



SHENZHEN PROPERTIES & RESOURCES DEVELOPMENT (GROUP) LTD.

INTERIM REPORT 2022

(Announcement No. 2022-36)

August 2022

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 ShenZhen Properties & Resources Development (Group) Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

Liu Shengxiang, the Company’s legal representative, Cai Lili, the Company’s head of financial affairs, and Liu Qiang, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the Financial Statements carried in this Report are factual, accurate and complete.

All the Company’s directors have attended the Board meeting for the review of this Report and its summary.

The Company is subject to the Guideline No. 3 of the Shenzhen Stock Exchange on Information Disclosure by Industry—for Listed Companies Engaging in Real Estate.

The Company has described in detail in this Report the possible risks facing it, along with countermeasures. Please refer to “X Risks Facing the Company and Countermeasures” in “Part III Management Discussion and Analysis” of this Report.

The Company has no interim dividend plan, either in the form of cash or stock.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

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Documents Available for Reference

- I. The financial statements with the signatures and stamps of the Company's legal representative, head of financial affairs and head of the financial department; and
- II. The originals of all the Company's documents and announcements disclosed to the public via newspapers designated by the CSRC in the Reporting Period.

Definitions

Term	Definition
The “Company”, the “Group”, “SZPRD” or “we”	ShenZhen Properties & Resources Development (Group) Ltd. and its consolidated subsidiaries, except where the context otherwise requires
SIHC	Shenzhen Investment Holdings Co., Ltd.
Huangcheng Real Estate	Shenzhen Huangcheng Real Estate Co., Ltd.
Dongguan Company	Dongguan ITC Changsheng Real Estate Development Co., Ltd.
Xuzhou Company	SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.
Yangzhou Company	SZPRD Yangzhou Real Estate Development Co., Ltd.
Urban Renewal Company	Shenzhen Wuhe Urban Renewal Co., Ltd.
Rongyao Real Estate	Shenzhen Rongyao Real Estate Development Co., Ltd.
ITC Property Management	Shenzhen International Trade Center Property Management Co., Ltd.
ITC Technology Park	Shenzhen ITC Technology Park Service Co., Ltd.
Guomaomei Life	Shenzhen Guomaomei Life Service Co., Ltd.
Commercial Operation Company	Shenzhen SZPRD Commercial Operation Co., Ltd.
Guomao Catering	Shenzhen Guomao Catering Co., Ltd.
Supervision Company	Shenzhen Property Engineering and Construction Supervision Co., Ltd.
Wuhe Company	Shenzhen Wuhe Industry Investment Development Co., Ltd.
Shenzhen Property Management	Shenzhen Property Management Co., Ltd.
Foreign Trade Property Management	Shenzhen Foreign Trade Property Management Co., Ltd.
Shenfubao Property Development	Shenzhen Shenfubao Property Development Co., Ltd.
Hydropower Company	Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.
Security Service Company	Shenzhen Free Trade Zone Security Service Co., Ltd.
FMC	Shenzhen Facility Management Community Technology Co., Ltd.
Dongguan Wuhe	Dongguan Wuhe Real Estate Co., Ltd.
Guangming Wuhe	Shenzhen Guangming Wuhe Real Estate Co., Ltd.
Yangzhou Wuhe	Yangzhou Wuhe Real Estate Co., Ltd.
RMB, RMB’0,000, RMB’00,000,000	Expressed in the Chinese currency of Renminbi, expressed in tens of thousands of Renminbi, expressed in hundreds of millions of Renminbi

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	PRD, PRD-B	Stock code	000011, 200011
Changed stock name (if any)	N/A		
Stock exchange for stock listing	Shenzhen Stock Exchange		
Company name in Chinese	深圳市物业发展(集团)股份有限公司		
Abbr. (if any)	深物业集团		
Company name in English (if any)	ShenZhen Properties & Resources Development (Group) Ltd.		
Abbr. (if any)	SZPRD		
Legal representative	Liu Shengxiang		

II Contact Information

	Board Secretary	Securities Representative
Name	Zhang Gejian	Ding Minghua and Chen Qianying
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III Other Information

1. Contact Information of the Company

Indicate by tick mark whether any change occurred to the registered address, office address and their zip codes, website address and email address of the Company in the Reporting Period.

Applicable Not applicable

No change occurred to the said information in the Reporting Period, which can be found in the 2021 Annual Report.

2. Media for Information Disclosure and Place where this Report is Kept

Indicate by tick mark whether any change occurred to the information disclosure media and the place for keeping the Company's periodic reports in the Reporting Period.

Applicable Not applicable

The newspapers designated by the Company for information disclosure, the website designated by the CSRC for disclosing the Company's periodic reports and the place for keeping such reports did not change in the Reporting Period. The said information can be found in the 2021 Annual Report.

3. Other Information

Indicate by tick mark whether any change occurred to other information in the Reporting Period.

Applicable Not applicable

IV Key Financial Information

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

Yes No

Reason for retrospective restatement:

Business combination involving entities under common control.

