred to the profit or loss for the period of assets disposal.

- ② Government grants related to income

Government grants other than government grants related to assets were classified as government grants related to income. Government grants related to income were accounted for in accordance with the following regulations based on the situation:

If the grant was used to compensate the Company's related costs or losses in subsequent periods, it was recognized as deferred income, and was included in the profit or loss for the current period during the period when the related costs or losses were recognized;

If the grant was used to compensate the Company's related cost or losses incurred, it was included in the profit or loss for the current period directly.

For government grants containing parts related to assets and parts related to income at the same time, the different parts were accounted for separately; those that were difficult to distinguish were classified as government grants related to income as a whole.

Government grants related to the day-to-day activities of the Company was included in other income in accordance with the substance of economic activities. Government grants not related to the day-to-day activities of the Company was included in non-operating income and expenses.

③ Policy loan interest subsidies

If the fiscal system allocated the funds of interest subsidies to the lending bank, and the lending bank provided loans to the Company at a policy prime interest rate, the actual loan amount received was recognized as the book value of the loan, and the relevant borrowing costs was calculated in accordance with the loan principal and the policy prime interest rate.

If the fiscal system allocated the funds of interest subsidies to the Company directly, the Company reduced the corresponding interest subsidies against relevant borrowing costs.

④ Refund of government grants

When the recognized government grants needed to be refunded, if the carrying value of the relevant asset was reduced at the initial recognition, the carrying value of the asset was adjusted; if there was a relevant deferred income balance, the carrying balance of the relevant deferred income was reduced, and the excess was included in the profit or loss for the current period; in other cases, the refund was included in the profit or loss for the current period directly.

41. Deferred Income Tax Assets/Deferred Income Tax Liabilities

Based on the temporary differences between the carrying value of assets and liabilities on the balance sheet date and the tax basis, the Company generally recognizes and measures deferred income tax liabilities or deferred income tax assets in accordance with the impact of taxable temporary differences or deductible temporary differences on income tax through the balance sheet liability method. The Company did not discount deferred income tax assets and deferred income tax liabilities.

(1) Recognition of Deferred Income Tax Assets

For deductible temporary differences, the impact on income tax was calculated at the income tax rate during the anticipated reverse, and the impact was recognized as deferred income tax assets, but limited by the amount of future taxable income that the Company was likely to obtain to deduct the deductible temporary differences, deductible losses, and tax deductions.

The impact of deductible temporary differences on income tax due to the initial recognition of

assets or liabilities was not recognized as deferred income tax assets in transactions or matters that had the following characteristics at the same time:

① The transaction was not a business combination;

② Neither accounting profits nor taxable income (or deductible losses) were affected when the transaction occurred.

Only when the deductible temporary differences related to investments in subsidiaries, affiliated companies and joint ventures met the following two conditions at the same time, its impact on income tax was recognized as deferred income tax assets:

① It was probable that the temporary difference would reverse in the foreseeable future;

② It was likely to obtain taxable income in the future that could be used to offset against the deductible temporary differences.

On the balance sheet date, if there was conclusive evidence that it was probable that sufficient taxable income would be available to offset against the deductible temporary differences in the future, the deferred income tax assets that had not been recognized in the previous periods were recognized.

On the balance sheet date, the Company reviewed the carrying value of deferred income tax assets. If it was no longer probable that sufficient taxable profits would be available in the future to utilize the benefit of deferred tax assets, the carrying value of deferred income tax assets was written down. Such write-downs was reversed when it became probable that sufficient taxable profits would be available.

(2) Recognition of Deferred Income Tax Liabilities

The impact of all taxable temporary differences on income tax of the Company was measured at the income tax rate during the anticipated reverse, and the impact was recognized as deferred income tax liabilities, except in the following situations:

① The impact of taxable temporary differences arising from the following transactions or items on income tax was not recognized as deferred income tax liabilities:

A. Initial recognition of goodwill;

B. The initial recognition of assets or liabilities arising from a transaction with the following characteristics: the transaction was not a business combination, and it affected neither accounting profits nor taxable income or deductible losses when the transaction occurred.

② For the Company's taxable temporary differences related to investments in subsidiaries, joint ventures and affiliated companies, the amount of its impact on income tax shall be generally recognized as deferred income tax liabilities, except the following two conditions are met at the same time:

A. The Company could control the temporary difference reversal time;

B. It was probable that the temporary difference would not reverse in the foreseeable future.

(3) Recognition of Deferred Income Tax Liabilities or Assets Involved in Special Transactions or Events

① Deferred income tax liabilities or assets involved in business combinations

For the taxable temporary differences or deductible temporary differences arising from business combinations not under common control, adjustments were made to the goodwill recognized in business combinations along with the recognition of deferred income tax liabilities or deferred income tax assets and the related deferred income tax expense (or income).

② Items directly included in owners' equity

The income tax for the current period and deferred income tax relating to the transactions or events directly included in owners' equity were included in owners' equity. The transactions or events included in owners' equity relating to the impact of temporary difference on income tax included: other comprehensive income such as changes in the fair value of other debt investments, adjustments to retained income brought forward through the changes in accounting policies using retrospective application or modification of major accounting error in the previous periods using retrospective restatement and hybrid financial instruments that include liabilities and equity included in owners' equity at initial recognition.

③ Recoverable loss and tax credit

A. Recoverable loss and tax credit arising from the Company's operations

Deductible loss refers to the loss calculated and recognized in accordance with the tax law stipulates that can be compensated by taxable revenue. The undistributed deficit (deductible loss) and tax credit in the following years that could be carried forward in accordance with the tax law stipulates were recognized as deductible temporary differences. When it was probable that sufficient taxable profits would be available for recoverable losses or tax credit in the future, the corresponding deferred income tax assets were recognized to the extent of the expected taxable revenue together with deducting the income tax expense in the profit statement for the current period.

B. The undistributed deficit of the acquiree arising from business combinations that can be compensated

In business combinations, the deductible temporary difference of the acquiree acquired by the Company, which doesn't meet the conditions for recognition of deferred income tax assets, was not recognized. Within 12 months after the date of acquisition, if new or more information was available and suggested that the relevant information of the date of acquisition already existed, and the deductible temporary differences of the acquiree at the date of acquisition was expected to bring economic benefits, the related deferred income tax assets were recognized and goodwill was eliminated. If goodwill was not sufficient for elimination, the shortfall was recognized as the profit or loss for the current period. Excluding the foregoing circumstances, the deferred income tax assets relating to business combinations were recognized and included in the profit or loss for the current period.

④ Temporary difference arising from combination and offsetting

If a temporary difference arose between the carrying value of assets and liabilities in the consolidated balance sheet and their tax bases in the taxable entity to which they belong as a result of offsetting unrealized internal sales profit or loss, the deferred income tax assets or deferred

income tax liabilities were recognized in the consolidated balance sheet, while adjusting the income tax expense in the consolidated profit statement, except for the transactions or events directly included in owners' equity and the deferred income tax relating to business combinations.

⑤ Equity-settled share-based payment

If the expenditure related to share-based payment could be deducted before tax under the tax law stipulates, during the period in which the cost was recognized in accordance with the accounting requirements, the Company calculated and determined the basis of taxation and temporary difference based on the estimated amount that could be deducted before tax according to the information available at the end of the accounting period, and recognized the related deferred income tax if it met the conditions for recognition. Among which the estimated amount that can be deducted before tax in the future exceeded the costs relating to share-based payment recognized in accordance with the accounting requirements, the surplus impact of income tax shall be directly included in owners' equity.

42. Leases

(1) Accounting Treatment Method for Operating Lease

① When acting as a lessee of operating lease, the Company included the rental expenditure of operating lease in profit or loss for the current period based on the straight-line method or in accordance with the consumption of operating lease in all stages during the lease term. If the lessor provided leases with a rent-free period, the Company allocated the total rent in the entire lease term including the rent-free period based on the straight-line method or in accordance with the consumption of operating lease, and recognized the rental expense and the corresponding liabilities in the rent-free period. If the lessor undertook partial expenses of the lessee, the Company allocated the balance of rental expenses within the lease term after deducting the expenses from the total rental expense.

The initial direct cost was included in profit or loss for the current period. If there was any agreement or rent, it was included in profit or loss for the current period when actually incurred.

② When acting as a lessor of operating lease, the Company recognized the rent received as income within the lease term based on the straight-line method. If the lessor provided leases with a rent-free period, the lessor allocated the total rent in the entire lease term including the rent-free period based on the straight-line method or any other reasonable method, and also recognized rental income in the rent-free period. If the lessor undertook partial expenses of the lessee, the Company allocated the balance of rental income within the lease term after deducting the expenses from the total rental income.

The initial direct cost was included in profit or loss for the current period. If it was a large amount, it shall be capitalized and included in stages in profit or loss for the current period within the entire operating lease term on the same basis with the recognition of rental income. If there was any agreement or rent, it was included in profit or loss for the current period when actually incurred.

(2) Accounting Treatment of Finance Lease

① When the Company acted as the lessee of the finance lease, the lower of the fair value of the leased assets and the present value of the minimum lease payment on the lease commencement date was taken as the book value of the leased assets, the minimum lease payment was taken as the book value of the long-term payables, and the difference thereof was taken as the unrecognized financing expense. In each period of the lease term, the effective interest method was adopted to apportion, which was recognized as the current financing expense and included into the finance costs.

The initial direct expenses incurred was included in the value of the leased assets.

The Company adopted a depreciation policy consistent with its own depreciable assets during the accrual of the depreciation of the finance leased assets, and the depreciation period was determined by the lease contract. If fixed asset could be reasonably ascertained that the ownership of the asset leased was obtained by the expiration of the tenancy, the asset would be depreciated over its useful life on the lease commencement date; if not, the asset would be depreciated over the shorter of the tenancy and the useful life of the leased asset.

② When the Company acted as the lesser of the finance lease, the sum of the minimum lease receivable amount and the initial direct expense on the lease commencement date was taken as the receivables of the finance lease amount and recorded in the long-term receivables of the balance sheet, and the unguaranteed residual value was recorded. The difference between the sum of the minimum lease receivable amount, initial direct expense and unguaranteed residual value and the sum of its present value was taken as unrealized financing revenue, which was recognized as lease revenue in each period of the lease term by the effective interest method and included into other business revenue.

43. Other Important Accounting Policies and Accounting Estimates

Repurchase of the Company's shares

(1) If the Company had obtained approval to reduce the capital by acquiring the Company's shares through legal procedures, the share capital was reduced in accordance with the total face value of the shares canceled, and the owners' equity was adjusted in accordance with the difference between the price paid for repurchasing the shares (including transaction costs) and the face value of the shares. For the part exceeding the total face value, capital reserves (share capital premium), surplus reserves, and retained earnings were reduced sequentially. For the part below the total face value, the capital reserves (share capital premium) were increased.

(2) The shares repurchased by the Company had been managed as treasury shares before they were canceled or transferred, and all expenses for repurchasing shares had been transferred to the cost of treasury shares.

(3) When treasury shares had been transferred, the part of the transfer income that was higher than the cost of treasury shares increased capital reserves (share capital premium). The part that was lower than the cost of treasury shares reduced capital reserves (share capital premium), surplus reserves, retained earnings.

44. Changes in Important Accounting Policy and Accounting Estimates

(1) Key Changes to Accounting Policies

√ Applicable □ N/A

Contents of and reasons for the changes to accounting policies	Approval procedure	Remarks
The New Revenue Standards were implemented from January 1, 2020.	Deliberated and approved at the 5th Meeting of the 6th Board of Directors on April 23, 2020	

① The Ministry of Finance issued the Accounting Standard for Business Enterprises No. 14: Revenues (C.K. [2017] No. 22) (hereinafter referred to as "New Revenue Standards") on 5 July 2017. Domestic listed companies were required to implement the New Revenue Standards from 1 January 2020. The Company implemented the New Revenue Standards from 1 January 2020, and adjusted the relevant content of the accounting policy, as detailed in Note III. 28.

Under the requirements of the New Revenue Standards, the amount of retained earnings and other relevant items in the financial statements at the beginning of the first year of implementation (i.e. 1 January 2020) was adjusted in accordance with the cumulative impact of the first implementation of the standard, and the comparable period information was not adjusted. When implementing the New Revenue Standards, the Company only adjusted the cumulative impact of contracts that had not been completed on the first implementation date.

② The Ministry of Finance issued the Interpretation No. 13 of the Accounting Standard for Business Enterprises on 10 December 2019. The Company implemented this interpretation on 1 January 2020, and the previous years were not included retrospectively.

The cumulative impact of the above accounting policies is as follows:

Due to the implementation of the New Revenue Standards, the Company's consolidated financial statements were adjusted accordingly. As at 1 January 2020, accounts receivable were RMB-9,983,775,360.05, contract assets RMB10,177,545,958.11, deferred income tax assets RMB-3,343,794.18, contract liabilities RMB896,828,971.85, advances from customers RMB-790,724,499.17, and other current liabilities RMB45,145,633.54. The relevant adjustments affected the equity of the Company as the parent's shareholders in the Company's consolidated financial statements at RMB36,125,919.30, of which surplus reserves were RMB1,761,383.21, and retained earnings were RMB34,339,607.55. The amount of non-controlling interests affected was RMB3,075,706.90. The financial statements of the Company as the parent were adjusted accordingly. As at 1 January 2020, accounts receivable were RMB-6,521,147,899.75, contract assets RMB6,541,870,055.17, deferred income tax assets RMB-3,108,323.31, contract liabilities RMB299,820,916.43, advances from customers RMB-325,775,470.52 and other current liabilities RMB25,954,554.09. The relevant adjustments affected the equity of the Company as the parent's shareholders in the financial statements at RMB17,613,832.11, of which surplus reserves were RMB1,761,383.21, retained earnings were RMB15,852,448.90.

The above accounting policy changes were deliberated and approved at the 5th Meeting of the 6th Board of Directors on 23 April 2020.

(2) Changes in Significant Accounting Estimates

Applicable Not applicable

(3) Adjustments to Financial Statement Items at the Beginning of the Year (2020) when the New Accounting Standards Governing Revenue and Leases Were First Adopted

Applicable.

Indicate whether any balance sheet item at the beginning of the year requires adjustment.

Yes Not

Consolidated balance sheet:

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment
Current assets:			
Monetary assets	6,077,758,993.30	6,077,758,993.30	
Settlement reserve			
Loans to other banks and financial institutions			
Held-for-trading financial assets	1,694,650,654.74	1,694,650,654.74	
Derivative financial assets			
Notes receivable	4,365,558,567.45	4,365,558,567.45	
Accounts receivable	22,003,095,138.84	12,019,319,778.79	-9,983,775,360.05
Receivables financing	261,530,861.26	261,530,861.26	
Prepayments	287,524,499.91	287,524,499.91	
Premiums receivable			
Reinsurance receivables			
Receivable reinsurance contract reserve			
Other receivables	248,803,300.64	248,803,300.64	
Including: Interest receivable			
Dividends receivable			

Financial assets purchased under resale agreements			
Inventories	101,344,129.28	101,344,129.28	
Contract assets		10,177,545,958.11	10,177,545,958.11
Assets held for sale			
Current portion of non-current assets	31,381,819.35	31,381,819.35	
Other current assets	116,384,039.46	116,384,039.46	
Total current assets	35,188,032,004.23	35,381,802,602.29	193,770,598.06
Non-current assets:			
Loans and advances to customers			
Debt investments			
Other debt investments			
Long-term receivables	1,438,636,412.30	1,438,636,412.30	
Long-term equity investments	22,838,423.66	22,838,423.66	
Investments in other equity instruments			
Other non-current financial assets	444,022,000.00	444,022,000.00	
Investment property	78,250,561.70	78,250,561.70	
Fixed assets	910,175,452.03	910,175,452.03	
Construction in progress	71,905,579.25	71,905,579.25	
Productive living assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets	109,105,821.09	109,105,821.09	
Development costs			
Goodwill	435,818,777.74	435,818,777.74	
Long-term prepaid expense	157,443,245.55	157,443,245.55	
Deferred income tax assets	415,401,109.41	412,057,315.23	-3,343,794.18
Other non-current assets	201,762,268.01	201,762,268.01	

Total non-current assets	4,285,359,650.74	4,282,015,856.56	-3,343,794.18
Total assets	39,473,391,654.97	39,663,818,458.85	190,426,803.88
Current liabilities:			
Short-term borrowings	875,691,128.75	875,691,128.75	
Borrowings from the central bank			
Loans from other banks and financial institutions			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	4,602,520,476.92	4,602,520,476.92	
Accounts payable	13,279,769,499.13	13,279,769,499.13	
Advances from customers	790,724,499.17		-790,724,499.17
Contract liabilities		896,828,971.85	896,828,971.85
Financial assets sold under repurchase agreements			
Customer deposits and deposits from other banks and financial institutions			
Payables for acting trading of securities			
Payables for underwriting of securities			
Employee benefits payable	1,748,073,732.96	1,748,073,732.96	
Taxes and levies payable	256,606,598.88	256,606,598.88	
Other payables	593,947,128.96	593,947,128.96	
Including: Interest payable			
Dividends payable	6,620,000.00	6,620,000.00	
Fees and commissions payable			
Reinsurance payables			

Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities	22,000,000.00	22,000,000.00	
Other current liabilities	1,062,569,828.91	1,107,715,462.45	45,145,633.54
Total current liabilities	23,231,902,893.68	23,383,152,999.90	151,250,106.22
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings	838,561,722.30	838,561,722.30	
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred income tax liabilities	2,931,338.35	2,931,338.35	
Other non-current liabilities			
Total non-current liabilities	841,493,060.65	841,493,060.65	
Total liabilities	24,073,395,954.33	24,224,646,060.55	151,250,106.22
Owners' equity:			
Share capital	2,676,408,689.00	2,676,408,689.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	342,175,389.87	342,175,389.87	
Less: Treasury shares	132,069,000.00	132,069,000.00	

Other comprehensive income	57,504,092.23	57,504,092.23	
Specific reserve			
Surplus reserves	1,358,670,354.99	1,360,431,738.20	1,761,383.21
General reserve			
Retained earnings	10,853,403,316.80	10,887,742,924.35	34,339,607.55
Total equity attributable to owners of the Company as the parent	15,156,092,842.89	15,192,193,833.65	36,100,990.76
Non-controlling interests	243,902,857.75	246,978,564.65	3,075,706.90
Total owners' equity	15,399,995,700.64	15,439,172,398.30	39,176,697.66
Total liabilities and owners' equity	39,473,391,654.97	39,663,818,458.85	190,426,803.88

Notes to the adjustments:

Balance sheet of the Company as the parent:

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment
Current assets:			
Monetary assets	3,236,414,236.21	3,236,414,236.21	
Held-for-trading financial assets	1,177,233,688.22	1,177,233,688.22	
Derivative financial assets			
Notes receivable	2,720,966,717.92	2,720,966,717.92	
Accounts receivable	15,070,584,579.15	8,549,436,679.40	-6,521,147,899.75
Receivables financing	227,611,894.42	227,611,894.42	
Prepayments	67,179,176.34	67,179,176.34	
Other receivables	369,029,544.53	369,029,544.53	
Including: Interest receivable			
Dividends receivable	40,000,000.00	40,000,000.00	
Inventories	2,108,652.15	2,108,652.15	
Contract assets		6,541,870,055.17	6,541,870,055.17
Assets held for sale			

Current portion of non-current assets			
Other current assets	141,935.84	141,935.84	
Total current assets	22,871,270,424.78	22,891,992,580.20	20,722,155.42
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	2,450,189,252.52	2,450,189,252.52	
Investments in other equity instruments			
Other non-current financial assets	444,022,000.00	444,022,000.00	
Investment property	92,392,476.23	92,392,476.23	
Fixed assets	725,719,586.11	725,719,586.11	
Construction in progress	50,987,676.95	50,987,676.95	
Productive living assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets	31,263,899.40	1,263,899.40	
Development costs			
Goodwill			
Long-term prepaid expense	36,115,310.40	36,115,310.40	
Deferred income tax assets	269,961,767.22	266,853,443.91	-3,108,323.31
Other non-current assets	90,447,503.15	90,447,503.15	
Total non-current assets	4,191,099,471.98	4,187,991,148.67	-3,108,323.31
Total assets	27,062,369,896.76	27,079,983,728.87	17,613,832.11
Current liabilities:			
Short-term borrowings	454,870,134.35	454,870,134.35	
Held-for-trading financial liabilities			
Derivative financial liabilities			

Notes payable	2,524,818,850.29	2,524,818,850.29	
Accounts payable	8,227,541,063.77	8,227,541,063.77	
Advances from customers	325,775,470.52		-325,775,470.52
Contract liabilities		299,820,916.43	299,820,916.43
Employee benefits payable	1,377,238,718.10	1,377,238,718.10	
Taxes and levies payable	94,928,342.32	94,928,342.32	
Other payables	489,198,564.99	489,198,564.99	
Including: Interest payable			
Dividends payable	6,620,000.00	6,620,000.00	
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities			
Other current liabilities	810,122,476.37	836,077,030.46	25,954,554.09
Total current liabilities	14,304,493,620.71	14,304,493,620.71	
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred income tax liabilities	185,053.23	185,053.23	
Other non-current			

liabilities			
Total non-current liabilities	185,053.23	185,053.23	
Total liabilities	14,304,678,673.94	14,304,678,673.94	
Owners' equity:			
Share capital	2,676,408,689.00	2,676,408,689.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	437,549,701.78	437,549,701.78	
Less: Treasury shares	132,069,000.00	132,069,000.00	
Other comprehensive income			
Specific reserve			
Surplus reserves	1,358,670,354.99	1,360,431,738.20	1,761,383.21
Retained earnings	8,417,131,477.05	8,432,983,925.95	15,852,448.90
Total owners' equity	12,757,691,222.82	12,775,305,054.93	17,613,832.11
Total liabilities and owners' equity	27,062,369,896.76	27,079,983,728.87	17,613,832.11

Notes to the adjustments:

(4) Retrospective Adjustments to Comparative Data of the Prior Period due to the First Adoption of the New Accounting Standards Governing Revenue and Leases since 2020

Applicable Not applicable

45. Other Information

VI Taxation

1. Principal Taxes and Tax Rates

Tax	Tax base	Tax rate
Value added tax (VAT)	Taxable revenue	13%, 9%, 6%, and 3%
Urban maintenance and construction tax	Circulation tax	7%
Corporate income tax	Taxable income	25%, 15%, and 20%
Education surcharges	Circulation tax	5%

Taxpayers with different corporate income tax rates are as follows:

Taxpayer	Income tax rate
HBA	21.00%, 8.84%, 6.00%, 5.50% , and 19.00%
Gold Mantis (Vietnam)	20.00%
Gold Mantis International	16.50%
Russia Gold Mantis	15.50%
Gold Mantis (HK)	16.50%
Gold Mantis (Cambodia)	20.00%
Gold Mantis International Development	10.00%
Gold Mantis (Lanka)	28.00%
GMI Construction	30.00%
Gold Mantis (CNMI)	21.00%
M+	10.00%

2. Tax Preferences

1. Tax Preferences

(1) Income tax

On 2 December 2020, the Company was recognized as a high-tech enterprise by the Jiangsu Provincial Department of Science and Technology, the Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service of State Taxation Administration. From 2020 to 2022, the Company revenue tax shall be levied at a reduced rate of 15%.

On 2 December 2020, Gold Mantis Curtain Wall, a wholly-owned subsidiary of the Company, was recognized as a high-tech enterprise by the Jiangsu Provincial Department of Science and Technology, the Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service of State Taxation Administration. From 2020 to 2022, the revenue tax of Gold Mantis Curtain Wall shall be levied at a reduced rate of 15%.

On 2 December 2020, Meiruide, a wholly-owned subsidiary of the Company, was recognized as a high-tech enterprise by the Jiangsu Provincial Department of Science and Technology, the Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service of State Taxation Administration. From 2020 to 2022, the revenue tax of Meiruide shall be levied at a reduced rate of 15%.

On 2 December 2020, Refined Decoration & Technology, a subsidiary of Gold Mantis Prefabricated Construction Technology, which is a holding subsidiary of the Company, was recognized as a high-tech enterprise by the Jiangsu Provincial Department of Science and Technology, the Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service of State Taxation Administration. From 2020 to 2022, the revenue tax of Refined Decoration & Technology shall be levied at a reduced rate of 15%.

On 6 December 2019, Gold Mantis Landscape, a wholly-owned subsidiary of the Company, was recognized as a high-tech enterprise by the Jiangsu Provincial Department of Science and Technology, the Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service of State Taxation Administration. From 2019 to 2021, the revenue tax of Gold Mantis Landscape shall be levied at a reduced rate of 15%.

In accordance with the Notice on Implementing Inclusive Tax Credit Policies for Small and Micro Enterprises (C.SH. [2019] No. 13) from the Ministry of Finance and the State Taxation Administration, from 1 January 2019 to 31 December 2021, the annual taxable revenue of small low-profit enterprises with a value of less than RMB1 million (including RMB1 million) shall be included in the taxable revenue at a reduced rate of 25%, and the corporate revenue tax shall be levied at the tax rate of 20%. The part that the annual taxable revenue exceeds RMB1 million but not more than RMB3 million shall be included in the taxable revenue at a reduced rate of 50%, and the corporate revenue tax shall be levied at the tax rate of 20%. Suzhou Meiruide Construction Decoration Co., Ltd., a subsidiary of Meiruide, belonged to a small low-profit enterprise this year and enjoyed this preferential tax policy.

(2) Value-added tax

In accordance with the Notice on Policies Relevant to Deepening VAT Reform (Notice No. 39 of 2019 of the Ministry of Finance, the State Taxation Administration, and the General Administration of Customs) and the Notice on Items Relevant to Deepening VAT Reform (Notice No. 14 of 2019 of the State Taxation Administration), from 1 April 2019 to 31 December 2021, taxpayers of the production and living services industry shall be allowed to add 10% of the current deductible input tax to deduct the tax amount payable. The eligible subsidiaries of the Company, including Jinpu No. 9, Xi'an Jinchuang, Archi-Feeling Design, Home Decoration E-commerce, enjoyed the additional deduction policy of input tax.

3. Others

Other taxes were calculated and paid in accordance with relevant national and local regulations.

VII Notes to the Consolidated Financial Statements

1. Monetary Assets

Unit: RMB

Item	Closing balance	Opening balance
Cash on hand	1,518,895.79	2,317,047.77
Bank deposits	5,271,477,855.63	5,097,879,607.91
Other monetary assets	1,099,635,094.30	977,562,337.62

Total	6,372,631,845.72	6,077,758,993.30
Including: Total amount deposited overseas	545,795,284.34	480,397,106.87
Total amount of which the use is restricted with respect to collateral, pledge, being frozen, etc.	16,564,171.89	25,511,610.47

Other notes:

Of the closing balance of bank deposits, term deposits amounted to RMB316,061,411.05, and the total frozen amount with respect to lawsuits stood at RMB16,564,171.89. Of the closing balance of other monetary assets, security deposits for bank acceptance notes amounted to RMB965,388,644.75, security deposits for bank guarantees amounted to RMB126,167,670.25, and security deposits for salaries of peasant-workers amounted to RMB6,820,776.65. Other than the aforesaid, the closing balance of monetary assets contained no amounts of which the use was restricted with respect to collateral, pledge, being frozen, etc. and which were exposed to a potential default risk.

2. Held-for-trading Financial Assets

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	2,172,086,741.05	1,694,650,654.74
Including:		
Investments in debt instruments	2,172,086,741.05	1,694,650,654.74
Including:		
Total	2,172,086,741.05	1,694,650,654.74

Other notes:

3. Derivative Financial Assets

Unit: RMB

Item	Closing balance	Opening balance
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Other notes:

4. Notes Receivable

(1) Notes Receivable by Type

Unit: RMB

Item	Closing balance	Opening balance
Trade acceptance notes	8,834,516,728.65	4,365,558,567.45
Total	8,834,516,728.65	4,365,558,567.45

Unit: RMB

Type	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	Percentage	Amount	Allowance percentage		Amount	Percentage	Amount	Allowance percentage	
Including:										
Notes receivable for which the allowances for doubtful accounts are established on the grouping basis	9,014,812,988.42	100.00%	180,296,259.77	2.00%	8,834,516,728.65	4,409,655,118.63	100.00%	44,096,551.18	1.00%	4,365,558,567.45
Including:										
Trade acceptance notes	9,014,812,988.42	100.00%	180,296,259.77	2.00%	8,834,516,728.65	4,409,655,118.63	100.00%	44,096,551.18	1.00%	4,365,558,567.45
Total	9,014,812,988.42	100.00%	180,296,259.77	2.00%	8,834,516,728.65	4,409,655,118.63	100.00%	44,096,551.18	1.00%	4,365,558,567.45

Allowances for doubtful accounts established on the individual basis:

Unit: RMB

Entity	Closing balance			
	Gross amount	Allowance for doubtful account	Allowance percentage	Reason for allowance

Allowances for doubtful accounts established on the grouping basis: RMB180,296,259.77

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance percentage
Trade acceptance notes	9,014,812,988.42	180,296,259.77	2.00%
Total	9,014,812,988.42	180,296,259.77	--

Grouping basis:

Allowances for doubtful accounts established on the grouping basis:

Unit: RMB

Item	Closing balance

	Gross amount	Allowance for doubtful account	Allowance percentage
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Grouping basis:

Where allowances for doubtful notes receivable are established using the general model of expected credit loss, please disclose allowance information as other receivables.

Applicable Not applicable

(2) Allowances for Doubtful Accounts Established or Reversed in the Current Period

Allowances for doubtful accounts in the current period:

Unit: RMB

Type	Opening balance	Change in the current period				Closing balance
		Established	Reversed	Written off	Others	
Allowances for doubtful trade acceptance notes	44,096,551.18	136,199,708.59				180,296,259.77
Total	44,096,551.18	136,199,708.59				180,296,259.77

Significant reversed allowances for doubtful accounts in the current period:

Applicable Not applicable

(3) Notes Receivable in Pledge at the Period-End

Unit: RMB

Item	Closing amount in pledge
Trade acceptance notes	1,300,000.00
Total	1,300,000.00

(4) Notes Receivable that Were Endorsed or Discounted but Undue on the Balance Sheet Date at the Period-End

Unit: RMB

Item	Closing derecognized amount	Closing un-derecognized amount
Trade acceptance notes		1,901,286,639.74
Total		1,901,286,639.74

(5) Notes Receivable Transferred to Accounts Receivable due to Default of the Notes Issuer at the Period-End

Unit: RMB

Item	Closing amount transferred to accounts receivable
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Other notes:

There were no notes receivable that were transferred to accounts receivable due to default of the notes issuer at the period-end.

(6) Notes Receivable Written Off in the Current Period

Unit: RMB

Item	Amount written off
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Significant notes receivable written off:

Unit: RMB

Item	Nature of note receivable	Amount written off	Reason for write-off	Write-off procedure executed	Arising from a related-party transaction or not
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Notes:

No notes receivable were written off in the current period.

5. Accounts Receivable

(1) Accounts Receivable by Type

Unit: RMB

Type	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	Percentage	Amount	Allowance percentage		Amount	Percentage	Amount	Allowance percentage	
Accounts receivable for which the allowances for doubtful accounts are established on the individual basis	262,941,258.37	1.70%	232,409,201.69	88.39%	30,532,056.68	199,710,854.38	1.45%	168,875,917.79	84.56%	30,834,936.59
Including:										
Accounts receivable for which the allowances for doubtful accounts are established on the	15,207,667,497.55	98.30%	1,720,409,597.66	11.31%	13,487,257,899.89	13,526,505,454.79	98.55%	1,538,020,612.59	11.37%	11,988,484,842.20

grouping basis										
Including:										
Group of non-related parties	15,207,667,497.55	98.30%	1,720,409,597.66	11.31%	13,487,257,899.89	13,526,505,454.79	98.55%	1,538,020,612.59	11.37%	11,988,484,842.20
Total	15,470,608,755.92	100.00%	1,952,818,799.35	12.62%	13,517,789,956.57	13,726,216,309.17	100.00%	1,706,896,530.38	12.44%	12,019,319,778.79

Allowances for doubtful accounts established on the individual basis : RMB232,409,201.69

Unit: RMB

Entity	Closing balance			
	Gross amount	Allowance for doubtful account	Allowance percentage	Reason for allowance
Hefei Zhongzhu Real Estate Development Co., Ltd.	29,487,442.03	14,743,721.02	50.00%	Based on expected loss
Kangde Composites Co., Ltd.	24,448,081.36	24,448,081.36	100.00%	Expectedly irrecoverable
Funing Senso International Shopping Center Co., Ltd.	22,818,582.00	22,818,582.00	100.00%	Expectedly irrecoverable
Chongqing Forebase Industrial Investment (Holdings) Co., Ltd.	21,846,558.74	21,846,558.74	100.00%	Expectedly irrecoverable
Xiamen Shiqiao Investment Management Co., Ltd.	21,063,774.00	16,851,019.20	80.00%	Based on expected loss
Anshan Ganglong Guoxin Real Estate Co., Ltd.	19,704,000.00	19,704,000.00	100.00%	Expectedly irrecoverable
Jiangsu Shenghe Tourism Development Co., Ltd.	15,988,000.49	15,988,000.49	100.00%	Expectedly irrecoverable
Yangzhou Sifang Property Development Co., Ltd.	15,923,742.05	15,923,742.05	100.00%	Expectedly irrecoverable
Chenzhou Jinhuang Hotel Management Co., Ltd.	15,778,879.42	15,778,879.42	100.00%	Expectedly irrecoverable
Jiangsu Longzhijie Steel Trading Co., Ltd.	13,471,335.56	13,471,335.56	100.00%	Expectedly irrecoverable
Zhejiang Global Real Estate Group Co., Ltd.	11,961,944.74	5,980,972.37	50.00%	Based on expected loss
HuaiBei Gocoo Commercial Operation and Management Co., Ltd.	11,189,217.00	5,594,608.50	50.00%	Based on expected loss
Jiangsu Zhonghao Holding Group Co., Ltd.	10,580,950.57	10,580,950.57	100.00%	Expectedly irrecoverable

Beijing Hanergy PV Investment Co., Ltd.	10,286,740.59	10,286,740.59	100.00%	Expectedly irrecoverable
Zhengzhou Hemei Women and Children's Hospital Co., Ltd.	7,595,550.00	7,595,550.00	100.00%	Expectedly irrecoverable
Qingdao Panlong Real Estate Development Co., Ltd.	4,801,527.83	4,801,527.83	100.00%	Expectedly irrecoverable
Shanxi Hengshi Pingyang Real Estate Development Co., Ltd.	3,733,597.38	3,733,597.38	100.00%	Expectedly irrecoverable
Jiujiang Deheng Properties Co., Ltd.	1,464,468.43	1,464,468.43	100.00%	Expectedly irrecoverable
SKAI Zaya Real Estate Development LLC.	796,866.18	796,866.18	100.00%	Expectedly irrecoverable
Total	262,941,258.37	232,409,201.69	--	--

Allowances for doubtful accounts established on the individual basis:

Unit: RMB

Item	Closing balance			
	Gross amount	Allowance for doubtful account	Allowance percentage	Reason for allowance

Allowances for doubtful accounts established on the grouping basis: RMB1,720,409,597.66

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance percentage
Within 1 year	11,786,063,738.24	589,303,186.91	5.00%
1-2 years	1,733,111,912.59	173,311,191.26	10.00%
2-3 years	621,160,040.95	186,348,012.28	30.00%
3-4 years	502,624,954.35	251,312,477.18	50.00%
4-5 years	222,860,606.95	178,288,485.56	80.00%
Over 5 years	341,846,244.47	341,846,244.47	100.00%
Total	15,207,667,497.55	1,720,409,597.66	--

Grouping basis:

Allowances for doubtful accounts established on the grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance percentage

Grouping basis:

Where allowances for doubtful accounts receivable are established using the general model of expected credit loss, please disclose allowance information as other receivables.

Applicable Not applicable

By aging:

Unit: RMB

Aging	Gross amount
Within 1 year (inclusive)	11,848,098,110.23
1-2 years	1,759,680,863.65
2-3 years	666,426,362.40
Over 3 years	1,196,403,419.64
3-4 years	557,497,231.83
4-5 years	239,581,215.14
Over 5 years	399,324,972.67
Total	15,470,608,755.92

The Company is subject to the Guide No. 6 of the Shenzhen Stock Exchange on Industry-Specific Information Disclosure—Listed Companies Engaged in Construction Decoration.

(2) Allowances for Doubtful Accounts Established or Reversed in the Current Period

Allowances for doubtful accounts in the current period:

Unit: RMB

Type	Opening balance	Change in the current period				Closing balance
		Established	Reversed	Written off	Others	
Allowances for doubtful accounts established on the individual basis	168,875,917.79	91,716,982.35		28,183,698.45		232,409,201.69
Allowances for doubtful accounts established on the grouping basis	1,538,020,612.59	219,347,809.25		25,170,935.36	11,787,888.82	1,720,409,597.66
Total	1,706,896,530.38	311,064,791.60		53,354,633.81	11,787,888.82	1,952,818,799.35

Significant reversed allowances for doubtful accounts in the current period:

Unit: RMB

Entity	Amount reversed	Way of recovery

Other decreases referred to allowances for doubtful accounts decreased due to the disposal of certain “Gold Mantis Home” subsidiaries in 2020.

(3) Accounts Receivable Written Off in the Current Period

Unit: RMB

Item	Amount written off
Accounts receivable written off	53,354,633.81

Significant accounts receivable written off:

Unit: RMB

Entity	Nature of account receivable	Amount written off	Reason for write-off	Write-off procedure executed	Arising from a related-party transaction or not
Suzhou Senso Tiandi Commerce Development Co., Ltd.	Engineering payment	11,195,518.00	Irrecoverable	Approval procedure for write-offs	Not
Zhejiang Zhongqing Real Estate Co., Ltd.	Engineering payment	9,968,372.45	Irrecoverable	Approval procedure for write-offs	Not
Suzhou Wujiang Senso International Shopping Center Co., Ltd.	Engineering payment	8,475,000.00	Irrecoverable	Approval procedure for write-offs	Not
Liaoning Bihu Hot Spring Club Management Co., Ltd.	Engineering payment	7,047,393.00	Irrecoverable	Approval procedure for write-offs	Not
Heze Dayuan Real Estate Co., Ltd.	Engineering payment	7,019,808.00	Irrecoverable	Approval procedure for write-offs	Not
Suzhou Jiahe Commercial Building Co., Ltd.	Engineering payment	5,474,705.06	Irrecoverable	Approval procedure for write-offs	Not
Jiangsu Hongda Construction Group Co., Ltd.	Engineering payment	2,173,837.30	Irrecoverable	Approval procedure for write-offs	Not
Foshan International Furniture EXPO MALL	Engineering payment	2,000,000.00	Irrecoverable	Approval procedure for write-offs	Not
Total	--	53,354,633.81	--	--	--

Notes:

(4) Top Five Entities with Respect to Accounts Receivable

Unit: RMB

Entity	Closing balance of accounts receivable	As a % of the closing balance of total accounts receivable	Closing balance of allowances for doubtful accounts
Entity 1	638,201,902.75	4.13%	31,910,095.14
Entity 2	141,511,109.64	0.91%	7,075,555.48
Entity 3	135,741,214.70	0.88%	6,787,060.74
Entity 4	120,928,130.57	0.78%	6,046,406.53

Entity 5	119,712,118.87	0.77%	5,985,605.94
Total	1,156,094,476.53	7.47%	

(5) Accounts Receivable Derecognized due to Transfer of Financial Assets

Way of transfer of financial assets	Amount of accounts receivable derecognized	Gain or loss on derecognition
Factoring of accounts receivable	911,009,097.11	-40,604,761.02

In 2020, the Company transferred, without recourse, accounts receivable of RMB911,009,097.11 to financial institutions, and the relevant loss stood at RMB40,604,761.02.

(6) Assets and Liabilities Arising from Continuing to Involve in Accounts Receivable upon Transfer

No such assets and liabilities as at the period-end.

Other information:

6. Receivables Financing

Unit: RMB

Item	Closing balance	Opening balance
Notes receivable	275,822,920.18	261,530,861.26
Total	275,822,920.18	261,530,861.26

Changes in receivables financing and in their fair value in the current period:

Applicable Not applicable

Where allowances for doubtful receivables financing are established using the general model of expected credit loss, please disclose allowance information as other receivables:

Applicable Not applicable

Other information:

(1) Receivables Financing in Pledge as at the Period-End

Item	Amount in pledge
Bank acceptance notes	82,472,805.60

(2) Receivables Financing that Were Endorsed or Discounted but Undue on the Balance Sheet Date at the Period-End

Item	Derecognized amount	Un-derecognized amount
Bank acceptance notes	1,907,020,650.41	—

(3) Notes receivable in receivables financing were all bank acceptance notes as at the period-end. The Company did not establish asset impairment allowances for it believed that these bank acceptance notes were exposed to insignificant credit risk and that no significant losses would be incurred due to default by banks or other note issuers.

7. Prepayments

(1) Prepayments by Aging

Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	Percentage	Amount	Percentage
Within 1 year	155,846,211.23	84.41%	262,220,438.54	91.20%
1-2 years	15,553,717.74	8.43%	14,773,110.88	5.14%
2-3 years	7,092,626.76	3.84%	5,475,742.57	1.90%
Over 3 years	6,129,682.01	3.32%	5,055,207.92	1.76%
Total	184,622,237.74	--	287,524,499.91	--

Reason for not being able to settle with respect to prepayments over 1 year with a substantial amount:

No such prepayments at the period-end.

(2) Top Five Entities with Respect to Prepayments

Entity	Balance as at 31 December 2020	As a % of the total balance of prepayments
Entity 1	20,022,817.22	10.85
Entity 2	17,538,021.75	9.50
Entity 3	8,077,292.84	4.37
Entity 4	6,769,907.03	3.67
Entity 5	4,300,581.42	2.33
Total	56,708,620.26	30.72

Other information:

Prepayments as at 31 December 2020 declined 35.79% compared to 1 January 2020, primarily driven by a decrease in prepayments for raw materials as a result of the exclusion of “Gold Mantis Home” subsidiaries in the current period.

8. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	238,574,992.82	248,803,300.64
Total	238,574,992.82	248,803,300.64

(1) Interest Receivable**1) Interest Receivable by Type**

Unit: RMB

Item	Closing balance	Opening balance
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2) Substantial Interest Overdue

Unit: RMB

Borrower	Closing balance	Overdue time	Reason	Any impairment and basis for impairment judgment
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Other information:

3) Allowances for Doubtful Interest Receivable Applicable Not applicable**(2) Dividends Receivable****1) Dividends Receivable by Type**

Unit: RMB

Item (or investee)	Closing balance	Opening balance
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2) Substantial Dividends Receivable Over 1 Year

Unit: RMB

Item (or investee)	Closing balance	Aging	Reason for being outstanding	Any impairment and basis for impairment judgment
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3) Allowances for Doubtful Dividends Receivable Applicable Not applicable

Other information:

(3) Other Receivables**1) Other Receivables by Nature**

Unit: RMB

Nature of other receivable	Closing balance	Opening balance
Security deposits	309,634,210.20	319,288,570.11
Imprest funds	10,420,087.26	10,911,086.13
Others	9,600,557.79	8,696,157.42
Total	329,654,855.25	338,895,813.66

2) Allowances for Doubtful Other Receivables

Unit: RMB

Allowances	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at 1 January 2020	90,092,513.02			90,092,513.02
Balance as at 1 January 2020 in the current period	—	—	—	—
Established in the current period	3,601,882.53			3,601,882.53
Written off in the current period	1,158,746.09			1,158,746.09
Other changes	1,455,787.03			1,455,787.03
Balance as at 31 December 2020	91,079,862.43			91,079,862.43

Balances with significant changes in loss allowances in the current period:

 Applicable Not applicable

By aging:

Unit: RMB

Aging	Closing balance
Within 1 year (inclusive)	172,878,476.62
1-2 years	63,966,332.11
2-3 years	21,464,374.24
Over 3 years	71,345,672.28
3-4 years	13,855,523.62
4-5 years	6,061,230.62
Over 5 years	51,428,918.04

Total	329,654,855.25
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3) Allowances for Doubtful Other Receivables Established or Reversed in the Current Period

Allowances for doubtful other receivables in the current period:

Unit: RMB

Type	Opening balance	Change in the current period				Closing balance
		Established	Reversed	Written off	Others	
Established on the individual basis	6,250,000.00	2,827,031.97				9,077,031.97
Established on the grouping basis	83,842,513.02	774,850.56		1,158,746.09	1,455,787.03	82,002,830.46
Total	90,092,513.02	3,601,882.53		1,158,746.09	1,455,787.03	91,079,862.43

Other decreases in such allowances were driven by the disposal of certain “Gold Mantis Home” subsidiaries in 2020.

Significant reversed allowances in the current period:

Unit: RMB

Entity	Amount reversed	Way of recovery

4) Other Receivables Written off in the Current Period

Unit: RMB

Item	Amount written off
Other receivables written off	1,158,746.09

Significant other receivables written off:

Unit: RMB

Entity	Nature of other receivable	Amount written off	Reason for write-off	Write-off procedure executed	Arising from a related-party transaction or not
Heze Baina Construction Decoration Engineering Co., Ltd.	Security deposit	1,008,746.09	Expectedly irrecoverable	Approval procedure for write-offs	Not
Total	--	1,008,746.09	--	--	--

Notes:

5) Top Five Entities with Respect to Other Receivables

Unit: RMB

Entity	Nature of other receivable	Closing balance	Aging	As a % of the closing balance of total other receivables	Closing balance of allowances for doubtful other receivables
Entity 1	Security deposit for engineering project	46,984,676.77	Over 4 years	14.25%	43,234,676.77
Entity 2	Security deposit for execution	10,573,100.00	0-2 years	3.21%	1,050,859.43
Entity 3	Security deposit for construction	9,291,641.95	1-2 years	2.82%	929,164.20
Entity 4	Security deposit for construction	5,654,063.93	Within 1 year	1.71%	2,827,031.97
Entity 5	Security deposits for bidding and construction drawings	5,100,000.00	Within 1 year	1.55%	255,000.00
Total	--	77,603,482.65	--	23.54%	48,296,732.37

6) Other Receivables Associated with Government Grants

Unit: RMB

Entity	Title of government grant	Closing balance	Closing aging	Expected time of receipt and amount to be received, as well as judgment basis

No such other receivables as at the period-end.

7) Other Receivables Derecognized due to Transfer of Financial Assets

No such other receivables as at the period-end.

8) Assets and Liabilities Arising from Continuing to Involve in Other Receivables upon Transfer

No such assets or liabilities as at the period-end.

Other information:

9. Inventories

Is the Company subject to the disclosure requirements for the real estate industry?

No.

(1) Inventories by Type

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Inventory valuation allowances or impairment allowances for contract performance costs	Carrying amount	Gross amount	Inventory valuation allowances or impairment allowances for contract performance costs	Carrying amount
Raw materials	21,949,126.04		21,949,126.04	31,873,821.55		31,873,821.55
Work-in-progress	2,866,264.15		2,866,264.15	4,060,401.32		4,060,401.32
Finished goods	12,242,103.39	591,588.71	11,650,514.68	46,733,581.91	221,541.68	46,512,040.23
Turnover materials	465,048.33		465,048.33	2,232,904.75		2,232,904.75
Consumptive living assets	16,910,928.84		16,910,928.84	16,664,961.43		16,664,961.43
Total	54,433,470.75	591,588.71	53,841,882.04	101,565,670.96	221,541.68	101,344,129.28

(2) Inventory Valuation Allowances and Impairment Allowances for Contract Performance Costs

Unit: RMB

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Established	Others	Reversed or written off	Others	
Finished goods	221,541.68	370,047.03				591,588.71
Total	221,541.68	370,047.03				591,588.71

Inventories declined 46.87% as at 31 December 2020 compared to 1 January 2020, primarily driven by a decrease in finished goods as a result of the disposal of “Gold Mantis Home” subsidiaries.

(3) Capitalized Borrowing Costs in the Closing Balance of Inventories**(4) Amortization of Contract Performance Costs in the Current Period****10. Contract Assets**

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowances	Carrying amount	Gross amount	Impairment allowances	Carrying amount
Completed but unsettled assets	6,783,629,836.10	340,338,591.79	6,443,291,244.31	9,082,105,628.49	454,105,281.41	8,628,000,347.08
Undue quality assurance deposits	2,462,490,569.90	128,878,589.96	2,333,611,979.94	1,631,100,643.17	81,555,032.14	1,549,545,611.03
Total	9,246,120,406.00	469,217,181.75	8,776,903,224.25	10,713,206,271.66	535,660,313.55	10,177,545,958.11

Significant changes in the carrying amounts of contract assets in the current period and reasons:

Unit: RMB

Item	Amount of change	Reason for change

Where impairment allowances for contract assets are established using the general model of expected credit loss, please disclose allowance information as other receivables:

Applicable Not applicable

Impairment allowances for contract assets in the current period:

Unit: RMB

Item	Established in the current period	Reversed in the current period	Written off/charged off in the current period	Reason
Impairment allowances	-66,443,131.80			
Total	-66,443,131.80			--

Other information:

11. Assets Held for Sale

Unit: RMB

Item	Closing gross amount	Impairment allowances	Closing carrying amount	Fair value	Expected disposal cost	Expected disposal time

Other information:

12. Current Portion of Non-Current Assets

Unit: RMB

Item	Closing balance	Opening balance
Current portion of long-term receivables	90,289,257.26	31,698,807.42
Less: allowances for doubtful long-term receivables	-902,892.57	-316,988.07
Total	89,386,364.69	31,381,819.35

Substantial debt investments/other debt investments:

Unit: RMB

Debt investment	Closing balance				Opening balance			
	Nominal value	Nominal interest rate	Effective interest rate	Maturity	Nominal value	Nominal interest rate	Effective interest rate	Maturity

Other information:

Current portion of non-current assets rose 184.83% as at 31 December 2020 compared to 1 January 2020, primarily driven by a significant amount of engineering payment receivable by subsidiary Shuicheng Ruitong being reclassified to the current portion of non-current assets.

13. Other Current Assets

Unit: RMB

Item	Closing balance	Opening balance
Taxes to be deducted	113,007,717.52	116,384,039.46
Total	113,007,717.52	116,384,039.46

Other information:

14. Debt Investments

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowances	Carrying amount	Gross amount	Impairment allowances	Carrying amount

Substantial debt investments:

Unit: RMB

Debt investment	Closing balance				Opening balance			
	Nominal value	Nominal interest rate	Effective interest rate	Maturity	Nominal value	Nominal interest rate	Effective interest rate	Maturity

Impairment allowances:

Unit: RMB

Impairment allowances	Stage 1	Stage 2	Stage 3	Total
	12-month expected	Lifetime expected credit	Lifetime expected credit	

	credit loss	loss (without credit impairment)	loss (with credit impairment)	
Balance as at 1 January 2020 in the current period	—	—	—	—

Balances with significant changes in loss allowances in the current period:

Applicable Not applicable

Other information:

15. Other Debt Investments

Unit: RMB

Item	Opening balance	Accrued interest	Changes in fair value in the current period	Closing balance	Cost	Cumulative changes in fair value	Cumulative loss allowances recognized in other comprehensive income	Remark

Substantial other debt investments:

Unit: RMB

Other debt investment	Closing balance				Opening balance			
	Nominal value	Nominal interest rate	Effective interest rate	Maturity	Nominal value	Nominal interest rate	Effective interest rate	Maturity

Impairment allowances:

Unit: RMB

Impairment allowances	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at 1 January 2020 in the current period	—	—	—	—

Balances with significant changes in loss allowances in the current period:

Applicable Not applicable

Other information:

16. Long-term Receivables

(1) Particulars about Long-term Receivables

Unit: RMB

Item	Closing balance			Opening balance			Range of discount rates
	Gross amount	Allowances for doubtful long-term receivables	Carrying amount	Gross amount	Allowances for doubtful long-term receivables	Carrying amount	
Engineering payments by installment	1,543,455,556.41	15,434,555.57	1,528,021,000.84	1,453,168,093.23	14,531,680.93	1,438,636,412.30	
Total	1,543,455,556.41	15,434,555.57	1,528,021,000.84	1,453,168,093.23	14,531,680.93	1,438,636,412.30	--

Allowances for doubtful long-term receivables:

Unit: RMB

Allowances for doubtful long-term receivables	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at 1 January 2020	14,531,680.93			14,531,680.93
Balance as at 1 January 2020 in the current period	—	—	—	—
Established in the current period	902,874.64			902,874.64
Balance as at 31 December 2020	15,434,555.57			15,434,555.57

Balances with significant changes in loss allowances in the current period:

 Applicable Not applicable

(2) Long-term Receivables Derecognized due to Transfer of Financial Assets

No such long-term receivables as at the period-end.

(3) Assets and Liabilities Arising from Continuing to Involve in Long-term Receivables upon Transfer

No such assets or liabilities as at the period-end.

Other information:

Top five entities with respect to long-term receivables as at the period-end:

Entity	Balance as at 31 December 2020	As a % of the balance of total long-term receivables	Balance of allowances for doubtful long-term receivables
Entity 1	886,888,566.70	57.46	8,868,885.67
Entity 2	279,622,082.77	18.12	2,796,220.83
Entity 3	149,661,726.24	9.70	1,496,617.26
Entity 4	137,170,209.87	8.89	1,371,702.10
Entity 5	51,143,400.15	3.31	511,434.00
Total	1,504,485,985.73	97.48	15,044,859.86

17. Long-term Equity Investments

Unit: RMB

Investee	Opening balance (carrying amount)	Change in the current period								Closing balance (carrying amount)	Closing balance of impairment allowance
		Additional investment	Reduced investment	Return on investment recognized using the equity method	Adjustment to other comprehensive income	Other equity changes	Declared cash dividends or profit	Impairment allowance	Others		
1. Joint ventures											
2. Associates											
Macao Gold Mantis Construction Decoration Co., Limited											
Delos Residential	6,366,934.25			-6,141,810.19						225,124.06	

Solutions (HK) Limited											
Zhejiang Tianyu Commercial Operation Management Co., Ltd.	16,471,48 9.41		13,056,60 2.98	-3,414,88 6.43							
Subtotal	22,838,42 3.66		13,056,60 2.98	-9,556,69 6.62						225,124.0 6	
Total	22,838,42 3.66		13,056,60 2.98	-9,556,69 6.62						225,124.0 6	

Other information:

(1) On 18 July 2016, in accordance with the Framework Agreement signed between the Company's subsidiary, Gold Mantis (International), and Macao Yuji Limited and Yuzhuo International Limited (hereinafter referred to as the "Transferee"), Gold Mantis (International) transferred its 55% equity in Macao Gold Mantis Construction Decoration Limited to the Transferee. Upon the completion of the above transaction, Gold Mantis (International) would be able to exert a significant influence on Macao Gold Mantis Construction Decoration Limited, so the equity method was adopted for accounting. As of 31 December 2020, the subsidiary Gold Mantis (International) had not yet made the actual capital contribution, and Macao Gold Mantis Construction Decoration Limited had not yet carried out business operations.

(2) On 25 August 2017, Gold Mantis (International), a subsidiary of the Company, invested jointly with Delos China (HK) Limited to establish Delos Residential Solutions (HK) Limited, with a registered capital of USD2.00 million. As of 31 December 2020, Gold Mantis (International) had a 45.78% shareholding and was able to exert a significant influence on Delos Residential Solutions (HK) Limited, so the equity method was adopted for accounting.

(3) On 22 December 2017, the Company and its sub-subsidiary Refined Decoration & Technology invested to establish Zhejiang Tianyu Commercial Operation Management Co., Ltd. jointly with Zhongtian Holdings Group Co., Ltd., with a registered capital of RMB50.00 million. Specifically, the Company contributed RMB17.50 million, accounting for 35.00% of the registered capital; Refined Decoration & Technology contributed RMB7.50 million, accounting for 15.00% of the registered capital. Since the Company was able to exert a significant influence on Zhejiang Tianyu Commercial Operation Management Co., Ltd., the equity method was adopted for accounting. In September 2020, the Company and its subsidiary Refined Decoration & Technology transferred their 50.00% stake in Zhejiang Tianyu Commercial Operation Management Co., Ltd. to Hangzhou Tianshuo Apartment Management Co., Ltd. based on the Agreement on Equity Transfer and Relevant Matters signed between the Company and its subsidiary Refined Decoration & Technology and Hangzhou Tianshuo Apartment Management Co., Ltd., and the registration of

industrial and commercial changes was completed on 29 October 2020.

(4) At the end of 2020, the amount of long-term equity investments was 99.01% lower than that at the beginning of 2020, which was largely attributable to the large amount of investments in the equity disposal of Zhejiang Tianyu Commercial Operation Management Co., Ltd. for the current period.

18. Investments in Other Equity Instruments

Unit: RMB

Item	Closing balance	Opening balance
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Investments in equity instruments not held for trading in the current period by item:

Unit: RMB

Item	Dividend income recognized	Cumulative gains	Cumulative losses	Other comprehensive income transferred to retained earnings	Reason for being designated as being measured at fair value through other comprehensive income	Reason for other comprehensive income being transferred to retained earnings
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Other information:

19. Other Non-current Financial Assets

Unit: RMB

Item	Closing balance	Opening balance
Equity investments		
Of which: Zhijiang New Industrial Co., Ltd.	250,000,000.00	250,000,000.00
Shanghai Yunfeng Qitai Investment Center (L.P.)	200,000,000.00	132,000,000.00
Shanghai Cura Investment&Management Co., Ltd.	31,872,000.00	31,872,000.00
Lanzhou Scisky Waterborne Technologies Co., Ltd.	30,000,000.00	30,000,000.00
Suzhou People's Department Store Co., Ltd.	150,000.00	150,000.00
Total	512,022,000.00	444,022,000.00

Other information:

20. Investment Property

(1) Investment Property Measured at Cost

√ Applicable □ Not applicable

Unit: RMB

Item	Buildings	Land use rights	Construction in progress	Total
I Gross amount				
1. Opening balance	107,603,669.46	4,789,221.26		112,392,890.72
2. Increase in the current period	58,816,519.62	3,466,275.52		62,282,795.14
(1) Purchased	25,560,270.67			25,560,270.67
(2) Transferred from inventories \fixed assets\construction in progress	33,256,248.95	3,466,275.52		36,722,524.47
(3) Increase due to business combination				
3. Decrease in the current period				
(1) Disposal				
(2) Other decreases				
4. Closing balance	166,420,189.08	8,255,496.78		174,675,685.86
II Accumulated depreciation and amortization				
1. Opening balance	30,741,814.64	3,400,514.38		34,142,329.02
2. Increase in the current period	4,353,890.76	883,557.14		5,237,447.90
(1) Provided or amortized	4,353,890.76	260,112.12		4,614,002.88
(2) Transferred from intangible assets		623,445.02		623,445.02
3. Decrease in the current period				
(1) Disposal				

(2) Other decreases				
4. Closing balance	35,095,705.40	4,284,071.52		39,379,776.92
III Impairment allowances				
1. Opening balance				
2. Increase in the current period				
(1) Established				
3. Decrease in the current period				
(1) Disposal				
(2) Other decreases				
4. Closing balance				
IV Carrying amount				
1. Closing carrying amount	131,324,483.68	3,971,425.26		135,295,908.94
1. Opening carrying amount	76,861,854.82	1,388,706.88		78,250,561.70

(2) Investment Property Measured at Fair Value

Applicable Not applicable

(3) Investment Property with Pending Ownership Certificate

Unit: RMB

Item	Carrying amount	Reason for ownership certificate being pending
Buildings	33,256,248.95	Going through the formalities in relation to ownership certificate

Other information:

(1) No impairment allowances were established for investment property as at the period-end for there were no impairments in investment property.

(2) Investment property rose 72.90% as at 31 December 2020 compared to 1 January 2020, primarily driven by a larger amount of buildings leased out in the current period.

21. Fixed Assets

Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	892,169,838.74	910,175,452.03
Total	892,169,838.74	910,175,452.03

(1) Particulars about Fixed Assets

Unit: RMB

Item	Buildings	Plant and equipment	Transportation equipment	office equipment	Electronic equipment	Other equipment	Total
I Gross amount							
1. Opening balance	1,033,143,972.15	59,276,036.57	81,232,176.69	153,127,873.55	47,904,114.25	23,021,378.36	1,397,705,551.57
2. Increase in the current period	26,544,870.62	3,716.81	3,916,986.63	7,996,903.73	3,010,059.08	371,919.30	41,844,456.17
(1) Purchased	9,125,382.53	3,716.81	3,916,986.63	7,996,903.73	3,010,059.08	371,919.30	24,424,968.08
(2) Transferred from construction in progress	17,419,488.09						17,419,488.09
(3) Increase due to business combination							
3. Decrease in the current period		102,603.42	6,641,436.53	13,601,427.46	4,257,610.84	1,364,201.59	25,967,279.84
(1) Disposal or retirement		98,803.42	6,259,565.12	7,502,864.04	4,257,610.84	1,352,990.40	19,471,833.82
(2) Other decreases		3,800.00	381,871.41	6,098,563.42		11,211.19	6,495,446.02
4. Closing balance	1,059,688,842.77	59,177,149.96	78,507,726.79	147,523,349.82	46,656,562.49	22,029,096.07	1,413,582,727.90

II Accumulated depreciation							
1. Opening balance	220,388,489.29	39,406,430.30	61,910,440.72	110,646,298.04	35,975,206.38	18,584,150.16	486,911,014.89
2. Increase in the current period	30,374,380.37	3,555,997.36	4,226,871.72	10,710,437.00	4,344,086.95	994,260.71	54,206,034.11
(1) Provision	30,374,380.37	3,555,997.36	4,226,871.72	10,710,437.00	4,344,086.95	994,260.71	54,206,034.11
3. Decrease in the current period		42,803.42	5,736,766.38	9,812,060.80	3,685,735.74	1,045,878.15	20,323,244.49
(1) Disposal or retirement		41,991.26	5,481,163.98	7,198,823.93	3,685,735.74	1,040,910.20	17,448,625.11
(2) Other decreases		812.16	255,602.40	2,613,236.87		4,967.95	2,874,619.38
4. Closing balance	250,762,869.66	42,919,624.24	60,400,546.06	111,544,674.24	36,633,557.59	18,532,532.72	520,793,804.51
III Impairment allowances							
1. Opening balance		46,631.91	290,705.70	281,747.04			619,084.65
2. Increase in the current period							
(1) Established							
3. Decrease in the current period							
(1) Disposal or retirement							
4. Closing balance		46,631.91	290,705.70	281,747.04			619,084.65

IV Carrying amount							
1. Closing carrying amount	808,925,973.11	16,210,893.81	17,816,475.03	35,696,928.54	10,023,004.90	3,496,563.35	892,169,838.74
2. Opening carrying amount	812,755,482.86	19,822,974.36	19,031,030.27	42,199,828.47	11,928,907.87	4,437,228.20	910,175,452.03

(2) Temporarily Idle Fixed Assets

Unit: RMB

Item	Gross amount	Accumulated depreciation	Impairment allowance	Carrying amount	Remark
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(3) Fixed Assets Leased in in Finance Leases

Unit: RMB

Item	Gross amount	Accumulated depreciation	Impairment allowance	Carrying amount
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(4) Fixed Assets Leased out in Operating Leases

Unit: RMB

Item	Closing carrying amount
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(5) Fixed Assets with Pending Ownership Certificate

Unit: RMB

Item	Carrying amount	Reason for ownership certificate being pending
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Other information:

Notes:

- ① Other decreases were driven by the disposal of certain “Gold Mantis Home” subsidiaries.
- ② No fixed assets were idle, exchanged, in pledge or used for guarantees as at the period-end.
- ③ There were no fixed assets leased in in finance leases as at the period-end.
- ④ There were no fixed assets leased out in operating leases as at the period-end.
- ⑤ There were no fixed assets with pending ownership certificate as at the period-end.

(6) Disposal of Fixed Assets

Unit: RMB

Item	Closing balance	Opening balance
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Other information:

22. Construction in Progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	41,215,785.57	71,905,579.25
Total	41,215,785.57	71,905,579.25

(1) Particulars about Construction in Progress

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount
Project of extending the energy-saving curtain wall, door and window production line				20,711,581.55		20,711,581.55
Miscellaneous projects	41,215,785.57		41,215,785.57	51,193,997.70		51,193,997.70
Total	41,215,785.57		41,215,785.57	71,905,579.25		71,905,579.25

(2) Changes in Substantial Construction in Progress in the Current Period

Unit: RMB

Project	Budget	Opening balance	Increase in the current period	Transferred to fixed assets in the current period	Other decreases in the current period	Closing balance	Cumulative project investment as a % of the budget	Project progress	Cumulative capitalized interest	Of which: Capitalized interest in the current period	Interest capitalization rate for the current period	Funding source
Project	26,000,0	20,711,5	12,544,6	33,256,2			127.91%	100.00				Other

of extending the energy-saving curtain wall, door and window production line	00.00	81.55	67.40	48.95								
Miscellaneous projects		51,193,997.70	9,624,283.75	17,419,488.09	2,183,007.79	41,215,785.57						Other
Total	26,000,000.00	71,905,579.25	22,168,951.15	50,675,737.04	2,183,007.79	41,215,785.57	--	--				--

(3) Impairment Allowances for Construction in Progress in the Current Period

Unit: RMB

Item	Amount of impairment allowances in the current period	Reason for impairment allowances
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Other information:

(1) Other decreases in 2020 were transfers to long-term prepaid expense.

(2) No impairment allowances were established for construction in progress as at the period-end for there were no impairments in construction in progress.

(3) Construction in progress declined 42.68% as at 31 December 2020 compared to 1 January 2020, primarily driven by the project of extending the energy-saving curtain wall, door and window production line being completed and transferred to fixed assets.

(4) Engineering Materials

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount

Other information:

23. Productive Living Assets**(1) Productive Living Assets Measured at Cost**

Applicable Not applicable

(2) Productive Living Assets Measured at Fair Value

Applicable Not applicable

24. Oil and Gas Assets

Applicable Not applicable

25. Right-of-use Assets

Unit: RMB

Item		Total
Other information:		

26. Intangible Assets**(1) Particulars about Intangible Assets**

Unit: RMB

Item	Land use rights	Patent rights	Non-patented technologies	Concessions	Software and others	Total
I Gross amount						
1. Opening balance	90,373,053.62	198,130.00		36,000,000.00	59,624,569.24	186,195,752.86
2. Increase in the current period					809,239.20	809,239.20
(1) Purchased					809,239.20	809,239.20
(2) Internal R&D						
(3) Increase due to business combination						

3. Decrease in the current period	9,095,039.01				4,348,131.15	13,443,170.16
(1) Disposal	5,628,763.49				4,348,131.15	9,976,894.64
(2) Transferred to investment property	3,466,275.52					3,466,275.52
4. Closing balance	81,278,014.61	198,130.00		36,000,000.00	56,085,677.29	173,561,821.90
II Accumulated amortization						
1. Opening balance	25,830,165.48	198,130.00		4,083,333.34	46,978,302.95	77,089,931.77
2. Increase in the current period	5,539,310.57				4,456,754.16	9,996,064.73
(1) Provision	5,539,310.57				4,456,754.16	9,996,064.73
3. Decrease in the current period	1,083,127.36				1,983,555.60	3,066,682.96
(1) Disposal	459,682.34				1,983,555.60	2,443,237.94
(2) Transferred to investment property	623,445.02					623,445.02
4. Closing balance	30,286,348.69	198,130.00		4,083,333.34	49,451,501.51	84,019,313.54
III Impairment allowances						
1. Opening balance						
2. Increase in the current period						
(1)						

Established						
3. Decrease in the current period						
(1) Disposal						
4. Closing balance						
IV Carrying amount						
1. Closing carrying amount	50,991,665.92			31,916,666.66	6,634,175.78	89,542,508.36
2. Opening carrying amount	64,542,888.14			31,916,666.66	12,646,266.29	109,105,821.09

Intangible assets arising from internal R&D accounted for 0.00% of the balance of intangible assets as at the period-end.

(2) Land Use Rights with Pending Ownership Certificate

Unit: RMB

Item	Carrying amount	Reason for ownership certificate being pending

Other information:

(1) No impairment allowances were established for intangible assets as at the period-end for there were no impairments in intangible assets.

(2) No intangible assets were idle, exchanged, in pledge or used for guarantees as at the period-end.

27. Development Costs

Unit: RMB

Item	Opening balance	Increase in the current period			Decrease in the current period			Closing balance
		Internal development costs	Others		Recognized as intangible assets	Transferred to profit or loss		
Total								

Other information:

28. Goodwill

(1) Gross Amounts of Goodwill

Unit: RMB

Investee or item generating goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Generated due to business combination		Disposal	Others	
HBA	410,065,631.57				26,527,711.29	383,537,920.28
Coopers Hill Singapore Pte Ltd*	19,100,835.60				1,235,659.40	17,865,176.20
Archi-Feeling	6,652,310.57					6,652,310.57
Total	435,818,777.74				27,763,370.69	408,055,407.05

(2) Impairment Allowances for Goodwill

Unit: RMB

Investee or item generating goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Established		Disposal		
HBA	0.00	0.00	0.00	0.00	0.00	0.00
CHS	0.00	0.00	0.00	0.00	0.00	0.00
Archi-Feeling	0.00	0.00	0.00		0.00	0.00
Total						

Information related to asset groups or asset group combinations in which goodwill resides

An explanation for the goodwill impairment test process, key parameters (such as growth rate in the forecast period, growth rate in the stable period, profit margin, discount rate and forecast period used in predicting the present value of future cash flows), and recognition methods of goodwill impairment loss:

Note*: Coopers Hill Singapore Pte Ltd is hereinafter referred to as "CHS".

(1) Other decreases in goodwill were due to the translation difference in foreign currency statements arising from changes in exchange rates.

(2) The goodwill impairment test process, parameters, and recognition methods of goodwill impairment loss

① Goodwill recognized for the acquisition of HBA

A. Identification and definition of asset group combinations

The composition of an asset group combination was determined after excluding the carrying value of excess assets, non-operating assets and liabilities, and interest-bearing liabilities according

to the carrying value by the standard of financial statements.

B. The process, methods and conclusion of the goodwill impairment test

The recoverable amount of goodwill was determined by the present value of forecast future cash flows of asset group combinations. The future cash flows were forecast based on the five-year financial budget of the above asset groups approved by the management, and the perpetual cash flows after five years were determined at the level of the last year of the detailed forecast period. The discount rate used to calculate the present value was 15.48%, which was the pre-tax discount rate that reflected the specific risk of the relevant asset group combination. Other critical assumptions used to forecast the cash flows of asset group combinations included operating revenue, cost of sales, growth rate and relevant expenses. The above assumptions were based on the Company's operating performance, growth rate and industry position in previous years and the management's expectations for market development.

According to the goodwill impairment test process, the goodwill recognized for the acquisition of HBA did not require any impairment provision as of 31 December 2020.

② Goodwill recognized for the acquisition of CHS

A. Identification and definition of asset group combinations

The composition of an asset group combination was determined after excluding the carrying value of excess assets, non-operating assets and liabilities, and interest-bearing liabilities according to the carrying value by the standard of financial statements.

B. The process, methods and conclusion of the goodwill impairment test

The recoverable amount of goodwill was determined by the present value of forecast future cash flows of asset group combinations. The future cash flows were forecast based on the five-year financial budget of the above asset groups approved by the management, and the perpetual cash flows after five years were determined at the level of the last year of the detailed forecast period. The discount rate used to calculate the present value was 14.90%, which was the pre-tax discount rate that reflected the specific risk of the relevant asset group combination. Other critical assumptions used to forecast the cash flows of asset group combinations included operating revenue, cost of sales, growth rate and relevant expenses. The above assumptions were based on the Company's operating performance, growth rate and industry position in previous years and the management's expectations for market development.

According to the goodwill impairment test process, the goodwill recognized for the acquisition of CHS did not require any impairment provision as of 31 December 2020.

③ Goodwill recognized for the acquisition of Archi-Feeling Design

A. Identification and definition of asset groups

The composition of an asset group was determined after excluding the carrying value of excess assets, non-operating assets and liabilities, and interest-bearing liabilities according to the carrying value by the standard of financial statements.

B. The process, methods and conclusion of the goodwill impairment test

The recoverable amount of goodwill was determined by the present value of forecast future cash flows of asset groups. The future cash flows were forecast based on the five-year financial

budget of the above asset groups approved by the management, and the perpetual cash flows after five years were determined at the level of the last year of the detailed forecast period. The discount rate used to calculate the present value was 16.79%, which was the pre-tax discount rate that reflected the specific risk of the relevant asset group combination. Other critical assumptions used to forecast the cash flows of asset groups included operating revenue, cost of sales, growth rate and relevant expenses. The above assumptions were based on the Company's operating performance, growth rate and industry status in previous years and the management's expectations for market development.

According to the goodwill impairment test process, the goodwill recognized for the acquisition of Archi-Feeling Design did not require any impairment provision as of 31 December 2020.

Impact of the goodwill impairment test

Other information:

29. Long-term Prepaid Expense

Unit: RMB

Item	Opening balance	Increase in the current period	Amortization in the current period	Other decreases	Closing balance
Decoration expense	157,443,245.55	7,850,423.92	60,823,876.16	54,565,438.99	49,904,354.32
Total	157,443,245.55	7,850,423.92	60,823,876.16	54,565,438.99	49,904,354.32

Other information:

(1) Other decreases were primarily driven by the disposal of certain “Gold Mantis Home” subsidiaries.

(2) Long-term prepaid expense declined 68.30% as at 31 December 2020 compared to 31 December 2019, primarily driven by a larger amount of amortization and the disposal of certain “Gold Mantis Home” subsidiaries in the current period.

30. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred Income Tax Assets before Offsetting

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Asset impairment allowances	465,490,701.04	70,831,251.69		
Deductible losses			105,430,566.80	21,817,702.30
Credit impairment allowances	2,220,344,202.71	337,359,385.19	2,352,465,106.39	356,509,412.91

Share-based payments	65,283,144.96	9,792,471.74	91,146,125.00	13,671,918.75
Changes in the fair value of other non-current financial assets	64,000,000.00	9,600,000.00	64,000,000.00	9,600,000.00
Employee benefits payable	62,158,308.41	10,566,912.43	60,980,195.29	10,366,633.20
Impairment allowances for fixed assets	610,987.16	91,648.07	610,987.16	91,648.07
Total	2,877,887,344.28	438,241,669.12	2,674,632,980.64	412,057,315.23

(2) Deferred Income Tax Liabilities before Offsetting

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax liabilities	Deductible temporary differences	Deferred income tax liabilities
Incurred by the depreciation of fixed assets of overseas subsidiaries	12,377,183.94	2,104,121.27	11,120,885.99	1,890,550.20
Federal breaks of state taxes in the U.S.	8,789,424.12	1,494,202.10	2,001,968.76	340,334.69
Changes in the fair value of held-for-trading financial assets	3,486,741.05	565,295.04	4,210,654.74	700,453.46
Total	24,653,349.11	4,163,618.41	17,333,509.49	2,931,338.35

(3) Net Balances of Deferred Income Tax Assets/Liabilities after Offsetting

Unit: RMB

Item	Offset amount between deferred income tax assets and liabilities as at the period-end	Closing balance of deferred income tax assets or liabilities after offsetting	Offset amount between deferred income tax assets and liabilities as at the period-begin	Opening balance of deferred income tax assets or liabilities after offsetting
Deferred income tax assets		438,241,669.12		412,057,315.23
Deferred income tax liabilities		4,163,618.41		2,931,338.35

(4) Breakdown of Deferred Income Tax Assets Unrecognized

Unit: RMB

Item	Closing balance	Opening balance
Deductible losses	262,865,271.34	325,504,325.38
Credit impairment allowances	20,188,166.98	39,129,470.74
Asset impairment allowances	3,726,480.71	
Inventory valuation allowances	591,588.71	221,541.68
Impairment allowances for fixed assets	8,097.49	8,097.49
Total	287,379,605.23	364,863,435.29

(5) Deductible losses on which deferred income tax assets were unrecognized will expire in the following years:

Unit: RMB

Year	Closing amount	Opening amount	Remark
2020		5,253,936.63	
2021	1,475,132.07	1,475,132.07	
2022	35,282,566.54	70,565,133.07	
2023	26,816,496.47	53,632,992.93	
2024	97,288,565.34	194,577,130.68	
2025	102,002,510.92		
Total	262,865,271.34	325,504,325.38	--

Other information:

(1) Deferred income tax liabilities rose 42.04% as at 31 December 2020 compared to 1 January 2020, primarily driven by a larger amount of taxable temporary differences incurred by overseas subsidiaries.

31. Other Non-current Assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowance	Carrying amount	Gross amount	Impairment allowance	Carrying amount
Prepayments for properties	268,329,840. 24		268,329,840. 24	193,055,970. 41		193,055,970. 41
Cash surrender value of life insurance	11,105,379.8 0		11,105,379.8 0	8,706,297.60		8,706,297.60

Total	279,435,220.04		279,435,220.04	201,762,268.01		201,762,268.01
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Other information:

(1) Cash surrender value of life insurance referred to the cash amount receivable from the insurance company on the assumption that HBA, a subsidiary of Singapore Gold Mantis, ceased to provide life insurance for certain key management personnel on 31 December 2020. The company did not plan to cease to provide such life insurance for the near future.

(2) Other non-current assets rose 38.50% as at 31 December 2020 compared to 1 January 2020, primarily driven by an increase in prepayments for properties in the current period.

32. Short-term Borrowings

(1) Short-term Borrowings by Type

Unit: RMB

Item	Closing balance	Opening balance
Credit borrowings		150,000,000.00
Guaranteed borrowings	515,747,000.00	353,286,000.00
Factored accounts receivable	103,990,224.42	305,317,494.85
Discounted trade acceptance notes	94,159,267.99	65,848,180.26
Accrued interest	466,680.44	1,239,453.64
Total	714,363,172.85	875,691,128.75

Notes:

(1) Of the balance of guaranteed borrowings as at the period-end, the Company provided guarantees for loans of USD30,000,000.00 (equivalent to RMB195,747,000.00) from banks to Singapore Gold Mantis, loans of RMB250,000,000.00 from banks to Meiruide, and loans of RMB70,000,000.00 from banks to Gold Mantis Supply Chain.

(2) There were no overdue short-term borrowings in the closing balance.

(2) Overdue Short-term Borrowings

Overdue short-term borrowings amounted to RMB as at the period-end, with substantial ones as follows:

Unit: RMB

Lender	Closing balance	Lending rate	Overdue time	Interest rate for overdue amount
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Other information:

33. Held-for-trading Financial Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Of which:		
Of which:		

Other information:

34. Derivative Financial Liabilities

Unit: RMB

Item	Closing balance	Opening balance
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Other information:

35. Notes Payable

Unit: RMB

Type	Closing balance	Opening balance
Trade acceptance notes	354,853,516.29	254,533,804.30
Bank acceptance notes	4,322,815,789.95	4,291,747,256.62
Accounts payable financing	193,553,381.44	56,239,416.00
Total	4,871,222,687.68	4,602,520,476.92

Overdue notes payable amounted to RMB0.00 as at the period-end.

36. Accounts Payable

(1) Breakdown of Accounts Payable

Unit: RMB

Item	Closing balance	Opening balance
Payables for materials	14,614,508,048.63	11,447,745,261.06
Payables for labor services	2,388,948,158.11	1,798,077,521.46
Payables for engineering equipment	39,589,683.07	29,686,016.12
Other payables	3,861,018.69	4,260,700.49
Total	17,046,906,908.50	13,279,769,499.13

(2) Substantial Accounts Payable Over 1 Year

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward
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Other information:

37. Advances from Customers**(1) Breakdown of Advances from Customers**

Unit: RMB

Item	Closing balance	Opening balance
Engineering advances from customers		
Design advances from customers		

(2) Substantial Advances from Customers Over 1 Year

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward

38. Contract Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Engineering advances from customers	644,164,113.54	649,488,709.66
Design advances from customers	169,582,138.15	247,340,262.19
Others	4,597,303.11	
Total	818,343,554.80	896,828,971.85

Significant changes in the carrying amounts in the current period and the reasons:

Unit: RMB

Item	Amount of change	Reason for change

39. Employee Benefits Payable**(1) Breakdown of Employee Benefits Payable**

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I Short-term remuneration	1,735,803,281.89	2,963,505,126.85	3,016,217,906.03	1,683,090,502.71
II After-service benefits-defined contribution scheme	12,270,451.07	68,373,091.20	62,964,903.75	17,678,638.52
Total	1,748,073,732.96	3,031,878,218.05	3,079,182,809.78	1,700,769,141.23

(2) Breakdown of Short-term Remuneration

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Salaries, bonuses, allowances and subsidies	1,732,551,863.76	2,822,429,969.21	2,873,821,710.22	1,681,160,122.75
2. Staff welfare		72,472,984.06	72,472,984.06	
3. Social security contributions	1,652,783.46	24,659,372.04	25,344,696.50	967,459.00
Including: Medical insurance	1,259,124.46	18,896,867.24	19,592,521.07	563,470.63
Work injury insurance	47,612.90	1,856,750.69	1,874,304.68	30,058.91
Maternity insurance	346,046.10	3,905,754.11	3,877,870.75	373,929.46
4. Housing funds	140,977.56	42,515,439.95	42,526,195.91	130,221.60
5. Labor union funds and employee education funds	1,457,657.11	1,427,361.59	2,052,319.34	832,699.36
Total	1,735,803,281.89	2,963,505,126.85	3,016,217,906.03	1,683,090,502.71

(3) Breakdown of Defined Contribution Schemes

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic pension insurance	12,197,065.93	65,933,707.54	60,615,994.30	17,514,779.17
2. Unemployment insurance	73,385.14	2,439,383.66	2,348,909.45	163,859.35
Total	12,270,451.07	68,373,091.20	62,964,903.75	17,678,638.52

Other information:

40. Taxes and Levies Payable

Unit: RMB

Item	Closing balance	Opening balance
Value added tax	80,101,991.57	73,136,588.85

Corporate income tax	116,867,138.78	157,429,281.38
Individual income tax	15,331,133.62	12,322,683.19
Property tax	1,763,657.75	2,554,114.91
Others	2,911,955.61	11,163,930.55
Total	216,975,877.33	256,606,598.88

Other information:

41. Other Payables

Unit: RMB

Item	Closing balance	Opening balance
Dividends payable	10,574,000.00	6,620,000.00
Other payables	288,908,436.62	587,327,128.96
Total	299,482,436.62	593,947,128.96

(1) Interest payable

Unit: RMB

Item	Closing balance	Opening balance

Substantial overdue interest payable:

Unit: RMB

Lender	Overdue amount	Reason

Other information:

(2) Dividends Payable

Unit: RMB

Item	Closing balance	Opening balance
Dividends for ordinary shareholders	10,574,000.00	6,620,000.00
Total	10,574,000.00	6,620,000.00

Other information: If there is any substantial dividend payable over 1 year, the reason should be disclosed.

(3) Other Payables

1) Other Payables by Nature

Unit: RMB

Item	Closing balance	Opening balance

Restricted share repurchase obligations	121,595,650.00	132,069,000.00
Security deposits	107,158,502.19	78,173,578.47
Current payables to external entities	43,329,326.46	38,947,180.78
Payables for equity transfer	530,000.00	1,155,000.00
Temporary receipts		310,039,938.59
Contributions for restricted shares		15,793,500.00
Others	16,294,957.97	11,148,931.12
Total	288,908,436.62	587,327,128.96

2) Substantial Other Payables Over 1 Year

Unit: RMB

Item	Closing balance	Reason for unsettlement or carryforward
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Other information:

(1) Other payables declined 49.58% as at 31 December 2020 compared to 1 January 2020, primarily driven by a larger amount of temporary receipts repaid in the current period.

42. Liabilities Directly Associated with Assets Held for Sale

Unit: RMB

Item	Closing balance	Opening balance
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Other information:

43. Current Portion of Non-current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Current portion of long-term borrowings	51,000,000.00	22,000,000.00
Accrued interest	83,934.28	
Total	51,083,934.28	22,000,000.00

Other information:

(1) Of the loans secured with pledge in the total amount of RMB207.1522 million received by the Company's controlled subsidiary Xi'an Jinchuang from the Xi'an High-tech Development Zone sub-branch of the Bank of China, RMB11 million will expire in May 2021 and another RMB11 million in November 2021. Of the loans secured with pledge in the total amount of RMB708.2366 million received by the Company's controlled subsidiary Shuicheng Ruitong from the Shuicheng sub-branch of the Agricultural Development Bank of China, RMB29 million will expire in

December 2021.

(2) Current portion of non-current liabilities rose 132.20% as at as at 31 December 2020 compared to 1 January 2020, primarily driven by a larger amount of long-term borrowings due in 2021.

44. Other Current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Output tax to be transferred	1,292,998,919.56	1,096,595,399.65
Loss contracts to be executed	4,750,127.20	11,120,062.80
Total	1,297,749,046.76	1,107,715,462.45

Changes in short-term bonds payable:

Unit: RMB

Bond name	Nominal value	Date of issue	Term	Issued amount	Opening balance	Issued in the current period	Interest accrued based on nominal value	Amortization of premium or discount	Repaid in the current period	Closing balance

Other information:

(1) The Company established allowances for the anticipated losses on outstanding contracts. Such losses were mainly composed of the portion of the labor and other costs that would be incurred by the anticipated completion of these contracts and exceed the anticipated benefits. The Company cannot seek any compensation from any third party for these losses. The Company anticipated that due to the completion of the project, the anticipated losses of all accrued contracts would be reversed within the next 12 months, so other current liabilities were listed as the provisions arising from the onerous contracts to be executed.

45. Long-term Borrowings

(1) Long-term Borrowings by Type

Unit: RMB

Item	Closing balance	Opening balance
Borrowings secured with pledge	835,388,800.00	837,152,200.00
Accrued interest	1,529,553.34	1,409,522.30
Total	836,918,353.34	838,561,722.30

Notes:

Other information, including the range of interest rates

(1) Breakdown of Long-term Borrowings

Lender	Start date	End date	Currency	Interest rate (%)	31 December 2020	31 December 2019
Shuicheng sub-branch of the Agricultural Development Bank of China	2019/6/26	2033/6/19	RMB	6.37	251,000,000.00	280,000,000.00
Shuicheng sub-branch of the Agricultural Development Bank of China	2019/7/26	2033/6/19	RMB	6.37	200,000,000.00	200,000,000.00
Shuicheng sub-branch of the Agricultural Development Bank of China	2019/10/30	2033/6/19	RMB	6.37	150,000,000.00	150,000,000.00
Xi'an High-tech Development Zone sub-branch of the Bank of China	2017/11/28	2028/11/29	RMB	4.90	82,032,000.00	94,000,000.00
Xi'an High-tech Development Zone sub-branch of the Bank of China	2017/11/29	2028/11/28	RMB	4.90	58,368,000.00	64,000,000.00
Shuicheng sub-branch of the Agricultural Development Bank of China	2020/1/2	2033/6/19	RMB	6.37	39,236,600.00	—
Xi'an High-tech Development Zone sub-branch of the Bank of China	2018/11/29	2028/11/28	RMB	5.39	30,431,496.00	33,423,496.00
Xi'an High-tech Development Zone sub-branch of the Bank of China	2018/11/30	2028/11/28	RMB	5.39	14,320,704.00	15,728,704.00
Shuicheng sub-branch of the Agricultural Development Bank of China	2020/4/21	2033/6/19	RMB	6.37	10,000,000.00	—

Agricultural Development Bank of China						
Total					835,388,800.00	837,152,200.00

(2) Shuicheng Ruitong, a majority-owned subsidiary of the Company, obtained a pledged loan of RMB679,236,600.00 (wherein, RMB29.00 million was included in the long-term borrowings due within one year) from Shuicheng County Sub-branch of Agricultural Development Bank of China. This loan was pledged with the income from feasibility gap subsidies receivable by Shuicheng Ruitong under the PPP Project (Phase II) Contract for Comprehensive Improvement of Rural Human Settlements in Shuicheng County and was guaranteed by Suzhou Gold Mantis Enterprise (Group) Co., Ltd.

(3) Xi'an Jinchuang, a majority-owned subsidiary of the Company, obtained a pledged loan of RMB207,152,200.00 (wherein, RMB22.00 million was included in the long-term borrowings due within one year) from Xi'an High-tech Development Zone Sub-branch of Bank of China Limited. This loan was pledged with the expected returns under the PPP Project Contract for the Xi'an Entrepreneurial Coffee Characteristic Street Reconstruction and Construction.

46. Bonds Payable

(1) Bonds Payable

Unit: RMB

Item	Closing balance	Opening balance
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(2) Changes in Bonds Payable (Exclusive of Preference Shares, Perpetual Bonds and Other Financial Instruments Classified as Financial Liabilities)

Unit: RMB

Bond name	Nominal value	Date of issue	Term	Issued amount	Opening balance	Issued in the current period	Interest accrued based on nominal value	Amortization of premium or discount	Repaid in the current period		Closing balance
Total	--	--	--								

(3) Conditions and Time for Conversion of Convertible Corporate Bonds to Shares

(4) Other Financial Instruments Classified as Financial Liabilities

Basic information about issued and outstanding preference shares, perpetual bonds and other financial instruments as at the

period-end:

Changes in issued and outstanding preference shares, perpetual bonds and other financial instruments as at the period-end:

Unit: RMB

Issued and outstanding financial instruments	Period-begin		Increase in the current period		Decrease in the current period		Period-end	
	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount	Number	Carrying amount

Basis for the classification of other financial instruments as financial liabilities:

Other information:

47. Lease Liabilities

Unit: RMB

Item	Closing balance	Opening balance

Other information:

48. Long-term Payables

Unit: RMB

Item	Closing balance	Opening balance

(1) Long-term Payables by Nature

Unit: RMB

Item	Closing balance	Opening balance

Other information:

(2) Specific Payables

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason for specific payable

Other information:

49. Long-term Employee Benefits Payable

(1) Long-term Employee Benefits Payable

Unit: RMB

Item	Closing balance	Opening balance

(2) Changes in Defined Benefit Schemes

Present value of defined benefit schemes:

Unit: RMB

Item	Amount incurred in the current period	Amount incurred last year
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Scheme assets:

Unit: RMB

Item	Amount incurred in the current period	Amount incurred last year
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Net liabilities (net assets) of defined benefit schemes:

Unit: RMB

Item	Amount incurred in the current period	Amount incurred last year
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Contents, risks, as well as effects on the Company's future cash flows, time and uncertainty with respect to defined benefit schemes:

Substantial actuarial assumptions and sensitivity analysis of defined benefit schemes:

Other information:

50. Provisions

Unit: RMB

Item	Closing balance	Opening balance	Reason for provision
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Other information, including substantial assumptions and estimates with respect to significant provisions:

51. Deferred Income

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason for deferred income
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Deferred income associated with government grants:

Unit: RMB

Liabilities	Opening balance	New government grants in the current period	Amount recognized in non-operating income in the current period	Amount recognized in other income in the current period	Amount offsetting costs and expenses in the current period	Other changes	Closing balance	Related to assets/income
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Other information:

52. Other Non-current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
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Other information:

53. Share Capital

Unit: RMB

	Opening balance	Increase/decrease in the current period					Closing balance
		New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Others	Subtotal	
Total share capital	2,676,408,689.00	8,000,000.00			-1,050,000.00	6,950,000.00	2,683,358,689.00

Other information:

In January 2020, in accordance with the Proposal on the Company's Restricted Share Incentive Scheme in 2018 (Draft) and its Summary reviewed and approved at the 1st Extraordinary General Meeting of the Company in 2018 and the resolution of the 1st Extraordinary Meeting of the 6th Board of Directors, restricted shares were granted to 14 restricted share incentive objects, including Wang Zhenlong and Gao Hongqiang, increasing its registered capital by RMB8.00 million to RMB2,684,408,689.

In May 2020, in accordance with the resolution of the 2019 Annual General Meeting and the Proposal on the Repo and Cancellation of Part of Restricted Shares of the Company which were reviewed and approved at the 5th Meeting of the 6th Board of Directors in 2020, as Yang Peng and Xie Jinan, the original incentive objects, had left the Company, the Company repurchased and canceled 1,050,000 restricted shares granted to them but not yet unlocked, reducing its registered capital by RMB1,050,000. After the completion of the repurchase and cancellation, its registered capital was changed to RMB2,683,358,689.

54. Other Equity Instruments

(1) Basic Information about Issued and Outstanding Preference Shares, Perpetual Bonds and Other Financial Instruments as at the Period-end

(2) Changes in Issued and Outstanding Preference Shares, Perpetual Bonds and Other Financial Instruments as at the Period-end

Unit: RMB

Issued and outstanding financial	Period-begin		Increase in the current period		Decrease in the current period		Period-end	
	Number	Carrying	Number	Carrying	Number	Carrying	Number	Carrying

instruments		amount		amount		amount		amount
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Changes in other equity instruments in the current period, reasons for changes, and basis for the relevant accounting treatments:

Other information:

55. Capital Reserves

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Capital surplus (share capital surplus)	257,708,926.09	67,148,800.00		324,857,726.09
Other capital reserves	84,466,463.78	5,623,192.92	46,224,066.59	43,865,590.11
Total	342,175,389.87	72,771,992.92	46,224,066.59	368,723,316.20

Other information, including changes in the current period and reasons for changes:

(1) In January 2020, in accordance with the Proposal on the Company's 2018 Restricted Share Incentive Scheme (Draft) and Its Summary deliberated and approved at the Company's 1st Extraordinary General Meeting of 2018 and the resolution of the 1st Extraordinary Meeting of the 6th Board of Directors, the Company granted restricted shares to 14 restricted share incentive objects, including Wang Zhenlong and Gao Hongqiang, and increased its registered capital by RMB8.00 million. The issue price per share was RMB4.01, and the total amount of funds raised was RMB32.08 million, of which RMB8.00 million were included in share capital and RMB24.08 million were included in capital reserves.

(2) RMB43,068,800.00 of other capital reserves accrued from the restricted shares lifted in the first phase were transferred to the share capital premium from other capital reserves.

(3) The increase in other capital reserves was due to the share-based payment expense of RMB3,579,199.92 recognized by the Employee Stock Ownership Plan and the deferred income tax assets of RMB2,043,993.00 recognized in deductible temporary differences.

(4) In May 2020, in accordance with the resolution of the Company's 2019 Annual General Meeting and the Proposal on Repurchase and Cancellation of Some Restricted Shares deliberated and approved at the 5th Meeting of the 6th Board of Directors of 2020, Yang Peng and Xie Jinjun, the original incentive objects, had left the Company, and the Company repurchased and canceled 1,050,000.00 restricted shares granted to them but not yet unlocked, decreasing other capital reserves by RMB3,139,500.00 accordingly. Other capital reserves were reduced by RMB15,766.59 through acquiring the equity of minority shareholders of Jindejin Construction in 2020.

56. Treasury Shares

Unit: RMB

Item	Opening balance	Increase in the current	Decrease in the current	Closing balance
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		period	period	
Restricted share repurchase obligations	132,069,000.00	32,080,000.00	42,553,350.00	121,595,650.00
Total	132,069,000.00	32,080,000.00	42,553,350.00	121,595,650.00

Other information, including changes in the current period and reasons for changes:

The increase in treasury shares for the current period was due to the Company's confirmation of its obligation to repurchase the restricted shares granted to 14 restricted share incentive objects, including Wang Zhenlong and Gao Hongqiang, in accordance with the Proposal on the Company's 2018 Restricted Share Incentive Scheme (Draft) and Its Summary deliberated and approved at the Company's 1st Extraordinary General Meeting of 2018 and the resolution of the 1st Extraordinary Meeting of the 6th Board of Directors.

The reasons for the decrease in treasury shares for the current period are as follows: a) The number of restricted shares unlocked this time was 9,615,000.00 in accordance with the resolution of the Company's 2019 Annual General Meeting and the Proposal on the Achievement of Lifting the Restriction Conditions in the First Lifting Restriction Period for the First Grant Portion of the 2018 Restricted Share Incentive Scheme; b) In accordance with the resolution of the Company's 2019 Annual General Meeting and the Proposal on Repurchase and Cancellation of Some Restricted Shares deliberated and approved at the 5th Meeting of the 6th Board of Directors of 2020, Yang Peng and Xie Jinjun, the original incentive objects, had left the Company and did not meet the incentive conditions, so the Company repurchased and canceled 1,050,000.00 restricted shares granted to them but not yet unlocked according to the relevant provisions of the Company's share incentive scheme.

57. Other Comprehensive Income

Unit: RMB

Item	Opening balance	Amount generated in the current period						Closing balance
		Amount before income tax generated in the current period	Less: amount previously recognized in other comprehensive income and currently transferred to profit or loss	Less: amount previously recognized in other comprehensive income and currently transferred to retained earnings	Less: Income tax expense	After-tax amount attributable to the Company as the parent	After-tax amount attributable to non-controlling interests	

II Other comprehensive income that will be reclassified to profit or loss	57,504,092.23	-67,210,472.64				-64,966,667.89	-2,243,804.75	-7,462,575.66
Differences arising from the translation of foreign currency-denominated financial statements	57,504,092.23	-67,210,472.64				-64,966,667.89	-2,243,804.75	-7,462,575.66
Total other comprehensive income	57,504,092.23	-67,210,472.64				-64,966,667.89	-2,243,804.75	-7,462,575.66

Other information, including adjustments to the initially recognized amounts of hedged items transferred from the effective gains/losses on cash flow hedges:

58. Specific Reserve

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
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Other information, including changes in the current period and reasons for changes:

59. Surplus Reserves

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserves	1,360,046,645.33			1,360,046,645.33
Reserve funds	256,728.58			256,728.58
Enterprise development funds	128,364.29			128,364.29
Total	1,360,431,738.20			1,360,431,738.20

Notes to surplus reserves, including changes in the current period and reasons for changes:

Pursuant to the Company Law and the Company's Articles of Association, the Company may cease to set aside statutory surplus reserves when the amount reaches 50% of the registered capital. Therefore, no statutory surplus reserves were set aside in the current period.

60. Retained Earnings

Unit: RMB

Item	Current period	Last year
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Retained earnings as at the end of the prior year before adjustment	10,853,403,316.80	9,236,765,808.55
Adjustment to opening retained earnings (“+” for increase, “-” for decrease)	34,339,607.55	
Opening retained earnings after adjustment	10,887,742,924.35	9,236,765,808.55
Add: Net profit attributable to owners of the Company as the parent in the current period	2,373,915,319.52	2,349,395,605.96
Less: Statutory surplus reserves set aside		197,476,359.91
Dividends payable to ordinary shareholders	536,461,737.80	535,281,737.80
Closing retained earnings	12,725,196,506.07	10,853,403,316.80

Details about the adjustments to the opening retained earnings:

- 1) Retrospective adjustments according to the new provisions of China’s Accounting Standards for Business Enterprises had an effect of RMB on the opening retained earnings.
- 2) Changes in the accounting policies had an effect of RMB34,339,607.55 on the opening retained earnings.
- 3) Correction of significant accounting errors had an effect of RMB on the opening retained earnings.
- 4) Changes in the scope of the consolidated financial statements as a result of business combinations involving entities under common control had an effect of RMB on the opening retained earnings.
- 5) All the other adjustments had an effect of RMB on the opening retained earnings.

61. Operating Revenue and Cost of Sales

Unit: RMB

Item	Current period		Last year	
	Revenue	Costs	Revenue	Costs
Core businesses	31,167,971,029.28	26,041,232,110.79	30,792,922,689.83	25,157,121,471.54
Other businesses	75,256,772.76	17,203,032.44	41,731,840.47	7,671,146.11
Total	31,243,227,802.04	26,058,435,143.23	30,834,654,530.30	25,164,792,617.65

Indicate whether the lower of the audited net profit before and after exceptional gains and losses was negative.

Yes No

Revenue information:

Unit: RMB

By contract category	Segment 1	Segment 2		Total
Of which:				
Of which:				
Of which:				
Of which:				
Of which:				

Of which:				
Of which:				
Revenue recognized at a point of time				445,618,706.74
Of which: sale of materials				397,248,440.45
Other businesses				48,370,266.29
Revenue recognized in a period of time				30,797,609,095.30
Of which: construction decoration services				30,770,722,588.83
Other businesses				26,886,506.47
Total				31,243,227,802.04

Information related to performance obligations:

(1) Description of performance obligations

The Company was mainly engaged in providing customers with construction decoration services and sales of commodities. For construction decoration services, the time of performance obligations was basically consistent with the completion schedule of relevant construction decoration projects; for sales of commodities, the Company fulfilled its performance obligations when a customer obtained control of the relevant commodities.

(2) Information related to residual performance obligations

The transaction price allocated by the Company to outstanding performance obligations was RMB27,619.00 million.

Information related to the transaction price allocated to residual performance obligations:

At the end of the Reporting Period, the amount of income corresponding to performance obligations that had been contracted but not yet performed or fulfilled was RMB27,618,801,181.67, of which RMB was expected to be recognized in year , RMB was expected to be recognized in year , and RMB was expected to be recognized in year .

Other information:

(1) Top Five Customers with Respect to Operating Revenue

Customer	Operating revenue generated from the customer	As a % of the total operating revenue
Customer 1	6,835,504,535.80	21.88
Customer 2	1,108,396,916.19	3.55
Customer 3	344,326,369.83	1.10
Customer 4	262,020,032.31	0.84

Customer 5	218,894,281.29	0.70
Total	8,769,142,135.42	28.07

62. Taxes and Levies

Unit: RMB

Item	Current period	Last year
Urban construction and maintenance tax	55,855,981.52	46,319,546.93
Education surcharges	41,519,006.73	34,598,184.77
Property tax	8,502,794.69	10,285,422.97
Others	2,300,729.28	3,403,046.52
Total	108,178,512.22	94,606,201.19

Other information:

63. Selling Expense

Unit: RMB

Item	Current period	Last year
Employee remunerations	294,401,884.28	477,450,034.19
Advertising expense	21,122,989.52	79,284,371.75
Office expense	15,176,281.47	19,874,241.29
Engineering and maintenance expense	13,474,157.01	5,375,199.45
Rental expense	12,018,057.83	14,074,034.11
Travel expense	7,409,577.77	25,525,116.67
Business entertainment expense	4,723,641.82	13,913,412.42
Warehouse management expense	5,316,033.23	9,393,363.80
Others	2,321,878.37	5,904,412.06
Total	375,964,501.30	650,794,185.74

Other information:

Selling expense declined 42.23% in 2020 compared to 2019, primarily driven by decreases in the remuneration of sales staff and advertising expense as a result of the disposal of “Gold Mantis Home” subsidiaries in the current period.

64. Administrative Expense

Unit: RMB

Item	Current period	Last year
Employee remunerations	372,598,225.30	554,760,128.43
Depreciation and amortization	96,738,585.25	96,803,408.08
Office expense	54,265,803.69	96,067,570.13
Rental expense	35,355,434.42	101,104,062.39
Professional service charges	17,910,468.81	17,579,509.98
Travel expense	7,375,073.69	21,627,518.85
Expense related to announcements disclosed as a listed company	4,912,248.79	3,506,486.74
Business entertainment expense	3,775,927.56	5,309,900.30
Share-based payments	3,579,199.92	83,287,700.04
Others	8,335,121.04	21,739,085.55
Total	604,846,088.47	1,001,785,370.49

Other information:

Administrative expense declined 39.62% in 2020 compared to 2019, primarily driven by decreases in salaries of management personnel and rental expense as a result of the disposal of “Gold Mantis Home” subsidiaries, as well as a decrease in share-based payments due to the exercise conditions for the second equity incentive plan not being satisfied, in the current period.

65. R&D Expense

Unit: RMB

Item	Current period	Last year
Employee remunerations	495,211,608.31	449,251,541.77
Material expense	405,454,506.46	360,167,890.71
Depreciation and amortization	13,029,926.57	8,838,063.56
Other expense	42,086,292.84	61,608,627.46
Total	955,782,334.18	879,866,123.50

Other information:

66. Finance Costs

Unit: RMB

Item	Current period	Last year
Interest expense	145,524,591.79	142,341,566.80
Less: Interest income	41,474,553.83	26,670,537.36

Net interest expense	104,050,037.96	115,671,029.44
Exchange loss	12,175,656.00	17,055,789.03
Less: Exchange gain	1,746,689.18	8,837,316.53
Net exchange loss	10,428,966.82	8,218,472.50
Bank service charges	16,687,064.12	10,997,277.41
Total	131,166,068.90	134,886,779.35

Other information:

67. Other Income

Unit: RMB

Source of other income	Current period	Last year
I Government grants recognized in other income	51,537,845.33	18,708,430.13
Of which: Government grants related to deferred income (related to income)		120,000.00
Government grants directly recognized in profit or loss (related to income)	51,537,845.33	18,588,430.13
II Other items related to routine operations and recognized in other income	3,146,250.49	951,654.81
Of which: income of service charges for individual income tax withholding and payment	2,705,907.39	726,275.35
Over-deduction in the calculation of the taxable amount with respect to the input tax	440,343.10	225,379.46
Total	54,684,095.82	19,660,084.94

68. Return on Investment

Unit: RMB

Item	Current period	Last year
Return on long-term equity investments measured using the equity method	-9,556,696.62	-6,162,676.00
Income from the disposal of long-term equity investments	17,214,943.35	-24,693,657.12
Income from the disposal of held-for-trading financial assets	35,183,316.32	40,843,523.94

Income derived during the period of holding other non-current financial assets	887,120.46	4,367,000.00
Interest expense on discounted receivables financing	-6,080,300.20	-4,929,353.47
Income from the disposal of other non-current financial assets		23,774,839.16
Total	37,648,383.31	33,199,676.51

Other information:

69. Net Gain on Exposure Hedges

Unit: RMB

Item	Current period	Last year
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Other information:

70. Gain on Changes in Fair Value

Unit: RMB

Source of gain on changes in fair value	Current period	Last year
Held-for-trading financial assets	-723,913.69	4,210,654.74
Other non-current financial assets		-64,000,000.00
Total	-723,913.69	-59,789,345.26

Other information:

Gain on changes in fair value rose significantly in 2020 compared to 2019, primarily driven by a larger loss on changes in the fair value of other non-current financial assets in last year.

71. Credit Impairment Loss

Unit: RMB

Item	Current period	Last year
Loss on uncollectible other receivables	-3,601,882.53	-8,043,363.13
Loss on uncollectible long-term receivables	-902,874.64	-14,531,680.93
Loss on uncollectible notes receivable	-136,199,708.59	-44,096,551.18
Loss on uncollectible accounts receivable	-311,064,791.60	-138,107,794.47
Loss on uncollectible current portion of	-585,904.50	-316,988.07

non-current assets		
Total	-452,355,161.86	-205,096,377.78

Other information:

Credit impairment loss declined significantly in 2020 compared to 2019, primarily driven by a larger amount of impairment allowances for financial assets.

72. Asset Impairment Loss

Unit: RMB

Item	Current period	Last year
II Inventory valuation loss and loss on impairments of contract performance costs	-370,047.03	-3,651.14
XII Loss on impairments of contract assets	66,443,131.80	
Total	66,073,084.77	-3,651.14

Other information:

Asset impairment loss rose significantly in 2020 compared to 2019, primarily driven by a decrease in the loss on impairments of contract assets according to the new accounting standards governing revenue.

73. Asset Disposal Income

Unit: RMB

Source of asset disposal income	Current period	Last year
Gains or losses on the disposal of fixed assets, construction in progress, productive living assets and intangible assets that are not classified as assets held for sale:	114,042.29	-1,219,850.07
Of which: gains on the disposal of fixed assets	-86,876.56	-1,068,083.07
Gains on the disposal of intangible assets	200,918.85	-151,767.00
Total	114,042.29	-1,219,850.07

74. Non-operating Income

Unit: RMB

Item	Current period	Last year	Amount recognized in
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			exceptional gains and losses
Compensation income		2,668,000.00	
Others	285,660.49	2,282,546.95	285,660.49
Total	285,660.49	4,950,546.95	285,660.49

Government grants recognized in profit or loss:

Unit: RMB

Government grant	Giver	Reason	Nature	Whether the grant turned the current profit to loss or otherwise	Special grant or not	Amount in the current period	Amount in last year	Related to assets/income
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Other information:

(1) Non-operating income declined 94.23% in 2020 compared to 2019, primarily driven by a larger amount of current accounts that required no payment for a long term being cleared in last year.

75. Non-operating Expense

Unit: RMB

Item	Current period	Last year	Amount recognized in exceptional gains and losses
Donations	3,020,000.00	3,002,930.00	3,020,000.00
Loss on the retirement of fixed assets	627,978.98	593,033.19	627,978.98
Others	650,761.35	937,487.15	650,761.35
Total	4,298,740.33	4,533,450.34	4,298,740.33

Other information:

76. Income Tax Expense

(1) Income Tax Expense

Unit: RMB

Item	Current period	Last year
Current income tax expense	392,581,912.71	487,731,992.41
Deferred income tax expense	-22,908,080.83	-53,345,670.94
Total	369,673,831.88	434,386,321.47

(2) Reconciliation between Accounting Profit and Income Tax Expense

Unit: RMB

Item	Current period
Gross profit	2,710,282,604.54
Income tax expense based on the statutory/applicable tax rates	406,542,390.68
Effects of different tax rates of subsidiaries	10,153,600.55
Effects of adjustments to income tax of the prior period	412,552.31
Effects of non-deductible costs, expenses and losses	32,723,291.07
Effects of deductible temporary differences or losses on which deferred income tax assets are unrecognized in the current period	19,370,957.52
Over-deduction in the calculation of the taxable amount in relation to R&D expense	-99,528,960.25
Income tax expense	369,673,831.88

Other information:

77. Other comprehensive income

See Note “VII 57. Other Comprehensive Income”.

78. Items of the Cash Flow Statement**(1) Cash Generated from Other Operating Activities**

Unit: RMB

Item	Current period	Last year
Government grants	54,243,752.72	19,314,705.48
Security deposits	38,639,283.63	12,164,458.38
Current accounts		272,932,984.67
Others	285,660.49	4,950,546.95
Total	93,168,696.84	309,362,695.48

Notes:

(2) Cash Used in Other Operating Activities

Unit: RMB

Item	Current period	Last year
Current accounts	300,985,139.99	
Office expense	69,442,085.16	115,941,811.42

Rental expense	47,373,492.25	115,178,096.50
Advertising expense	21,122,989.52	79,284,371.75
Professional service charges	17,910,468.81	17,579,509.98
Travel expense	14,784,651.46	47,152,635.52
Engineering and maintenance expense	13,474,157.01	5,375,199.45
Business entertainment expense	8,499,569.38	19,223,312.72
Warehouse management expense	5,316,033.23	9,393,363.80
Others	32,422,342.72	55,501,534.83
Total	531,330,929.53	464,629,835.97

Notes:

(3) Cash Generated from Other Investing Activities

Unit: RMB

Item	Current period	Last year
Interest income	40,803,606.39	28,232,114.75
Total	40,803,606.39	28,232,114.75

Notes:

(4) Cash Used in Other Investing Activities

Unit: RMB

Item	Current period	Last year

Notes:

(5) Cash Generated from Other Financing Activities

Unit: RMB

Item	Current period	Last year
Frozen bank deposits	8,947,438.58	
Total	8,947,438.58	

Notes:

(6) Cash Used in Other Financing Activities

Unit: RMB

Item	Current period	Last year
Frozen bank deposits		25,511,610.47

Total		25,511,610.47
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Notes:

79. Supplementary Information to the Cash Flow Statement

(1) Supplementary Information to the Cash Flow Statement

Unit: RMB

Supplementary information	Current period	Last year
1. Reconciliation of net profit to net cash generated from/used in investing activities:	--	--
Net profit	2,340,608,772.66	2,260,704,564.72
Add: Asset impairment allowances	386,282,077.09	205,100,028.92
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive living assets	58,820,036.99	60,985,956.45
Depreciation of right-of-use assets		
Amortization of intangible assets	9,996,064.73	11,453,586.40
Amortization of long-term prepaid expense	60,823,876.16	78,668,662.21
Loss on the disposal of fixed assets, intangible assets and other long-term assets ("-" for gain)	-114,042.29	1,219,850.07
Loss on the retirement of fixed assets ("-" for gain)	627,978.98	593,033.19
Loss on changes in fair value ("-" for gain)	723,913.69	59,789,345.26
Finance costs ("-" for income)	114,479,004.78	123,889,501.94
Loss on investment ("-" for income)	-37,648,383.31	-33,199,676.51
Decrease in deferred income tax assets ("-" for increase)	-24,140,360.89	-54,169,370.60
Increase in deferred income tax liabilities ("-" for decrease)	1,232,280.06	-355,064.07
Decrease in inventories ("-" for increase)	47,132,200.21	66,478,131.93
Decrease in operating receivables ("-" for increase)	-5,414,546,457.53	-5,098,334,086.39
Increase in operating payables	4,229,259,080.91	3,989,107,819.15

("-" for decrease)		
Others	3,579,199.92	83,287,700.04
Net cash generated from/used in operating activities	1,777,115,242.16	1,755,219,982.71
2. Significant investing and financing activities that involve no cash proceeds or payments:	--	--
Conversion of debt to capital		
Current portion of convertible corporate bonds		
Fixed assets leased in in finance leases		
3. Net changes in cash and cash equivalents:	--	--
Closing balance of cash	6,354,809,671.18	6,051,660,327.62
Less: Opening balance of cash	6,051,660,327.62	3,069,373,348.80
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	303,149,343.56	2,982,286,978.82

(2) Net Cash Payments for the Acquisition of Subsidiaries in the Current Period

Unit: RMB

	Amount
Of which:	--
Of which:	--
Of which:	--

Other information:

(3) Net Cash Proceeds from the Disposal of Subsidiaries in the Current Period

Unit: RMB

	Amount
Cash or cash equivalents received in the current period from the disposal of subsidiaries in the current period	18,588,895.83
Of which:	--
Of which:	--

Of which:	--
Net cash proceeds from the disposal of subsidiaries	18,588,895.83

Other information:

(4) Breakdown of Cash and Cash Equivalents

Unit: RMB

Item	Closing balance	Opening balance
I Cash	6,354,809,671.18	6,051,660,327.62
Of which: Cash on hand	1,518,895.79	2,317,047.77
Bank deposits that can be readily drawn on demand	5,254,913,683.74	5,072,367,997.44
Other monetary assets that can be readily drawn on demand	1,098,377,091.65	976,975,282.41
III Cash and cash equivalents, end of the period	6,354,809,671.18	6,051,660,327.62

Other information:

Cash and cash equivalents at the period-end excluded frozen bank deposits of RMB16,564,171.89 and the accrued interest of RMB1,258,002.65, and cash and cash equivalents at the period-begin excluded frozen bank deposits of RMB25,511,610.47 and the accrued interest of RMB587,055.21.

80. Notes to Changes in Owners' Equity

Items and adjusted amounts in "others" with respect to adjustments to the closing balance of last year:

81. Assets with Restricted Ownership or Rights-of-Use

Unit: RMB

Item	Closing carrying amount	Reason for restriction
Monetary assets	16,564,171.89	Frozen by court of law
Notes receivable	1,300,000.00	Put in pledge for notes issuing
Notes receivable	1,901,286,639.74	Un-derecognized endorsed or discounted commercial notes
Accounts receivable	103,990,224.42	Un-derecognized factored accounts receivable
Receivables financing	82,472,805.60	Put in pledge for notes issuing
Total	2,105,613,841.65	--

Other information:

82. Monetary Items Denominated in Foreign Currencies

(1) Monetary Items Denominated in Foreign Currencies

Unit: RMB

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Monetary assets	--	--	570,578,604.38
Of which: USD	63,547,161.55	6.5249	414,638,874.40
EUR	173,860.01	8.0250	1,395,226.58
HKD	25,362,615.36	0.8416	21,345,177.09
INR	373,768,605.55	0.0894	33,414,913.34
NZD	4,471,148.69	4.9314	22,049,022.65
GBP	2,321,106.77	8.8903	20,635,335.52
Peso	89,067,923.52	0.1358	12,095,424.01
VDN	31,765,596,549.00	0.0003	9,529,678.96
LKR	247,525,314.57	0.0352	8,712,891.07
AED	4,605,039.24	1.7777	8,186,378.26
PHP	52,743,149.87	0.1358	7,162,519.75
JPY	80,333,391.84	0.0632	5,077,070.36
IDR	6,677,112,867.20	0.0005	3,338,556.43
MYR	873,339.57	1.6230	1,417,430.12
KRW	147,006,638.94	0.0060	882,039.83
THB	2,287,637.73	0.2179	498,476.26
RUB	1,518,752.75	0.0877	133,194.62
AUD	10,783.13	5.0163	54,091.42
YTL	7,199.02	0.8837	6,361.77
CHF	802.90	7.4006	5,941.94
Accounts receivable	--	--	510,490,705.59
Of which: USD	45,864,791.43	6.5249	299,263,177.60
EUR			
HKD	182,121,049.60	0.8416	153,273,075.34
Peso	160,377,255.27	0.1358	21,779,231.27
AED	2,414,009.70	1.7777	4,291,385.04
SGD	752,025.06	4.9314	3,708,536.38

VND	93,917,666,532.70	0.0003	28,175,299.96
Long-term borrowings	--	--	
Of which: USD			
EUR			
HKD			
Other receivables			43,708,590.49
Of which: AED	809,690.22	1.7777	1,439,386.30
HKD	16,062,828.77	0.8416	13,518,476.69
USD	4,352,996.00	6.5249	28,402,863.60
LKR	4,102,902.55	0.03517	144,299.08
SGD	24,300.00	4.9314	119,833.02
VND	279,106,000.00	0.0003	83,731.80
Accounts payable			213,950,991.90
Of which: Peso	110,668,483.80	0.1358	15,028,780.10
AED	130,880.25	1.7777	232,665.82
HKD	145,438,796.60	0.8416	122,401,291.22
USD	8,747,400.00	6.5249	57,075,910.26
VND	64,041,148,331.28	0.0003	19,212,344.50
Other payables			167,771,375.72
Of which: Peso	133,428.29	0.1358	18,119.56
AED	4,266,766.23	1.7777	7,585,030.33
HKD	103,820,984.18	0.8416	87,375,740.29
USD	10,333,887.31	6.5249	67,427,581.31
LKR	280,079.39	0.03517	9,850.39
SGD	17,943.02	4.9314	88,484.21
VND	17,555,232,091.71	0.0003	5,266,569.63
Short-term borrowings			195,747,000.00
Of which: USD	30,000,000.00	6.5249	195,747,000.00

Other information:

(2) Overseas Business Entities (for substantial overseas business entities, the following information shall be disclosed: principal place of business, functional currency and basis for the choice, change of functional currency and reasons)

√ Applicable □ Not applicable

Serial No.	Overseas business entities	Principal place of business	Functional currency
1	Singapore Gold Mantis Pte. Ltd.	Singapore	SGD
2	HBA Holdings Pte. Ltd.	Singapore	USD
3	Gold Mantis (International) Construction Decoration Limited	Hong Kong, China	HKD
4	Russia Gold Mantis Construction Decoration Co., Ltd.	Russia	RUB
5	JTL Fit Out Middle East L.L.C.	Dubai	AED
6	Gold Mantis Construction Decoration (CNMI), LLC	Northern Mariana Islands	USD
7	Gold Mantis Building Decoration (Cambodia) Co., Ltd.	Cambodia	USD
8	Gold Mantis International Development Pte. Ltd.	Singapore	SGD
9	Gold Mantis (Vietnam) Construction Company Limited	Vietnam	VDN
10	Gold Mantis (HK) Construction Decoration Limited	Hong Kong, China	HKD
11	Gold Mantis (Lanka) Construction (Private) Limited	Sri Lanka	LKR
12	Sierra Gold Mantis Joint Venture (Private) Limited	Sri Lanka	LKR
13	GMI Construction Corp.	The Philippines	PHP
14	M+ Design Associates Pte. Ltd.	Singapore	SGD
15	GMI International Inc.	The Philippines	PHP

83. Hedges

Hedged items by type and the relevant hedging instruments, as well as the qualitative and quantitative information of the hedged risks:

84. Government Grants

(1) Basic Information of Government Grants

Unit: RMB

Type	Amount	Recognized in	Amount recognized in profit or loss
Pandemic-related subsidies	38,451,162.89	Other income	38,451,162.89
Employment stability subsidies	5,231,811.57	Other income	3,404,599.39
Rebates of individual income tax	3,432,182.74	Other income	2,705,907.39

Anti-pandemic training subsidies	2,611,500.00	Other income	2,611,500.00
Policy support funds for the service industry	2,750,000.00	Other income	2,500,000.00
Rewards for excellent enterprises	1,040,000.00	Other income	740,000.00
Internship subsidies	2,319,104.00	Other income	646,258.00
R&D subsidies	10,198,348.06	Other income	600,000.00
Rewards for superior national enterprises for demonstration in relation to intellectual properties	1,396,500.00	Other income	596,500.00
Over-deduction in the calculation of the taxable amount with respect to value added tax	665,722.56	Other income	440,343.10
Subsidies for the development of the cultural industry	420,000.00	Other income	420,000.00
Cultural and sports guiding funds	900,000.00	Other income	400,000.00
Comprehensive rewards for high-quality development	700,000.00	Other income	300,000.00
Rewards for talent projects	750,821.50	Other income	247,500.00
Patent subsidies	452,470.00	Other income	229,470.00
Training subsidies	52,000.00	Other income	52,000.00
Energy conservation and emission reduction guiding funds	1,500,000.00	Other income	
The second batch of rewards of 2018 of the Publicity Department	580,000.00	Other income	
Internship base subsidies	176,312.00	Other income	
Others	596,245.44	Other income	338,855.05
Total	74,224,180.76		54,684,095.82

(2) Government Grants Returned

Applicable Not applicable

Other information:

Note: HBA, a majority-owned subsidiary of the Company's subsidiary Singapore Gold Mantis received pandemic-related government grants in the total amount of RMB38,451,162.89 in 2020.

85. Other

VIII Changes in the Scope of the Consolidated Financial Statements

1. Business Combinations Not Involving Entities under Common Control

(1) Business Combinations Not Involving Entities under Common Control in the Current Period

Unit: RMB

Acquiree	Time of obtaining the equity interests	Cost	Equity-holding percentage	Way of obtaining the equity interests	Date of acquisition	Basis for the determination of the acquisition date	Revenue of the acquiree from the date of acquisition to the period-end	Net profit of the acquiree from the date of acquisition to the period-end

Other information:

(2) Cost of Acquisition and Goodwill

Unit: RMB

Cost of acquisition

Method for the determination of the fair value of the cost of acquisition, contingent consideration and changes:

Primary reasons for goodwill of a large amount:

Other information:

(3) Identifiable Assets and Liabilities of Acquirees on the Date of Acquisition

Unit: RMB

	Fair value at the date of acquisition	Carrying amount at the date of acquisition

Method for the determination of the fair value of the identifiable assets and liabilities:

Contingent liabilities of acquirees in business combinations borne by the Company:

Other information:

(4) Gains or Losses Arising from the Remeasurement at Fair Value of Equity Interests Held before the Dates of Acquisition

Indicate whether there were business combinations which were achieved by stages and of which control was obtained in the

Reporting Period.

Yes No

(5) Inability to Reasonably Determine the Acquisition Consideration or the Fair Value of Acquirees' Identifiable Assets and Liabilities at Acquisition Dates or the Period-ends of the Combinations

(6) Other information:

2. Business Combinations Involving Entities under Common Control

(1) Business Combinations Involving Entities under Common Control in the Current Period

Unit: RMB

Acquiree	Equity percentage obtained in the business combination	Basis for constituting a business combination involving entities under common control	Date of acquisition	Basis for the determination of the acquisition date	Revenue of the acquiree from the period-begin of the combination to the acquisition date	Net profit of the acquiree from the period-begin of the combination to the acquisition date	Revenue of the acquiree in the comparative period	Net profit of the acquiree in the comparative period

Other information:

(2) Cost of Acquisition

Unit: RMB

Cost of acquisition

Contingent considerations and changes:

Other information:

(3) Carrying Amounts of Acquirees' Assets and Liabilities at Dates of Acquisition

Unit: RMB

	Date of acquisition	End of last year

Contingent liabilities of acquirees in business combinations borne by the Company:

Other information:

3. Counter-purchases

Basic transaction information, basis for the constitution of a counter-purchase, assets retained by the Company, whether the liabilities

constitute business and why, determination of the cost of combination, adjustments to equities and computing when treating the transaction as an equity transaction:

4. Disposal of Subsidiaries

Indicate whether there was any transaction where the Company ceased to control the subsidiary in a single disposal of its investment in the subsidiary.

√ Yes □ No

Unit: RMB

Subsidiary	Equity disposal price	Equity percentage disposed of	Way of disposal	Time of cease of control	Basis for the determination of the time of cease of control	Difference between the disposal price and the share of net assets of the subsidiary in the consolidated financial statements corresponding to the disposed investment	Remaining equity percentage on the date of cease of control	Carrying amount of the remaining equity-holdings on the date of cease of control	Fair value of the remaining equity-holdings on the date of cease of control	Gain/loss on remeasurement of the remaining equity-holdings at fair value	Method for the determination of the remaining equity-holdings on the date of cease of control and major assumptions	Amount transferred from other comprehensive income related to the previous equity investment in the subsidiary to return on investment
Nantong Gold Mantis Home E-commerce Co., Ltd.	697,500.00	70.00%	Equity transfer	31 January 2020	Earlier of de-registration and over 50% payment of the transfer price	-541,970.34	0.00%					

Ankang Gold Mantis Home E-commerce Co., Ltd.	428,800.00	60.00%	Equity transfer	31 January 2020	Earlier of de-registration and over 50% payment of the transfer price	-24,343.97	0.00%					
Baoji Gold Mantis Home E-commerce Co., Ltd.	577,700.00	51.00%	Equity transfer	31 January 2020	Earlier of de-registration and over 50% payment of the transfer price	-373,770.44	0.00%					
Qingdao Gold Mantis Home E-commerce Co., Ltd.	1.00	77.50%	Equity transfer	31 January 2020	Earlier of de-registration and over 50% payment of the transfer price	-2,632,648.22	0.00%					
Leshan Gold Mantis Home E-commerce Co., Ltd.	0.00	51.00%	Equity transfer	28 February 2020	Earlier of de-registration and over 50% payment of the transfer price	-567,785.36	0.00%					
Taizhou Gold Mantis	0.00	75.00%	Equity transfer	28 February 2020	Earlier of de-regist	2,167,355.98	0.00%					

Home E-commerce Co., Ltd.					ration and over 50% payment of the transfer price							
Nanjing Gold Mantis Home Decoration E-commerce Co., Ltd.	1.00	70.00%	Equity transfer	31 March 2020	Earlier of de-registration and over 50% payment of the transfer price	-743,751.67	0.00%					
Zhengzhou Gold Mantis Home E-commerce Co., Ltd.	910,900.00	88.00%	Equity transfer	31 March 2020	Earlier of de-registration and over 50% payment of the transfer price	-717,208.07	0.00%					
Jining Gold Mantis Home E-commerce Co., Ltd.	300,000.00	51.00%	Equity transfer	31 March 2020	Earlier of de-registration and over 50% payment of the transfer price	-116,852.86	0.00%					
Changshu Gold Mantis Home E-commerce Co., Ltd.	1,728,930.00	70.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50%	835,947.90	0.00%					

Ltd.					payment of the transfer price							
Kunshan Gold Mantis Home E-commerce Co., Ltd.	2,259,600.00	70.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	-803,156.54	0.00%					
Yancheng Gold Mantis Home E-commerce Co., Ltd.	1.00	70.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	-333,103.62	0.00%					
Jinhua Gold Mantis Home E-commerce Co., Ltd.	1.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	119,525.82	0.00%					
Linyi Gold Mantis Home E-commerce Co., Ltd.	550,000.00	55.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	-111,127.44	0.00%					

					price							
Langfang Gold Mantis Home E-commerce Co., Ltd.	712,100.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	-134,856.15	0.00%					
Handan Gold Mantis Home E-commerce Co., Ltd.	1.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	359,811.95	0.00%					
Suqian Gold Mantis Home E-commerce Co., Ltd.	1.00	80.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	930,402.25	0.00%					
Zhuhai Gold Mantis Home E-commerce Co., Ltd.	316,569.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	50,556.88	0.00%					
Taixing Gold	1.00	70.00%	Equity transfer	30 April 2020	Earlier of	81,251.21	0.00%					

Mantis Home E-commerce Co., Ltd.					de-registration and over 50% payment of the transfer price							
Lanzhou Gold Mantis Home E-commerce Co., Ltd.	1,092,450.00	70.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	-32,443.92	0.00%					
Huaihua Gold Mantis Home E-commerce Co., Ltd.	1.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	-106,338.92	0.00%					
Xinxiang Gold Mantis Home E-commerce Co., Ltd.	555,000.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over 50% payment of the transfer price	552,558.78	0.00%					
Siyang Gold Mantis Home E-comm	923,900.00	51.00%	Equity transfer	30 April 2020	Earlier of de-registration and over	-97,997.46	0.00%					

er Co., Ltd.					50% payment of the transfer price							
Shenzhen Gold Mantis Home Decoration Co., Ltd.	1,452,60 0.00	51.00%	Equity transfer	30 April 2020	Earlier of de-regist ration and over 50% payment of the transfer price	660,330. 82	0.00%					
Shanghai Qingchan Space Decoration Design and Engineering Co., Ltd.	1,000.00 0.00	70.00%	Equity transfer	31 May 2020	Earlier of de-regist ration and over 50% payment of the transfer price	988,376. 19	0.00%					
Wuxi Gold Mantis Home E-comm er Co., Ltd.	3,410,70 0.00	70.00%	Equity transfer	31 May 2020	Earlier of de-regist ration and over 50% payment of the transfer price	481,572. 27	0.00%					
Zhongshan Gold Mantis Home E-comm er Co., Ltd.	2,308,37 0.65	70.00%	Equity transfer	31 May 2020	Earlier of de-regist ration and over 50% payment of the	377,432. 16	0.00%					

					transfer price							
Binzhou Gold Mantis Home E-commerce Co., Ltd.	918,600.00	51.00%	Equity transfer	31 May 2020	Earlier of de-registration and over 50% payment of the transfer price	303,257.22	0.00%					
Yangzhong Gold Mantis Home E-commerce Co., Ltd.	1,044,738.66	51.00%	Equity transfer	31 May 2020	Earlier of de-registration and over 50% payment of the transfer price	411,995.01	0.00%					
Suzhou Gold Mantis Home E-commerce Co., Ltd.	1,200,000.00	78.00%	Equity transfer	31 May 2020	Earlier of de-registration and over 50% payment of the transfer price	334,344.24	0.00%					
Changzhou Gold Mantis Home E-commerce Co., Ltd.	2,093,500.00	70.00%	Equity transfer	31 May 2020	Earlier of de-registration and over 50% payment of the transfer price	92,537.62	0.00%					
Ningguo	1.00	100.00%	Equity	31 May	Earlier	1,344,23	0.00%					

Gold Mantis Home E-commerce Co., Ltd.			transfer	2020	of de-registration and over 50% payment of the transfer price	1.44						
Yibin Gold Mantis Home E-commerce Co., Ltd.	0.00	51.00%	Equity transfer	31 May 2020	Earlier of de-registration and over 50% payment of the transfer price	-522,515.68	0.00%					
Shanghai Gold Mantis Home E-commerce Co., Ltd.	1,100,000.00	98.72%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	2,230,780.65	0.00%					
Xuzhou Gold Mantis Home E-commerce Co., Ltd.	1,156,900.00	70.00%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	3,081,067.84	0.00%					
Wuhu Gold Mantis Home	750,000.00	51.00%	Equity transfer	30 June 2020	Earlier of de-registration	544,176.57	0.00%					

E-comm erce Co., Ltd.					and over 50% payment of the transfer price							
Gold Mantis Home (Shangha i) Decorati on Co., Ltd.	1.00	100.00%	Equity transfer	30 June 2020	Earlier of de-regist ration and over 50% payment of the transfer price	664,376. 19	0.00%					
Danyang Gold Mantis Home E-comm erce Co., Ltd.	1,530,00 0.00	51.00%	Equity transfer	30 June 2020	Earlier of de-regist ration and over 50% payment of the transfer price	774,640. 67	0.00%					
Ma'an sh an Gold Mantis Home E-comm erce Co., Ltd.	0.00	0.00%	Equity transfer	30 June 2020	Earlier of de-regist ration and over 50% payment of the transfer price	1,776,28 2.05	0.00%					
Lianyun gang Gold Mantis Home E-comm erce Co.,	2,760,50 0.00	80.00%	Equity transfer	30 June 2020	Earlier of de-regist ration and over 50% payment	792,026. 05	0.00%					

Ltd.					of the transfer price							
Yiwu Gold Mantis Home E-commerce Co., Ltd.	1,700,000.00	51.00%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	44,146.83	0.00%					
Zhuji Gold Mantis Home E-commerce Co., Ltd.	95,000.00	51.00%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	191,964.33	0.00%					
Qujing Gold Mantis Home E-commerce Co., Ltd.	1.00	51.00%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	97,461.70	0.00%					
Huainan Gold Mantis Home Decoration Engineering Co., Ltd.	450,000.00	70.00%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	-444,407.55	0.00%					

Wuzhou Gold Mantis Home E-commerce Co., Ltd.	428,000.00	51.00%	Equity transfer	30 June 2020	Earlier of de-registration and over 50% payment of the transfer price	-396.05	0.00%					
Jinan Gold Mantis Home E-commerce Co., Ltd.	1,042,000.00	70.00%	Equity transfer	31 July 2020	Earlier of de-registration and over 50% payment of the transfer price	-703,366.79	0.00%					
Sanming Gold Mantis Home E-commerce Co., Ltd.	258,600.00	70.00%	Equity transfer	31 August 2020	Earlier of de-registration and over 50% payment of the transfer price	-577,613.43	0.00%					
Xi'an Gold Mantis Home E-commerce Co., Ltd.	388,300.00	80.00%	Equity transfer	31 August 2020	Earlier of de-registration and over 50% payment of the transfer price	-1,916,093.27	0.00%					
Hefei Gold Mantis	0.00	100.00%	De-registration	31 December 2020	Time of de-registration	459,496.35	0.00%					

Home E-comm erce Co., Ltd.												
Baoding Gold Mantis Home E-comm erce Co., Ltd.	0.00	51.00%	De-regist ration	31 Decemb er 2020	Time of de-regist ration	-1,692,8 54.00	0.00%					
Liuzhou Gold Mantis Home E-comm erce Co., Ltd.	0.00	100.00%	De-regist ration	31 Decemb er 2020	Time of de-regist ration	-6,418.1 0	0.00%					
Suzhou Miaoyu Construc tion Materials Co., Ltd.	0.00	100.00%	De-regist ration	30 Novemb er 2020	Time of de-regist ration	0.00	0.00%					

Other information:

1. Disposal of Subsidiaries

In the current period, Home Decoration E-commerce, a subsidiary of Gold Mantis Prefabricated Construction Technology, transferred or de-registered 51 “Gold Mantis Home” subsidiaries, and Gold Mantis Curtain Wall, a subsidiary of the Company, de-registered Suzhou Miaoyu Construction Materials Co., Ltd. These transferred or de-registered entities were therefore excluded from the consolidated financial statements of the current period.

Indicate whether there was any disposal of the investment in a subsidiary which was carried out by stages and where control over the subsidiary ceased in the Reporting Period.

Yes No

5. Changes in the Scope of the Consolidated Financial Statements due to Other Reasons

Changes in the scope of the consolidated financial statements due to other reasons (incorporation, liquidation, etc.):

In the current period, Gold Mantis International, a subsidiary of the Company, incorporated Jining Gold Mantis Construction Engineering Co., Ltd., and Gold Mantis Landscape, a subsidiary of the Company, incorporated Hangzhou Gold Mantis Landscape Co., Ltd. These newly incorporated entities were added to the consolidated financial statements of the current period.

6. Other

IX Interests in Other Entities

1. Interests in Subsidiaries

(1) Composition of the Group

Subsidiary	Principal place of business	Place of registration	Nature of business	The Company's interest		How the subsidiary was obtained
				Direct	Indirect	
Suzhou Meiruide Construction Decoration Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration	100.00%		Business combination involving entities under common control
Suzhou Meiruide Construction Materials Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration		100.00%	Incorporation with capital contribution
Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Furniture design and manufacturing	100.00%		Business combination involving entities under common control
Suzhou Gold Mantis Curtain Wall Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Curtain wall production	100.00%		Business combination not involving entities under common control
Qidong Gold Mantis Curtain Wall Co., Ltd.	Qidong City, Jiangsu Province, China	Qidong City, Jiangsu Province, China	Curtain wall production		100.00%	Incorporation with capital contribution
Suzhou Gold Mantis Landscape Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Landscaping	100.00%		Incorporation with capital contribution
Jiangsu Gold Mantis Horticultural Co.,	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Landscaping		100.00%	Incorporation with capital contribution

Ltd.						
Datong Gold Mantis Landscape Co., Ltd.	Datong City, Shanxi Province, China	Datong City, Shanxi Province, China	Landscaping		100.00%	Incorporation with capital contribution
Jining Economic Development Zone Gold Mantis Landscape Engineering Co., Ltd.	Jining City, Shandong Province, China	Jining City, Shandong Province, China	Landscaping		100.00%	Incorporation with capital contribution
Suzhou Gold Mantis Construction Investment Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Investment management		100.00%	Incorporation with capital contribution
Liaoning Gold Mantis Construction Decoration Co., Ltd.	Shenyang City, Liaoning Province, China	Shenyang City, Liaoning Province, China	Construction decoration		100.00%	Incorporation with capital contribution
Singapore Gold Mantis Pte. Ltd.	Singapore	Singapore	Construction decoration		100.00%	Incorporation with capital contribution
HBA Holdings Pte. Ltd. *1	Singapore	Singapore	Construction design		86.62%	Business combination not involving entities under common control
Gold Mantis (International) Construction Decoration Limited	Hong Kong	Hong Kong	Construction decoration		100.00%	Incorporation with capital contribution
Russia Gold Mantis Construction Decoration Co., Ltd.	Russia	Russia	Construction decoration		100.00%	Incorporation with capital contribution
JTL Fit Out Middle East L.L.C.	Dubai	Dubai	Construction decoration		100.00%	Incorporation with capital contribution

Gold Mantis Construction Decoration (CNMI), LLC	Northern Mariana Islands	Northern Mariana Islands	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis Building Decoration (Cambodia) Co., Ltd.	Cambodia	Cambodia	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis International Development Pte. Ltd.	Singapore	Singapore	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis (Vietnam) Construction Company Limited	Vietnam	Vietnam	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis (HK) Construction Decoration Limited	Hong Kong, China	Hong Kong, China	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis (Lanka) Construction (Private) Limited	Sri Lanka	Sri Lanka	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	E-commerce	70.00%		Incorporation with capital contribution
Gold Mantis Refined Decoration & Technology (Suzhou) Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis Home Decoration E-commerce (Suzhou) Co.,	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	E-commerce		90.00%	Incorporation with capital contribution

Ltd.*2						
Gold Mantis Supply Chain Management (Suzhou) Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	E-commerce		100.00%	Incorporation with capital contribution
Suzhou Jijia Materials Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis North China (Beijing) Construction Decoration Engineering Co., Ltd.	Beijing	Beijing	Construction decoration		100.00%	Incorporation with capital contribution
Gold Mantis Art Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration		100.00%	Incorporation with capital contribution
Suzhou Jinpu No. 9 Cultural Industrial Development Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Operational services		100.00%	Incorporation with capital contribution
Xi' an Hi-tech Zone Jinchuang Commercial Operation Management and Development Co., Ltd.	Xi' an City, Shaanxi Province, China	Xi' an City, Shaanxi Province, China	PPP project management		90.00%	Incorporation with capital contribution
Gold Mantis Municipal Engineering Construction (Guizhou) Co., Ltd.	Duyun City, Guizhou Province, China	Duyun City, Guizhou Province, China	Construction decoration		100.00%	Business combination not involving entities under common control
Suzhou Industrial Park Jindejin Construction Engineering Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration		100.00%	Business combination not involving entities under common control

Sierra Gold Mantis Joint Venture (Private) Limited	Sri Lanka	Sri Lanka	Construction decoration	50.00%		Incorporation with capital contribution
GMI Construction Corp.	The Phillipines	The Phillipines	Construction decoration		100.00%	Incorporation with capital contribution
M+ Design Associates Pte. Ltd.	Singapore	Singapore	Construction design		63.00%	Incorporation with capital contribution
Gold Mantis East China Construction Decoration Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration	100.00%		Incorporation with capital contribution
Suzhou Huali Jinshi Construction Decoration Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration	60.00%		Incorporation with capital contribution
Shuicheng Ruitong Construction and Development Co., Ltd.	Liupanshui City, Guizhou Province, China	Liupanshui City, Guizhou Province, China	PPP project management	90.00%		Incorporation with capital contribution
Archi-Feeling Design (SuZhou) Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction design	70.00%		Business combination not involving entities under common control
GMI International Inc.	The Phillipines	The Phillipines	Construction decoration		100.00%	Incorporation with capital contribution
Suzhou Miaoyu Construction Materials Co., Ltd.	Suzhou City, Jiangsu Province, China	Suzhou City, Jiangsu Province, China	Construction decoration		100.00%	Incorporation with capital contribution
Jining Gold Mantis Construction Engineering Co.,	Jining City, Shandong Province, China	Jining City, Shandong Province, China	Construction decoration		100.00%	Incorporation with capital contribution

Ltd.						
Hangzhou Gold Mantis Landscape Co., Ltd.	Hangzhou City, Zhejiang Province, China	Hangzhou City, Zhejiang Province, China	Landscaping		100.00%	Incorporation with capital contribution

Reason for holding different equity percentage and voting right percentage in a subsidiary:

Reason for holding half or below of voting rights but still controlling the investee, and holding over half of voting rights but not controlling the investee:

Basis for control over substantial structured entities included in the consolidated financial statements:

Basis for determining whether the Company was an agent or consignator:

Other information:

Note*1: HBA incorporated 24 subsidiaries.

*2: Home Decoration E-commerce incorporated 44 “Gold Mantis Home” subsidiaries.

Notes to the indirect interests: The Company indirectly held 100% interest in Meiruide Materials through Meiruide; 100% interest in Qidong Curtain Wall through Gold Mantis Curtain Wall; 100% interest in Gold Mantis Horticultural, Datong Gold Mantis, Jining Gold Mantis, and Hangzhou Gold Mantis, respectively, through Gold Mantis Landscape; an 86.62% interest in HBA through Singapore Gold Mantis; 100% interest in Russia Gold Mantis, JTL Fit Out Middle East, Saipan Gold Mantis, Cambodia Gold Mantis, International Development, Gold Mantis (Vietnam), Gold Mantis (HK), Gold Mantis (Lanka), GMI Construction, GMI Construction Decoration, and Jining Gold Mantis Engineering, respectively, as well as a 63% interest in M+, through Gold Mantis International; and a 90% interest in Home Decoration E-commerce, 100% interest in Refined Decoration & Technology, and 100% interest in Gold Mantis Supply Chain, through Prefabricated Construction Technology.

(2) Principal Non-wholly-owned Subsidiaries

Unit: RMB

Subsidiary	Minority interests	Net profit or loss attributable to minority interests in the current period	Declared dividends for minority interests in the current period	Closing balance of non-controlling interests
HBA	13.38%	16,769,841.20		63,969,033.00
Prefabricated Construction Technology	30.00%	-52,544,952.12		29,682,153.76
Total		-35,775,110.92		93,651,186.76

Reason for minority shareholder holding different equity percentage and voting right percentage in a subsidiary:

Other information:

(3) Key Financial Information of Principal Non-wholly-owned Subsidiaries

Unit: RMB

Subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
HBA	788,568,960.29	68,854,845.32	857,423,805.61	384,812,502.40	3,314,649.20	388,127,151.60	872,439,325.94	80,574,924.92	953,014,250.86	471,423,691.20	1,890,550.20	473,314,241.40
Prefabricated Construction Technology	2,208,852,750.36	21,302,545.84	2,230,155,296.20	1,973,082,143.59	73,663.56	1,973,155,807.15	2,064,024,385.12	153,684,599.18	2,217,708,984.30	1,931,939,354.80	292,240.10	1,932,231,594.90

Unit: RMB

Subsidiary	Current period				Last year			
	Operating revenue	Net profit	Total comprehensive income	Net cash generated from/used in operating activities	Operating revenue	Net profit	Total comprehensive income	Net cash generated from/used in operating activities
HBA	803,827,849.60	88,202,658.23	88,202,658.23	86,735,560.00	988,120,444.50	48,311,808.92	48,311,808.92	51,400,723.50
Prefabricated Construction Technology	2,808,722,617.48	-13,401,119.37	-13,401,119.37	-20,135,768.74	3,999,212,784.16	-99,456,739.20	-99,456,739.20	82,094,350.06

Other information:

(4) Major Restrictions with Respect to Use of the Group's Assets and Repayment of the Group's Liabilities**(5) Financial or Other Support Provided for Structured Entities Included in the Consolidated Financial Statements**

Other information:

2. Transactions Where Changes Occurred to the Company's Interests in Subsidiaries but the Company still Controlled the Subsidiaries

(1) Changes in Interests in Subsidiaries

(2) Effects of the Transactions on Non-controlling Interests and Equity Attributable to Owners of the Company as the Parent

Unit: RMB

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Other information:

3. Interests in Joint Ventures and Associates

(1) Principal Joint Ventures and Associates

Joint venture or associate	Principal place of business	Place of registration	Nature of business	The Company's interest		Accounting treatment of investment in the joint venture or associate
				Direct	Indirect	

Reason for holding different equity percentage and voting right percentage in a joint venture or associate:

Reason for holding below 20% voting rights but having a significant influence, or holding 20% or above voting rights but not having a significant influence:

(2) Key Financial Information of Principal Joint Ventures

Unit: RMB

	Closing balance/current period	Opening balance/last year

Other information:

(3) Key Financial Information of Principal Associates

Unit: RMB

	Closing balance/current period	Opening balance/last year

Other information:

(4) Aggregate Financial Information of Insignificant Joint Ventures and Associates

Unit: RMB

	Closing balance/current period	Opening balance/last year
Joint ventures:	--	--
Total amounts based on ownership percentages:	--	--
Associates:	--	--
Total carrying amount of investments	225,124.06	22,838,423.66
Total amounts based on ownership percentages:	--	--
--Net profit	-9,556,696.62	-6,162,676.00
--Total comprehensive income	-9,556,696.62	-6,162,676.00

Other information:

(5) Major Restriction on Joint Ventures or Associates' Ability to Transfer Funds to the Company

(6) Excess Losses on Joint Ventures or Associates

Unit: RMB

Joint venture or associate	Cumulative previous losses unrecognized	Losses unrecognized (or share of net profit) in the current period	Cumulative unrecognized losses at the period-end

Other information:

(7) Unrecognized Commitments Associated with Investments in Joint Ventures

(8) Contingent Liabilities Associated with Investments in Joint Ventures or Associates

4. Principal Joint Operations

Joint operation	Principal place of business	Place of registration	Nature of business	The Company's interest/share of profit/loss	
				Direct	Indirect

Reason for holding different equity percentage/share of profit/loss and voting right percentage in a joint operation:

Basis for the classification as a joint operation when the joint operation was an independent entity:

Other information:

5. Interests in Structured Entities Not Included in the Consolidated Financial Statements

Notes:

6. Other

X Risks Associated with Financial Instruments

1. Qualitative Information

The Company's risks associated with financial instruments originate from various financial assets and financial liabilities recognized by the Company in the course of operation, including credit risk, liquidity risk and market risk.

The Company's management is in charge of developing management objectives and policies for the Company's risks associate with financial instruments. The management is in charge of routine risk management through functional departments. The Company's internal audit department is in charge of carrying out routine supervision over the implementation of risk management policies and procedures of the Company, as well as reporting relevant findings to the Audit Committee of the Company in a timely manner.

The Company's overall objective for risk management is to develop risk management policies to minimize risks associated with financial instruments without unduly affecting the competitiveness and strain capacity of the Company.

2. Credit Risk

Credit risk refers to the financial loss that one party to a financial instrument will cause to the other party by failing to fulfill its obligations. The Company's credit risk arises mainly from monetary assets, notes receivable, accounts receivable, other receivables and long-term receivables, and the credit risk of such financial assets is due to counterparty default, with the maximum exposure being equal to the carrying amount of these instruments.

The Company's monetary assets are mainly deposited in commercial banks and other financial institutions because the Company believes these commercial banks have high credit standing and asset status and low credit risk.

The Company developed relevant policies to control the credit risk exposure for notes receivable, accounts receivable, other receivables, and long-term receivables. The Company assessed the credit qualifications of customers and set up corresponding credit periods based on the financial condition of customers, the possibility of obtaining guarantees from third parties, credit records and other factors such as the current market situation. The Company regularly monitors the credit records of customers. For customers with bad credit records, the Company adopted corresponding methods, such as written pressing for payment, shortening credit period, and canceling credit period, so as to ensure the Company's overall credit risk is controllable.

(1) Standards for judging significant increases in credit risk

On each balance sheet date, the Company assessed whether the credit risk of relevant financial instruments had increased significantly since the initial recognition. When determining whether there were significant increases in credit risk since the initial recognition, the Company considered that reasonable and well-grounded information can be obtained without unnecessary additional cost or effort, including qualitative and quantitative analyses based on the Company's historical data, external credit risk ratings, and forward-looking information. Based on individual financial

instruments or portfolios of financial instruments with similar credit risk characteristics, the Company determined the changes in default risk during the expected duration of financial instruments by comparing the risk of default of financial instruments on the balance sheet date and the risk of default on the initial recognition date.

When one or more of the following qualitative and quantitative standards was triggered, the Company believed that the credit risk of financial instruments had increased significantly. Quantitative standards mainly refer to that the probability of default for the remaining duration on the reporting date increases by more than a certain percentage from the initial recognition. Qualitative standards refer to the major adverse changes in the operation or financial status of the principal debtors and the list of early warning customers.

(2) Definition of assets with incurred credit impairment

To determine whether credit impairment occurred, the Company adopted the definition standard consistent with the internal credit risk management objectives for relevant financial instruments, with consideration also given to qualitative and quantitative indicators.

The following factors are taken into account by the Company when assessing whether a debtor suffers from credit impairment: the issuer or debtor has significant financial difficulties; the debtor breaches the contract, such as default or being overdue in the payment of interest or principal; for economic or contractual reasons related to the debtor, the creditor gives the debtor concessions that he would not make under any other circumstance; the debtor is likely to go bankrupt or undergo other financial reorganization; the financial difficulty of the issuer or debtor leads to the disappearance of the active market for the financial asset; the purchase or generation of a financial asset at a substantial discount that reflects the fact that a credit loss has occurred.

The credit impairment of financial assets might be the result of a combination of events, not necessarily due to a single identifiable event.

(3) Parameters for measuring expected credit loss

According to whether there was a significant increase in credit risk or whether credit impairment occurred, the Company measured the provisions for the impairment of different assets at the expected credit loss for 12 months or the entire duration. The key parameters for measuring expected credit loss included default probability, loss given default and exposure at default. The Company established models for default probability, loss given default and exposure at default after considering the quantitative analysis of historical statistical data (such as counterparty rating, guarantee method, collateral category, and repayment method), and forward-looking information.

The relevant definitions are as follows:

Default probability refers to the possibility that a debtor cannot fulfill its payment obligations in the next 12 months or throughout the remaining duration.

Loss given default refers to the Company's expectation for the extent of losses arising from exposure to default risk. The loss given default varies depending on the counterparty type, the method and priority of recourse, and different collaterals. The loss given default is the percentage of risk exposure loss at default and is calculated on the basis of the next 12 months or the entire duration.

Exposure at default refers to the amount payable by the Company in the event of default in the next 12 months or over the entire duration. Forward-looking information is involved in both the assessment of significant increases in the credit risk of forward-looking information and the calculation of expected credit loss. The Company identified the key economic indicators that affected the credit risk and expected credit loss of various business types through historical data analysis.

The quantitative data on credit exposure arising from accounts receivable, other receivables and long-term receivables of the Company are detailed in Section XII. VII. (5) (8) and (16).

3. Liquidity Risk

Liquidity risk refers to the risk of capital shortage in an enterprise when fulfilling its obligations to make settlements by delivering cash or other financial assets. The Company's policies are designed to ensure there is adequate cash to repay debts as they fall due. Liquidity risk is under the centralized control of the Company's Finance Department, and the Audit Department is in charge of supervision. The Finance Department monitors the cash balance and makes a rolling forecast of cash flows in the next 12 months, so as to ensure the Company has sufficient funds to repay its debts under all reasonable predictions.

As of 31 December 2020, the maturities of the Company's financial liabilities are as follows:

Item	31 December 2020			
	Within 1 year	1-2 years	2-3 years	Over 3 years
Short-term borrowings	714,363,172.85	—	—	—
Notes payable	4,871,222,687.68	—	—	—
Accounts payable	17,046,906,908.50	—	—	—
Other payables	288,908,436.62	—	—	—
Current portion of non-current liabilities	51,083,934.28	—	—	—
Long-term borrowings	—	81,000,000.00	83,000,000.00	672,918,353.34
Total	22,972,485,139.93	81,000,000.00	83,000,000.00	672,918,353.34

4. Market Risk

The market risk of a financial instrument refers to the risk of fluctuations in the fair value or future cash flows of the financial instrument arising from changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Exchange rate risk

Exchange rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in foreign exchange rates. The foreign exchange risk faced by the Company is mainly from financial assets and financial liabilities denominated in foreign currencies. For presentation reasons, the amount of risk exposure was shown in Renminbi, the spot exchange rate on the balance sheet date was adopted for conversion, and the translation difference in foreign currency statements was not included. The exchange risk exposure data of each foreign currency asset-liability item are detailed in Section XII. VII. (82).

(2) Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in market interest rates. The interest rate risk faced by the Company is from bank loans. As of 31 December 2020, the balance of the Company's bank loans was RMB1,402,135,800.00, most of which bore interest at a fixed rate, so the Company's interest risk was low.

(3) Other price risks

None.

XI Disclosure of Fair Value

1. The Closing Fair Value of Assets and Liabilities Measured at Fair Value

Unit: RMB

Item	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Continuous Fair Value Measurement	--	--	--	--
(I) Held-for-trading financial assets			2,172,086,741.05	2,172,086,741.05
1. Financial assets at fair value through profit and loss of the current period			2,172,086,741.05	2,172,086,741.05
(1) Debt instrument investments			2,172,086,741.05	2,172,086,741.05
(II) Receivables financing			275,822,920.18	275,822,920.18
(III) Other non-current financial assets			512,022,000.00	512,022,000.00
Total assets continuously measured at fair value			2,959,931,661.23	2,959,931,661.23
II. Non-continuous Fair Value Measurement	--	--	--	--

2. Basis for determining the market price of continuous and non-continuous Level 1 fair value measurement items

3. Continuous and non-continuous Level 2 fair value measurement items, valuation techniques used, and the qualitative and quantitative information of important parameters

4. Continuous and non-continuous Level 3 fair value measurement items, valuation techniques used, and the qualitative and quantitative information of important parameters

5. Continuous and non-continuous Level 3 fair value measurement items, information on the adjustment between the opening and closing book value, and sensitivity analysis of unobservable parameters

For wealth management products at the end of the reporting period, the future cash flows were predicted as the fair value according to the type of financial products and their yield rate.

The carrying value of receivables financing was close to the fair value due to their short remaining periods, so the face amount served as the fair value.

Other non-current financial assets were equity investments in unlisted enterprises that the Company planned to hold for the long term, and the initial investment cost served as the fair value.

6. If a continuous fair value measurement item was converted between levels for the current period, the reasons for such conversion and the policies for determining the conversion point

7. Valuation technique changes incurred in the current period and the reasons for such changes

8. The fair value of financial assets and financial liabilities not measured at fair value

9. Other Information

For financial instruments traded in an active market, the Company determined their fair value based on their quotations in the active market; for financial instruments not traded in an active market, the Company determined their fair value with valuation techniques. The valuation models used were mainly those of comparable companies in the market. The input values for valuation techniques primarily included risk-free interest rate, benchmark interest rate, exchange rate, credit point difference, liquidity premium, and discount for lack of liquidity.

XII Related Parties and Related-party Transactions

1. Particulars about the Controlling Shareholder

Controlling shareholder	Place of registration	Nature of business	Registered capital	Controlling shareholder's shareholding	Controlling shareholder's voting right percentage in
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				percentage in the Company	the Company
Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	Suzhou Industrial Park	Industrial investment	RMB215 million	24.33%	24.33%

Notes to the controlling shareholder:

Suzhou Gold Mantis Holding Co., Ltd. is the ultimate controller of the Company, and Mr. Zhu Xingliang is the actual controller of the Company.

Other information:

2. Subsidiaries of the Company

See Note “IX Interests in Other Entities” in Part XII.

3. Joint Ventures and Associates of the Company

See the Notes to the Financial Statements for the Company’s principal joint ventures and associates.

Other joint ventures or associates that were involved in related-party transactions with the Company in the current period, or that were involved in related-party transactions with the Company in prior periods with balances lasting into the current period:

Joint venture or associate	Relationship with the Company
Delos Residential Solution (HK) Limited	Gold Mantis International holds a 45.78% interest in it.
Macao Gold Mantis Construction Decoration Co., Limited	Gold Mantis International holds a 45.00% interest in it.
Zhejiang Tianyu Commercial Operation Management Co., Ltd.	The Company and Refined Decoration & Technology held 35.00% and 15% interests, respectively, in it before October 2020.

Other information:

4. Other Related Parties

Other related parties	Relationship with the Company
Suzhou LJT Intelligent Technology Co., Ltd.	The Company’s subsidiary
Virtues Professional Training School of Suzhou Industrial Park	The Company’s subsidiary
Suzhou Virtues Construction Professional Training School	The Company’s subsidiary
Suzhou Gold Mantis Professional Training School	The Company’s subsidiary
Suzhou Gold Mantis Investment Co., Ltd.	The Company’s subsidiary
Suzhou Jinhua Property Development Co., Ltd.	The Company’s subsidiary
Suzhou Gold Mantis 3D Software Co., Ltd.	The Company’s subsidiary
Suzhou Huizhu Information Technology Co., Ltd.	Subsidiary of Suzhou Gold Mantis 3D Software Co., Ltd.
Suzhou BLM Technology Co., Ltd.	Subsidiary of Suzhou LJT Intelligent Technology Co., Ltd.

Suzhou Gold Mantis Yihe Technology Co., Ltd.	Subsidiary of Suzhou LJT Intelligent Technology Co., Ltd.
Suzhou Jinduoyun Information Technology Co., Ltd.	Subsidiary of Suzhou LJT Intelligent Technology Co., Ltd.
Jiangsu Dongyi Software Technology Co., Ltd.	Subsidiary of Suzhou Gold Mantis Yihe Technology Co., Ltd.
Suzhou Jinnuo Commercial Factoring Co., Ltd.	Subsidiary of Suzhou Nuojin Investment Co., Ltd.
Suzhou Nuojin Finance Lease Co., Ltd.	Subsidiary of Suzhou Nuojin Investment Co., Ltd.
Suzhou Gold Mantis Culture Development Co., Ltd.	Minority-owned subsidiary of the controlling shareholder
Delos (Suzhou) Well Technology Ltd.	Subsidiary of Delos Residential Solutions (HK) Limited
Suzhou Gold Mantis Charity Foundation	The Company's senior management being director of the non-corporate organization
Suzhou Gold Ga in Investment Co., Ltd.	Under control of the same actual controller
Suzhou Jinbai Hotel Management Co., Ltd.	Subsidiary of Suzhou Jinhu Property Development Co., Ltd.

Other information:

5. Related-party Transactions

(1) Related-party Transactions Involving Purchase and Sale of Goods, as well as Receipt and Rendering of Services

Purchases of goods/receipt of services:

Unit: RMB

Related party	Contents of transaction	Amount in the current period	Approved transaction line	Over the transaction line or not	Amount in last year
Suzhou Gold Mantis 3D Software Co., Ltd.	Software and technical services	1,381,383.97	1,381,383.97	Not	3,378,233.02
Suzhou Huizhu Information Technology Co., Ltd.	Technical services	274,801.88	274,801.88	Not	1,699,921.03
Suzhou Gold Mantis Investment Co., Ltd.	Consulting services	288,226.17	288,226.17	Not	471,698.11
Delos (Suzhou) Well Technology Ltd.	Materials	1,621,386.16	1,621,386.16	Not	983,599.75
Suzhou BLM Technology Co., Ltd.	Equipment and materials	929,356.41	929,356.41	Not	113,534.85
Suzhou LJT	Design charges	7,547,969.20	7,547,969.20	Not	-36,603.66

Intelligent Technology Co., Ltd.*	and materials				
Total		12,043,123.79	12,043,123.79	Not	6,610,383.10

Sale of goods/rendering of services:

Unit: RMB

Related party	Contents of transaction	Amount in the current period	Amount in last year
Suzhou Jinhua Property Development Co., Ltd.	Decoration curtain wall engineering and design	52,969,607.31	142,704,259.15
Suzhou Jinbai Hotel Management Co., Ltd.	Decoration engineering	15,440,691.47	142,338,041.03
Zhejiang Tianyu Commercial Operation Management Co., Ltd.	Decoration engineering and design	1,125,479.28	10,609,411.15
Suzhou LJT Intelligent Technology Co., Ltd.	Decoration engineering and equipment	-482,110.08	2,489,321.77
Delos (Suzhou) Well Technology Ltd.	Decoration engineering	110,145.63	
Suzhou Gold Mantis Culture Development Co., Ltd.	Landscaping and property services	446,519.56	
Total		69,610,333.17	298,141,033.10

Notes to related-party transactions involving purchase and sale of goods, as well as receipt and rendering of services:

Note*: The transaction amount was negative primarily due to adjustments in the audit and settlement.

(2) Management Entrustment and Contracting between the Company and Related Parties

The Company as the trustee of management/contractor:

Unit: RMB

Trustor/contractor	Trustee/contractee	Type of asset	Start date	End date	Basis for income determination	Income recognized in the current period
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Notes:

The Company as the trustor of management/contractee:

Unit: RMB

Trustor/contractor	Trustee/contractee	Type of asset	Start date	End date	Basis for the determination of charges	Charges recognized in the current period
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Notes:

(3) Leases between the Company and Related Parties

The Company as the lessor:

Unit: RMB

Lessee	Type of the leased asset	Rental income recognized in the current period	Rental income recognized last year
Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	Building space	189,000.00	189,000.00
Suzhou Gold Mantis Investment Co., Ltd.	Building space	42,000.00	42,000.00
Suzhou BLM Technology Co., Ltd.	Building space	10,500.00	10,500.00
Suzhou Jinhua Property Development Co., Ltd.	Building space	42,000.00	42,000.00
Suzhou Jinduoyun Information Technology Co., Ltd.	Building space	10,500.00	10,500.00
Jiangsu Dongyi Software Technology Co., Ltd.	Building space	10,500.00	10,500.00
Suzhou Gold Mantis 3D Software Co., Ltd.	Building space	84,000.00	84,000.00
Suzhou Huizhu Information Technology Co., Ltd.	Building space	84,000.00	84,000.00
Suzhou LJT Intelligent Technology Co., Ltd.	Building space	1,078,600.00	1,078,600.00
Suzhou Gold Mantis Yihe Technology Co., Ltd.	Building space	210,000.00	210,000.00
Suzhou Jinnuo Commercial Factoring Co., Ltd.	Building space	12,600.00	12,600.00
Suzhou Gold Mantis Charity Foundation	Building space	10,500.00	10,500.00
Suzhou Nuojin Investment Co., Ltd.	Building space	21,000.00	21,000.00
Gold Gain Investment Limited	Building space	3,800.00	3,800.00
Suzhou Jinbai Hotel Management Co., Ltd.	Building space	2,800.00	7,000.00
Delos (Suzhou) Well Technology Ltd.	Building space	12,600.00	25,200.00

Suzhou Gold Mantis Culture Development Co., Ltd.	Building space	1,115,300.00	1,216,700.00
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The Company as the lessee:

Unit: RMB

Lessor	Type of the leased asset	Rental expense recognized in the current period	Rental expense recognized last year
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Notes:

(4) Guarantees Provided between the Company and Related Parties

The Company as the guarantee provider:

Unit: RMB

Guaranteed party	Amount of guarantee	Start date	End date	Liability executed or not
Refined Decoration & Technology	40,500,000.00	17 May 2019	16 May 2022	Not
Refined Decoration & Technology	15,000,000.00	1 June 2020	31 May 2021	Not
Refined Decoration & Technology	300,000,000.00	26 October 2020	26 October 2021	Not
Refined Decoration & Technology	80,000,000.00	9 December 2020	9 December 2021	Not
Refined Decoration & Technology	100,000,000.00	14 December 2020	13 December 2021	Not
Gold Mantis Landscape	50,000,000.00	18 June 2019	17 June 2020	Not
Gold Mantis Landscape	150,000,000.00	4 July 2019	4 July 2020	Not
Gold Mantis Landscape	60,000,000.00	22 April 2020	21 April 2021	Not
Gold Mantis Landscape	80,000,000.00	23 September 2020	23 September 2021	Not
Gold Mantis Curtain Wall	200,000,000.00	31 May 2018	30 May 2019	Not
Gold Mantis Curtain Wall	372,000,000.00	15 August 2019	14 August 2020	Not
Gold Mantis Curtain Wall	100,000,000.00	11 December 2019	11 December 2020	Not
Gold Mantis Curtain Wall	100,000,000.00	18 May 2020	18 May 2021	Not
Gold Mantis Curtain Wall	200,000,000.00	5 June 2020	13 May 2021	Not
Gold Mantis Curtain	50,000,000.00	18 June 2020	18 June 2021	Not

Wall				
Gold Mantis Curtain Wall	372,000,000.00	24 August 2020	23 August 2021	Not
Gold Mantis Curtain Wall	60,000,000.00	4 November 2020	25 August 2021	Not
Gold Mantis Curtain Wall	80,000,000.00	23 September 2020	23 September 2021	Not
Gold Mantis Curtain Wall	170,000,000.00	1 December 2020	1 December 2021	Not
Gold Mantis Curtain Wall	150,000,000.00	10 December 2020	9 December 2021	Not
Meiruide	250,000,000.00	26 October 2018	25 November 2019	Not
Meiruide	200,000,000.00	13 May 2019	15 April 2020	Not
Meiruide	100,000,000.00	28 May 2019	27 May 2020	Not
Meiruide	100,000,000.00	8 January 2020	8 January 2021	Not
Meiruide	100,000,000.00	17 March 2020	17 March 2021	Not
Meiruide	200,000,000.00	18 May 2020	18 May 2021	Not
Meiruide	200,000,000.00	5 June 2020	13 May 2021	Not
Meiruide	100,000,000.00	11 June 2020	11 June 2021	Not
Meiruide	250,000,000.00	10 August 2020	9 August 2021	Not
Meiruide	100,000,000.00	23 September 2020	23 September 2021	Not
Meiruide	200,000,000.00	24 September 2020	24 September 2021	Not
Meiruide	400,000,000.00	26 October 2020	26 October 2021	Not
Gold Mantis Supply Chain	50,000,000.00	27 August 2019	27 August 2020	Not
Gold Mantis Supply Chain	100,000,000.00	24 September 2019	24 September 2020	Not
Gold Mantis Supply Chain	30,000,000.00	8 April 2020	7 April 2021	Not
Gold Mantis Supply Chain	60,000,000.00	5 June 2020	13 May 2021	Not
Gold Mantis Supply Chain	50,000,000.00	26 May 2020	25 May 2021	Not
Jijia Materials	60,000,000.00	5 June 2020	13 May 2021	Not
Gold Mantis East China	10,000,000.00	3 July 2020	3 July 2021	Not
Singapore Gold Mantis	82,669,200.00	28 August 2020	28 August 2021	Not
Singapore Gold Mantis	122,617,800.00	26 September 2020	25 September 2021	Not

				Not
				Not

The Company as the guaranteed party:

Unit: RMB

Guarantee provider	Amount of guarantee	Start date	End date	Liability executed or not
Suzhou Gold Mantis Enterprise (Group) Co., Ltd.	345,000,000.00	20 June 2019	19 June 2033	Not

Notes to guarantees provided between the Company and related parties:

On 20 June 2019, the Company's subsidiary Shuicheng Ruitong obtained a long-term pledged loan with a term of 168 months from Shuicheng County Sub-branch of Agricultural Development Bank of China. This loan was pledged with the income from feasibility gap subsidies receivable by Shuicheng Ruitong under the PPP Project (Phase II) Contract for Comprehensive Improvement of Rural Human Settlements in Shuicheng County and was guaranteed by Suzhou Gold Mantis Enterprise (Group) Co., Ltd.

(5) Loans between the Company and Related Parties

Unit: RMB

Related party	Amount of loan	Start date	End date	Note
Loans from related parties				
Loans to related parties				

(6) Asset Transfers and Debt Restructuring Involving Related Parties

Unit: RMB

Related party	Contents of transaction	Current period	Last year
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(7) Remuneration of Key Management

Unit: RMB

Item	Current period	Last year
Accrued remuneration of key management	9,851,500.00	8,622,600.00

(8) Other Related-party Transactions

① In 2020, the Company as well as its subsidiaries including Meiruide, Gold Mantis Curtain Wall, Gold Mantis Landscape, Refined Decoration & Technology, Gold Mantis Art, Jindejin Construction and Huali Jinshi paid Suzhou Virtues Construction Professional Training School

training fees of RMB1,707,800 in total; the Company as well as its subsidiaries including Meiruide, Gold Mantis Curtain Wall and Gold Mantis Landscape paid Virtues Professional Training School of Suzhou Industrial Park training fees of RMB188,800 in total.

② In December 2020, the Company donated RMB3 million to Suzhou Gold Mantis Charity Foundation.

6. Amounts Receivable from or Payable to Related Parties

(1) Amounts Receivable from Related Parties

Unit: RMB

Item	Related party	Closing balance		Opening balance	
		Gross amount	Allowances for doubtful accounts	Gross amount	Allowances for doubtful accounts
Accounts receivable	Suzhou Jinbai Hotel Management Co., Ltd.	38,096,160.80	1,904,808.04	49,816,293.87	2,490,814.69
Contract assets	Suzhou Jinbai Hotel Management Co., Ltd.	4,792,905.47	239,645.27		
Accounts receivable	Suzhou Jinhua Property Development Co., Ltd.	32,390,086.28	1,619,504.31	17,847,500.40	892,375.02
Contract assets	Suzhou Jinhua Property Development Co., Ltd.	23,633,878.71	1,181,693.94		
Accounts receivable	Zhejiang Tianyu Commercial Operation Management Co., Ltd.	6,891,246.53	344,562.33	6,790,500.00	339,525.00
Contract assets	Zhejiang Tianyu Commercial Operation Management Co., Ltd.	576,025.87	28,801.29		
Accounts receivable	Suzhou LJT Intelligent	11,155.00	557.75	1,182,100.00	59,105.00

	Technology Co., Ltd.				
Contract assets	Suzhou LJT Intelligent Technology Co., Ltd.	59,445.00	2,972.25		
Accounts receivable	Delos (Suzhou) Well Technology Ltd.	31,702.05	9,510.62	241,739.00	24,173.90
Accounts receivable	Suzhou Gold Mantis Culture Development Co., Ltd.	110,005.79	5,500.29	983,833.91	49,191.70
Contract assets	Suzhou Gold Mantis Culture Development Co., Ltd.	901,898.18	45,094.91		

(2) Amounts Payable to Related Parties

Unit: RMB

Item	Related party	Closing balance	Opening balance
Accounts payable	Suzhou Huizhu Information Technology Co., Ltd.	311,660.00	465,770.00
Accounts payable	Suzhou BLM Technology Co., Ltd.	881,695.91	259,507.25
Accounts payable	Delos (Suzhou) Well Technology Ltd.	216,686.60	210,488.43
Accounts payable	Suzhou Gold Mantis 3D Software Co., Ltd.	180,000.00	200,000.00
Accounts payable	Suzhou LJT Intelligent Technology Co., Ltd.	7,996,178.00	14,178.00
Other payables	Delos (Suzhou) Well Technology Ltd.		23,040.00
Other payables	Suzhou Gold Mantis Culture Development Co., Ltd.	20,000.00	

7. Commitments Involving Related Parties

8. Other

XIII Share-based Payments

1. The Overall Situation of Share-Based Payments

Applicable Not applicable

Unit: RMB

Total amount of various equity instruments granted by the Company during the current period	0.00
Total amount of various equity instruments exercised by the Company during the current period	0.00
Total amount of various equity instruments invalidated during the current period of the Company	1,050,000.00
The scope of exercise prices of other equity instruments issued by the Company at the end of the reporting period and the remaining term of contracts	RMB3.99 per share, the remaining term of contracts was 23 months; RMB4.01 per share, the remaining term of contracts was 36 months;

Other information:

2. Equity-settled Share-based Payments

Applicable Not applicable

Unit: RMB

Methods for determining the fair value of equity instruments on the grant date	First grant: * Grant of the reserved portion: The closing price of the Company's stock on the grant date
Basis for determining the number of feasible right equity instruments	To be determined by the number of actually exercised rights
Equity-settled share-based payments were included in the cumulative amount of capital reserves	86,866,866.67
Total expenses recognized in equity-settled share-based payments for the current period	3,579,166.67

Other information:

Note*: For incentive objects who are not Board Members or officers of the Company, the fair value of restricted shares is equal to the closing price on the grant date; for the fair value of restricted shares granted to Board Members and officers, the Company uses the Black-Scholes model (B-S model) as the pricing model to determine the fair value of the restricted shares after deducting the cost of restrictive factors.

In accordance with the Proposal on the Company's 2018 Restricted Share Incentive Scheme (Draft) and Its Summary deliberated and approved at the 1st Extraordinary General Meeting of the Company of 2018 and the resolution of the 13th Extraordinary Meeting of the 5th Board of Directors, the Company granted a total of 33.10 million restricted shares to 32 restricted share incentive objects, including Wang Hanlin, Cao Liming and Shi Guoping, and the issue price was RMB3.99 per share. The share incentive scheme was divided into three phases and the restricted shares were unlocked proportionally. When confirming the share-based payment expenses, accounting treatment was performed by regarding it as three independent share-based payment schemes.

In accordance with the Proposal on the Company's 2018 Restricted Share Incentive Scheme (Draft) and Its Summary deliberated and approved at the Company's 1st Extraordinary General Meeting of 2018 and the resolution of the 1st Extraordinary Meeting of the 6th Board of Directors of 2019, the Company granted 8.00 million reserved restricted shares to 14 restricted share incentive objects, including Wang Zhenlong and Gao Hongqiang, and the issue price was RMB4.01 per share. The share incentive scheme was divided into three phases and the restricted shares were unlocked proportionally. When confirming the share-based payment expenses, accounting treatment was performed by regarding it as three independent share-based payment schemes.

The phasing and unlocking conditions of the share incentive scheme are as follows:

Lifting restriction period	Lifting restriction time	Performance appraisal objectives	Proportion of the number of restricted shares lifted in restricted shares granted for the first time
1st lifting restriction period	From the first trading day 12 months after the completion date of the first grant of partial restricted shares to the day of the last trading day within 24 months after the completion date of the first grant of partial restricted shares	The Company should meet one of the following two conditions: 1. Based on the operating revenue in 2018, the growth rate of the operating revenue in 2019 shall be not less than 20%; 2. Based on the net profit in 2018, the growth rate of the net profit in 2019 shall be not less than 15%.	30%
2nd lifting restriction period	From the first trading day 24 months after the completion date of the first grant of partial restricted shares to the day of the last trading day within 36 months after the completion date of the first grant of partial restricted shares	The Company should meet one of the following two conditions: 1. Based on the operating revenue in 2018, the growth rate of the operating revenue in 2019 shall be not less than 40%; 2. Based on the net profit in 2018, the growth rate of the net profit in 2019 shall be not less than 30%.	30%

3rd lifting restriction period	From the first trading day 36 months after the completion date of the first grant of partial restricted shares to the day of the last trading day within 48 months after the completion date of the first grant of partial restricted shares	The Company should meet one of the following two conditions: 1. Based on the operating revenue in 2018, the growth rate of the operating revenue in 2019 shall be not less than 60%; 2. Based on the net profit in 2018, the growth rate of the net profit in 2019 shall be not less than 45%.	40%
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Based on the grant date of restricted shares and the best estimate of restricted shares at the end of the year, the Company's exercise expenses in relevant years were estimated as follows: (Unit: RMB'0,000)

Item	2020	2021	2022	Total
Expenses of the first grant of share incentive	-744.08	1,571.25	-	827.17
Expenses of the grant of reserved share incentive	1,102.00	371.2	340.27	1,813.47
Total	357.92	1,942.45	340.27	2,640.64

In May 2020, in accordance with the resolution of the 2019 Annual General Meeting and the Proposal on Repurchase and Cancellation of Some Restricted Shares deliberated and approved at the 5th Meeting of the 6th Board of Directors of 2020, Yang Peng and Xie Jinjun, the original incentive objects, had left the Company and did not meet the incentive conditions, so the Company repurchased and canceled 1,050,000.00 restricted shares granted to them but not yet unlocked according to the relevant provisions of the Company's share incentive scheme.

In May 2020, in accordance with the resolution of the 2019 Annual General Meeting and the Proposal on the Achievement of Lifting the Restriction Conditions in the First Lifting Restriction Period for the First Grant Portion of the 2018 Restricted Share Incentive Scheme, the number of restricted shares that can be applied to unlock this time was 9,615,000.00, and the listing and trading date of the restricted shares during the current period was 9 June 2020.

3. Cash-settled Share-based Payments

Applicable Not applicable

4. Modification and Termination of Share-based Payments

5. Other Information

XIV Commitments and Contingencies

1. Significant Commitments

Significant valid commitments on the balance sheet date:

(1) Guarantee Letters Issued as of 31 December 2020

Type	Amount
Performance bonds	1,017,697,981.45
Advance payment guarantees	400,105,438.93
Bid security forms	31,375,000.00
Quality guarantees	9,430,618.17
Guarantees for payment of salaries	10,972,882.92
Total	1,469,581,921.47

(2) As of 31 December 2020, save as disclosed above, there were no significant commitments that require to be disclosed.

2. Contingencies

(1) Significant Valid Contingencies on the Balance Sheet Date

2. Contingencies

(1) Contingent Liabilities Arising from the Provision of Debt Guarantees for Other Entities and the Financial Effects

See XII (5) in Part XII for guarantees between the Company and its subsidiaries as of 31 December 2020.

(2) As of 31 December 2020, save as disclosed above, there were no significant contingencies that require to be disclosed.

(2) The Company shall make it clear if it has no significant contingencies that require to be disclosed.

There were no significant contingencies that require to be disclosed.

3. Other Information

XV Events after the Balance Sheet Date

1. Significant Non-adjustment Matters

Unit: RMB

Item	Contents	Effects on the financial condition and operating results	Reason for inability to estimate the affected amount
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2. Profit Distribution

Unit: RMB

Profit or dividends to be distributed	536,671,737.80
Approved and declared profit or dividends to be distributed	536,671,737.80

3. Return of Sales

4. Other Events after the Balance Sheet Date

A. Incorporation, Acquisition, and De-registration of Subsidiaries after the Balance Sheet Date

In January 2021, subsidiary Home Decoration E-commerce incorporated majority-owned subsidiary Suzhou Tangbao Technical Service Co., Ltd.

During the period from January to March 2021, subsidiary Home Decoration E-commerce de-registered Quzhou Gold Mantis Home E-commerce Co., Ltd. and Lishui Gold Mantis Home E-commerce Co., Ltd.

In January 2021, subsidiary Gold Mantis International de-registered Jining Gold Mantis Construction Engineering Co., Ltd.

In January 2021, the Company acquired 100% interest in Home Decoration E-commerce held by Prefabricated Construction Technology, a majority-owned subsidiary of the Company. Therefore, Home Decoration E-commerce has become a wholly-owned subsidiary of the Company.

B. Repurchase of Shares

On 31 March 2021, the Proposal on the Share Repurchase Scheme of the Company was deliberated and approved at the 3rd Extraordinary Meeting of the 6th Board of Directors of the Company, which planned to repurchase the shares of the Company with its own funds in the form of call auction and use such repurchased shares to implement the share incentive or Employee Stock Ownership Plan. The total amount of this repurchase was not more than RMB300.00 million (inclusive) and not less than RMB150.00 million (inclusive). The price of the repurchased shares was not more than RMB15 per share. If calculated at the maximum amount of repurchase funds and the ceiling on the share repurchase price, it was estimated that the number of shares to be repurchased was approximately 20,000,000, accounting for about 0.75% of the Company's current share capital. If calculated at the minimum amount of repurchase funds and the ceiling on the share repurchase price, it was estimated that the number of shares to be repurchased was approximately 10,000,000, accounting for about 0.37% of the Company's current share capital. The specific number of repurchased shares shall be subject to the actual number of shares repurchased at the expiration of the repurchase period.

C. Other Events after the Balance Sheet Date

On 15 January 2021, the Proposal on the Achievement of Lifting the Restriction Conditions in the First Lifting Restriction Period for the First Grant Portion of the 2018 Restricted Share Incentive

Scheme was deliberated and approved at the 2nd Extraordinary Meeting of the 6th Board of Directors and the 2nd Extraordinary Meeting of the 6th Supervisory Committee. It was believed that the lifting restriction conditions for the restricted shares reserved under the Company's 2018 restricted share incentive scheme in the first lifting restriction period were achieved. It was therefore agreed that the Company would handle matters related to lifting restrictions for eligible incentive objects in accordance with the relevant provisions of the incentive scheme after the expiration of the first restriction period of reserved restricted shares. 14 incentive objects met the conditions for lifting restrictions this time, 2.40 million restricted shares were lifted this time, accounting for 0.09% of the Company's current share capital, and the listing and trading date of the restricted shares lifted this time was 27 January 2021.

As of 28 April 2021, save as disclosed above, there are no other events after the balance sheet date that require to be disclosed.

XVI Other Significant Events

1. Correction of Prior Accounting Errors

(1) Retrospective Restatement Method

Unit: RMB

Accounting error corrected	Procedure of treatment	Affected statement items of comparative periods	Cumulative effects

(2) Prospective Application Method

Accounting error corrected	Procedure of approval	Reason for adopting the prospective application method

2. Debt Restructuring

3. Asset Swaps

(1) Swaps of Non-monetary Assets

(2) Swaps of Other Assets

4. Annuity Plans

5. Discontinued Operations

Unit: RMB

Item	Revenue	Expense	Gross profit	Income tax expense	Net profit	Net profit of discontinued operations attributable to owners of the Company as the parent

Other information:

6. Segment Information

(1) Basis for the Determination of Reporting Segments and Accounting Policies

Factors taken into account in the determination of reporting segments:

The Company determined reporting segments based on product segments while taking into account the internal organizational structure, management requirements, the internal reporting system, etc.

(2) Financial Information of Reporting Segments

Unit: RMB

Item	Construction decoration	Manufacturing	Others	Offset between segments	Total
Revenue of core businesses	30,117,163,022.25	954,085,964.93	96,722,042.10		31,167,971,029.28
Costs of core businesses	25,135,776,779.73	877,506,030.76	27,949,300.30		26,041,232,110.79

(3) Reasons shall be given if the Company has no reporting segments or is unable to disclose the total assets and liabilities of the reporting segments.

(4) Other Information

(2) Core Businesses (by Product Category)

Product category	2020		2019	
	Revenue of core businesses	Costs of core businesses	Revenue of core businesses	Costs of core businesses
Decoration	27,939,943,817.80	23,605,931,194.94	27,172,714,036.71	22,528,609,783.38
Design	1,501,558,913.30	928,786,610.87	1,823,521,929.28	1,055,748,002.20
Curtain wall	1,637,205,437.26	1,479,454,103.65	1,726,158,637.26	1,547,342,368.64

Others	89,262,860.92	27,060,201.33	70,528,086.58	25,421,317.32
Total	31,167,971,029.28	26,041,232,110.79	30,792,922,689.83	25,157,121,471.54

7. Other Significant Transactions and Matters that may Affect Decision-Making of Investors

8. Other Information

As of 31 December 2020, save as disclosed above, there were no other significant events that require to be disclosed.

XVII Notes to Key Items of the Financial Statement of the Company as the Parent

1. Accounts Receivable

(1) Accounts Receivable by Type

Unit: RMB

Type	Closing balance					Opening balance				
	Gross amount		Allowance for doubtful account		Carrying amount	Gross amount		Allowance for doubtful account		Carrying amount
	Amount	Percentage	Amount	Allowance percentage		Amount	Percentage	Amount	Allowance percentage	
Accounts receivable for which the allowances for doubtful accounts are established on the individual basis	127,588,535.17	1.17%	123,375,780.37	96.70%	4,212,754.80	56,343,559.00	0.58%	52,130,804.20	92.52%	4,212,754.80
Including:										
Accounts receivable for which the allowances for doubtful accounts are established on the grouping basis	10,808,225,625.55	98.83%	1,234,383,782.06	11.42%	9,573,841,843.49	9,680,400,290.59	4.20%	1,135,176,365.99	11.73%	8,545,223,924.60
Including:										
Group of related parties	148,332,023.08	1.36%			148,332,023.08	211,477,694.16	2.17%			211,477,694.16

Group of non-related parties	10,659,893,602.47	97.47%	1,234,383,782.06	11.58%	9,425,509,820.41	9,468,922,596.43	97.25%	1,135,176,365.99		8,333,746,230.44
Total	10,935,814,160.72	100.00%	1,357,759,562.43	12.42%	9,578,054,598.29	9,736,743,849.59	100.00%	1,187,307,170.19	12.19%	8,549,436,679.40

Allowances for doubtful accounts established on the individual basis: RMB 123,375,780.37

Unit: RMB

Entity	Closing balance			
	Gross amount	Allowance for doubtful account	Allowance percentage	Reason for allowance
Kangde Composites Co., Ltd.	24,448,081.36	24,448,081.36	100.00%	Expectedly irrecoverable
Chongqing Forebase Industrial Investment (Holdings) Co., Ltd.	21,846,558.74	21,846,558.74	100.00%	Expectedly irrecoverable
Xiamen Shiqiao Investment Management Co., Ltd.	21,063,774.00	16,851,019.20	80.00%	Based on expected loss
Jiangsu Shenghe Tourism Development Co., Ltd.	15,988,000.49	15,988,000.49	100.00%	Expectedly irrecoverable
Chenzhou Jinhuang Hotel Management Co., Ltd.	15,778,879.42	15,778,879.42	100.00%	Expectedly irrecoverable
Jiangsu Zhonghao Holding Group Co., Ltd.	10,580,950.57	10,580,950.57	100.00%	Expectedly irrecoverable
Beijing Hanergy PV Investment Co., Ltd.	10,286,740.59	10,286,740.59	100.00%	Expectedly irrecoverable
Zhengzhou Hemei Women and Children's Hospital Co., Ltd.	7,595,550.00	7,595,550.00	100.00%	Expectedly irrecoverable
			96.70%	Expectedly irrecoverable
Total	127,588,535.17	123,375,780.37	--	--

Allowances for doubtful accounts established on the individual basis:

Unit: RMB

Entity	Closing balance			
	Gross amount	Allowance for doubtful account	Allowance percentage	Reason for allowance

Allowances for doubtful accounts established on the grouping basis: RMB0

Unit: RMB

Entity	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance percentage
Xi'an Hi-tech Zone Jinchuang Commercial Operation Management and Development Co., Ltd.	73,936,930.26		
Suzhou Jijia Materials Co., Ltd.	42,345,975.63		
Suzhou Meiruide Construction Decoration Co., Ltd.	11,123,010.10		
GMI Construction Corp.	8,024,359.64		
Gold Mantis (Vietnam) Construction Company Limited	6,781,889.75		
Gold Mantis (International) Construction Decoration Limited	4,486,997.11		
Gold Mantis Prefabricated Construction Technology (Suzhou) Co., Ltd.	1,279,152.47		
Suzhou Gold Mantis Landscape Co., Ltd.	327,308.12		
Archi-Feeling Design (SuZhou) Co., Ltd.	26,400.00		
Total	148,332,023.08		--

Grouping basis:

No allowances for doubtful accounts were established for entities within the consolidation scope.

Allowances for doubtful accounts established on the grouping basis: RMB1,234,383,782.06

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance percentage
Within 1 year	8,369,093,195.20	418,454,659.76	5.00%
1-2 years	1,091,170,333.38	109,117,033.34	10.00%
2-3 years	465,539,333.26	139,661,799.98	30.00%
3-4 years	266,935,776.65	133,467,888.33	50.00%
4-5 years	167,362,816.66	133,890,253.33	80.00%
Over 5 years	299,792,147.32	299,792,147.32	100.00%
Total	10,659,893,602.47	1,234,383,782.06	--

Grouping basis:

Accounts receivable as at 31 December 2020 for which allowances were established based on the group of non-related parties

Allowances for doubtful accounts established on the grouping basis:

Unit: RMB

Item	Closing balance		
	Gross amount	Allowance for doubtful account	Allowance percentage

Grouping basis:

Where allowances for doubtful accounts receivable are established using the general model of expected credit loss, please disclose allowance information as other receivables.

Applicable Not applicable

By aging:

Unit: RMB

Aging	Gross amount
Within 1 year (inclusive)	8,472,482,128.36
1-2 years	1,126,998,559.61
2-3 years	558,768,442.94
Over 3 years	777,565,029.81
3-4 years	310,410,065.83
4-5 years	167,362,816.66
Over 5 years	299,792,147.32
Total	10,935,814,160.72

(2) Allowances for Doubtful Accounts Established or Reversed in the Current Period

Allowances for doubtful accounts in the current period:

Unit: RMB

Type	Opening balance	Change in the current period				Closing balance
		Established	Reversed	Written off	Others	
Allowances for doubtful accounts established on the individual basis	52,130,804.20	81,213,348.62		9,968,372.45		123,375,780.37
Allowances for doubtful accounts established on the grouping basis	1,135,176,365.99	108,254,809.07		9,047,393.00		1,234,383,782.06
Total	1,187,307,170.19	189,468,157.69		19,015,765.45		1,357,759,562.43

Significant reversed allowances for doubtful accounts in the current period:

Unit: RMB

Entity	Amount reversed	Way of recovery
--------	-----------------	-----------------

(3) Accounts Receivable Written Off in the Current Period

Unit: RMB

Item	Amount written off
Accounts receivable written off	19,015,765.45

Significant accounts receivable written off:

Unit: RMB

Entity	Nature of account receivable	Amount written off	Reason for write-off	Write-off procedure executed	Arising from a related-party transaction or not
Zhejiang Zhongqing Real Estate Co., Ltd.	Engineering payment	9,968,372.45	Expectedly irrecoverable	Approval procedure for write-offs	Not
Liaoning Bihu Hot Spring Club Management Co., Ltd.	Engineering payment	7,047,393.00	Expectedly irrecoverable	Approval procedure for write-offs	Not
Foshan International Furniture EXPO MALL	Engineering payment	2,000,000.00	Expectedly irrecoverable	Approval procedure for write-offs	Not
Total	--	19,015,765.45	--	--	--

Notes:

(4) Top Five Entities with Respect to Accounts Receivable

Unit: RMB

Entity	Closing balance of accounts receivable	As a % of the closing balance of total accounts receivable	Closing balance of allowances for doubtful accounts
Entity 1	462,637,728.73	4.23%	23,131,886.44
Entity 2	141,511,109.64	1.29%	7,075,555.48
Entity 3	135,741,214.70	1.24%	6,787,060.74
Entity 4	120,928,130.57	1.11%	6,046,406.53
Entity 5	119,712,118.87	1.10%	5,985,605.94
Total	980,530,302.51	8.97%	

(5) Accounts Receivable Derecognized due to Transfer of Financial Assets

Way of transfer of financial assets	Amount of accounts receivable derecognized	Gain or loss on derecognition
Factoring of accounts receivable	473,441,103.31	-23,282,185.98

In 2020, the Company as the parent transferred, without recourse, accounts receivable of RMB473,441,103.31 to financial institutions, and the relevant loss stood at RMB23,282,185.98.

(6) Assets and Liabilities Arising from Continuing to Involve in Accounts Receivable upon Transfer

Other information:

2. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Dividends receivable	40,000,000.00	40,000,000.00
Other receivables	295,745,131.01	329,029,544.53
Total	335,745,131.01	369,029,544.53

(1) Interest Receivable**1) Interest Receivable by Type**

Unit: RMB

Item	Closing balance	Opening balance
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2) Substantial Interest Overdue

Borrower	Closing balance	Overdue time	Reason	Any impairment and basis for impairment judgment
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Other information:

3) Allowances for Doubtful Interest Receivable

Applicable Not applicable

(2) Dividends Receivable**1) Dividends Receivable by Type**

Unit: RMB

Item (or investee)	Closing balance	Opening balance
Suzhou Gold Mantis Landscape Co., Ltd.	40,000,000.00	40,000,000.00
Total	40,000,000.00	40,000,000.00

2) Substantial Dividends Receivable Over 1 Year

Unit: RMB

Item (or investee)	Closing balance	Aging	Reason for being outstanding	Any impairment and basis for impairment judgment

3) Allowances for Doubtful Dividends Receivable

□ Applicable √ Not applicable

Other information:

(3) Other Receivables**1) Other Receivables by Nature**

Unit: RMB

Nature of other receivable	Closing balance	Opening balance
Internal current accounts	194,097,292.19	227,041,086.85
Security deposits	154,539,803.28	153,003,005.75
Others	11,481,548.41	15,157,554.75
Less: allowances for doubtful accounts	-64,373,512.87	-66,172,102.82
Total	295,745,131.01	329,029,544.53

2) Allowances for Doubtful Other Receivables

Unit: RMB

Allowances	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	

Balance as at 1 January 2020	66,172,102.82			66,172,102.82
Balance as at 1 January 2020 in the current period	—	—	—	—
Established in the current period	-1,648,589.95			-1,648,589.95
Written off in the current period	150,000.00			150,000.00
Balance as at 31 December 2020	64,373,512.87			64,373,512.87

Balances with significant changes in loss allowances in the current period:

Applicable Not applicable

By aging:

Unit: RMB

Aging	Closing balance
Within 1 year (inclusive)	257,704,366.85
1-2 years	31,799,170.69
2-3 years	11,146,588.48
Over 3 years	59,468,517.86
3-4 years	7,561,596.90
4-5 years	3,888,002.92
Over 5 years	48,018,918.04
Total	360,118,643.88

3) Allowances for Doubtful Other Receivables Established or Reversed in the Current Period

Allowances for doubtful other receivables in the current period:

Unit: RMB

Type	Opening balance	Change in the current period				Closing balance
		Established	Reversed	Written off	Others	
Established on the grouping basis	66,172,102.82	-1,648,589.95		150,000.00		64,373,512.87
Total	66,172,102.82	-1,648,589.95		150,000.00		64,373,512.87

Significant reversed allowances in the current period:

Unit: RMB

Entity	Amount reversed	Way of recovery
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4) Other Receivables Written off in the Current Period

Unit: RMB

Item	Amount written off
Other receivables written off	150,000.00

Significant other receivables written off:

Unit: RMB

Entity	Nature of other receivable	Amount written off	Reason for write-off	Write-off procedure executed	Arising from a related-party transaction or not

Notes:

5) Top Five Entities with Respect to Other Receivables

Unit: RMB

Entity	Nature of other receivable	Closing balance	Aging	As a % of the closing balance of total other receivables	Closing balance of allowances for doubtful other receivables
Entity 1	Internal current accounts	160,759,691.66	Within 1 year	44.64%	
Entity 2	Security deposit for engineering project	39,484,676.77	Over 5 years	10.96%	39,484,676.77
Entity 3	Internal current accounts	21,594,590.98	Within 1 year	6.00%	
Entity 4	Internal current accounts	11,722,739.77	2-4 years	3.25%	
Entity 5	Security deposit for execution	10,573,100.00	0-2 years	2.94%	1,050,859.43
Total	--	244,134,799.18	--	67.79%	40,535,536.20

6) Other Receivables Associated with Government Grants

Unit: RMB

Entity	Title of government grant	Closing balance	Closing aging	Expected time of receipt and amount to be received, as well as judgment basis

7) Other Receivables Derecognized due to Transfer of Financial Assets**8) Assets and Liabilities Arising from Continuing to Involve in Other Receivables upon Transfer**

Other information:

3. Long-term Equity Investments

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment allowances	Carrying amount	Gross amount	Impairment allowances	Carrying amount
Investments in subsidiaries	2,504,132,432.26		2,504,132,432.26	2,438,659,209.93		2,438,659,209.93
Investments in joint ventures and associates				11,530,042.59		11,530,042.59
Total	2,504,132,432.26	0.00	2,504,132,432.26	2,450,189,252.52	0.00	2,450,189,252.52

(1) Investments in Subsidiaries

Unit: RMB

Investee	Opening balance (carrying amount)	Change in the current period				Closing balance (carrying amount)	Closing balance of impairment allowance
		Additional investment	Reduced investment	Impairment allowance	Others		
Suzhou Gold Mantis Construction Investment Co., Ltd.	500,000,000.00					500,000,000.00	
Suzhou Gold Mantis Curtain Wall Co., Ltd.	420,014,675.50					420,014,675.50	
Singapore Gold Mantis Pte. Ltd.	274,808,342.50	3,032,422.33				277,840,764.83	
Suzhou Meiruide Construction Decoration Co., Ltd.	244,883,165.56					244,883,165.56	

Shuicheng Ruitong Construction and Development Co., Ltd.	234,034,290.00					234,034,290.00	
Gold Mantis (International) Construction Decoration Limited	135,387,794.66	61,410,800.00				196,798,594.66	
Gold Mantis Municipal Engineering Construction (Guizhou) Co., Ltd.	122,000,000.00					122,000,000.00	
Suzhou Industrial Park Jindejin Construction Engineering Co., Ltd.	113,792,000.00	1,030,000.00				114,822,000.00	
Gold Mantis E-commerce Co., Ltd.	105,700,000.00					105,700,000.00	
Suzhou Gold Mantis Landscape Co., Ltd.	100,000,000.00					100,000,000.00	
Suzhou Industrial Park Gold Mantis Furniture Design and Manufacturing Co., Ltd.	64,583,418.38					64,583,418.38	
Xi' an Hi-tech Zone Jinchuang Commercial Operation Management	58,555,500.00					58,555,500.00	

and Development Co., Ltd.							
Gold Mantis Art Co., Ltd.	15,000,000.00					15,000,000.00	
Liaoning Gold Mantis Construction Decoration Co., Ltd.	10,000,000.00					10,000,000.00	
Suzhou Jijia Materials Co., Ltd.	10,000,000.00					10,000,000.00	
Archi-Feeling Design (SuZhou) Co., Ltd.	7,700,000.00					7,700,000.00	
Suzhou Huali Jinshi Construction Decoration Co., Ltd.	7,200,000.00					7,200,000.00	
Gold Mantis North China (Beijing) Construction Decoration Engineering Co., Ltd.	6,000,000.00					6,000,000.00	
Gold Mantis East China Construction Decoration Co., Ltd.	5,000,000.00					5,000,000.00	
Suzhou Jinpu No. 9 Cultural Industrial Development Co., Ltd.	4,000,000.00					4,000,000.00	
Sierra Gold Mantis Joint Venture	23.33					23.33	

(Private) Limited							
Total	2,438,659,209. 93	65,473,222.33				2,504,132,432. 26	

(2) Investments in Joint Ventures and Associates

Unit: RMB

Investee	Opening balance (carrying amount)	Change in the current period								Closing balance (carrying amount)	Closing balance of impairment allowance
		Additional investment	Reduced investment	Return on investment recognized using the equity method	Adjustment to other comprehensive income	Other equity changes	Declared cash dividends or profit	Impairment allowance	Others		
1. Joint ventures											
2. Associates											
Zhejiang Tianyu Commercial Operation Management Co., Ltd.	11,530,042.59	9,139,622.09	-2,390,420.50							0.00	0.00
Subtotal	11,530,042.59	9,139,622.09	-2,390,420.50								
Total	11,530,042.59	9,139,622.09	-2,390,420.50								

(3) Other Information

On 22 December 2017, the Company and its subsidiary Refined Decoration & Technology invested to establish Zhejiang Tianyu Commercial Operation Management Co., Ltd. jointly with Zhongtian Holdings Group Co., Ltd., with a registered capital of RMB50 million. Specifically, the Company contributed RMB17.50 million, accounting for 35.00% of the registered capital; Refined Decoration & Technology contributed RMB7.50 million, accounting for 15.00% of the registered capital. Since the Company was able to exert a significant influence on Zhejiang Tianyu Commercial Operation Management Co., Ltd., the equity method was adopted for accounting.

In September 2020, the Company and its subsidiary Refined Decoration & Technology transferred their 50% stake in Zhejiang Tianyu Commercial Operation Management Co., Ltd. to Hangzhou Tianshuo Apartment Management Co., Ltd. based on the Agreement on Equity Transfer and Relevant Matters signed between the Company and its subsidiary Refined Decoration & Technology and Hangzhou Tianshuo Apartment Management Co., Ltd., and the registration of industrial and commercial changes was completed on 29 October 2020.

4. Operating Revenue and Cost of Sales

Unit: RMB

Item	Current period		Last year	
	Revenue	Costs	Revenue	Costs
Core businesses	19,445,885,694.44	16,079,983,238.34	18,377,524,760.69	14,954,507,348.54
Other businesses	42,556,252.10	6,765,516.71	29,910,400.52	4,201,238.05
Total	19,488,441,946.54	16,086,748,755.05	18,407,435,161.21	14,958,708,586.59

Revenue information:

Unit: RMB

By contract category	Segment 1	Segment 2		Total
Of which:				
Of which:				
Of which:				
Of which:				
Of which:				
Of which:				
Of which:				

Information related to performance obligations:

None

Information related to the transaction price allocated to residual performance obligations:

At the end of the Reporting Period, the amount of income corresponding to performance obligations that had been contracted but not yet performed or fully performed was RMB16,343,266,487.17, of which RMB was expected to be recognized in year , RMB was expected to be recognized in year , and RMB was expected to be recognized in year .

Other information:

(1) Top Five Customers with Respect to Operating Revenue

Customer	Operating revenue generated from the customer	As a % of the total operating revenue
Customer 1	3,944,681,195.05	20.24
Customer 2	1,108,396,916.19	5.69
Customer 3	344,326,369.83	1.77

Customer 4	262,020,032.31	1.34
Customer 5	218,894,281.29	1.12
Total	5,878,318,794.67	30.16

5. Return on investment

Unit: RMB

Item	Current period	Last year
Return on long-term equity investments measured using the equity method	-2,390,420.50	-4,226,587.96
Income from the disposal of long-term equity investments	8,360,377.91	
Income from the disposal of held-for-trading financial assets	19,931,299.18	23,039,034.33
Income derived during the period of holding other non-current financial assets	887,120.46	4,367,000.00
Income from the disposal of other non-current financial assets		23,774,839.16
Return on long-term equity investments measured using the cost method		100,000,000.00
Interest expense on discounted receivables financing	-4,770,456.83	-2,596,842.70
Total	22,017,920.22	144,357,442.83

6. Other Information

XVIII Supplementary Information

1. Schedule of Exceptional Gains and Losses in the Current Period

√ Applicable □ Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets	16,701,006.66	
Government grants through profit or loss (exclusive of government grants given in the Company's ordinary course of business at fixed quotas or amounts as per the	54,243,752.72	

government's uniform standards)		
Capital occupation charges on non-financial enterprises that are recognized in profit or loss	1,428,722.80	
Gain or loss on fair-value changes on held-for-trading and derivative financial assets and liabilities & income from disposal of held-for-trading and derivative financial assets and liabilities and other debt investments (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	35,346,523.09	
Reversed portions of impairment allowances for receivables and contract assets which are tested individually for impairment	3,356,920.55	
Non-operating income and expense other than the above	-3,385,100.86	
Less: Income tax effects	19,092,692.94	
Non-controlling interests effects (net of tax)	3,965,266.47	
Total	84,633,865.55	--

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

2. Return on Equity (ROE) and Earnings per Share (EPS)

Profit of the Reporting Period	Weighted average ROE	EPS	
		Basic EPS (RMB/share)	Diluted EPS (RMB/share)
Net profit attributable to ordinary shareholders of the Company	14.83%	0.88	0.89
Net profit attributable to ordinary shareholders of the Company before exceptional gains and losses	14.30%	0.85	0.86

3. Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

(1) Net Profit and Equity under CAS and IFRS

Applicable Not applicable

(2) Net Profit and Equity under CAS and Foreign Accounting Standards

Applicable Not applicable

(3) Please explain reasons for accounting data differences under CAS and IFRS and foreign accounting standards. Where any reconciliation is carried out on the differences of the data audited by an overseas audit firm, the name of the overseas audit firm shall be specified.

4. Other Information

Part XIII Documents Available for Reference

1. The financial statements signed and stamped by the Company's legal representative, Chief Financial Officer and head of the accounting department;
2. The original copy of the Independent Auditor's Report signed and stamped by the certified public accountants and stamped by the CPA firm;
3. All the originals of the Company's announcements and documents that were disclosed to the public during the Reporting Period on the media designated by the CSRC for information disclosure; and
4. The 2020 Annual Report carrying the signature of the Company's legal representative.
5. The aforesaid documents are available in the Securities Department of the Company at No. 888 West Ring Road, Suzhou City, Jiangsu Province, China.

Suzhou Gold Mantis Construction Decoration Co., Ltd.

Chairman of the Board: Wang Hanlin

30 April 2021