	H1 2022	H1 2021		Change (%)
		Before	Restated	Restated
Operating revenue (RMB)	1,988,299,840.24	2,540,865,139.25	2,706,785,638.30	-26.54%
Net profit attributable to the listed company's shareholders (RMB)	250,802,157.71	676,375,523.75	677,467,066.42	-62.98%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	256,650,611.05	669,858,491.21	669,197,895.76	-61.65%
Net cash generated from/used in operating activities (RMB)	-395,994,231.09	1,137,570,780.73	1,141,561,301.92	-134.69%
Basic earnings per share (RMB/share)	0.4208	1.1349	1.1367	-62.98%
Diluted earnings per share (RMB/share)	0.4208	1.1349	1.1367	-62.98%
Weighted average return on equity (%)	5.40%	16.98%	16.50%	-11.10%
	30 June 2022	31 December 2021		Change (%)
		Before	Restated	Restated
Total assets (RMB)	15,166,310,790.81	14,581,897,151.76	14,828,989,745.60	2.27%
Equity attributable to the listed company's shareholders (RMB)	4,137,968,023.07	4,486,110,790.39	4,583,266,959.57	-9.72%

V 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 Differences under CAS and IFRS

Applicable Not applicable

No such differences for the Reporting Period.

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

Applicable Not applicable

No such differences for the Reporting Period.

VI Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-41,452.49	
Government subsidies through profit or loss (exclusive of government subsidies consistently given in the Company's ordinary course of business at fixed quotas or amounts as per governmental policies or standards)	1,115,174.40	Job retention and training subsidy and anti-pandemic subsidy received
Capital occupation charges on non-financial enterprises that are through profit or loss	-100,594.95	
Current profit or loss on subsidiaries obtained in business combinations involving entities under common control from the period-beginning to combination dates, net	-6,933,601.34	
Non-operating income and expense other than the above	1,128,481.62	Penalty, confiscatory and liquidated damages income
Less: Income tax effects	554,987.92	
Non-controlling interests effects (net of tax)	461,472.66	
Total	-5,848,453.34	

Particulars about other gains and losses that meet the definition of exceptional gain/loss:

Applicable Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item 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 Management Discussion and Analysis

I Principal Activity of the Company in the Reporting Period

(I) Core Business Overview

Established in 1982, the Company was originally known as "Luohu Engineering and Construction Headquarters" and renamed "Shenzhen Municipal Property Development Corporation" in August 1985. The Company was determined as the second batch of pilot units for joint-stock reform of state-owned enterprises in 1988. Approved by the municipal government, the Company renamed to ShenZhen Properties & Resources Development (Group) Ltd. in 1990. The stock of the group company (stock name: SZPRD, A/B; stock code: 000011, 200011) was officially listed in Shenzhen Stock Exchange in March 1992.

The Company contracted and built Shenzhen International Trade Center Building as Party A and created, planned, and organized the world-famous "Shenzhen Speed". The building was the place where Chairman Deng Xiaoping gave talks in his inspection to the south. SZPRD came into being because of the building and has risen amid the Reform and Opening up campaign. Emerging and growing together with Shenzhen, a city of miracles, the Company has been "a loyal practitioner of the spirit of the ox" and overcome difficulties in proposing new services in the new era. In the past four decades of trials and hardships, generations of SZPRD employees have manifested the enterprise spirit of "going ahead and reforming" and centered on the functional positioning as state assets of "serving national economic and social development, the city, the industry, and the people". The Company has adhered to the original aspiration and striven ahead to be a pioneer. Therefore, it has made remarkable achievements in development speed and quality. So far, the Company has grown into a large comprehensive industrial group from the project company that built Shenzhen International Trade Center Building. In the new era, the Company sizes up the situation, seizes the momentum and forges ahead toward the goal and vision of becoming a "leading smart operator of industry-city space in China".

2022 is a key year to carry on with the Group's 14th Five-Year Plan. During the Reporting Period, facing the abrupt COVID-19 and deep regulation and control in real estate, the Company faced up to the difficulties and continued to make efforts in four business sectors, including industry-city space development, property management services, industrial ecosystem operation, and main business ecosystem investment in its main business. The Company endeavored to further consolidate and highlight its advantages of industry-city integration and the whole industry chain through expanding the main business and making breakthroughs in other businesses.

1. Industrial & urban space development

In terms of the space development segment, the Company is specialized in developing the residence, the hi-end apartment, the office building, and the industrial park and has developed a batch of brand projects, including Shenzhen International Trade Center Building, Huanggang Port, Tian'an International Building, Qianhai Gangwan Garden, and Golden Collar Holiday. Based on its present real estate development business, the Company will improve its existing portfolio and plan for new businesses. It will engage a number of subsidiaries in property development and urban renewals, including Huangcheng Real Estate, Rongyao Real Estate, the Urban Renewal Company, Dongguan Wuhe, Xuzhou Company, and Yangzhou Company, strengthen capital operation via the listing platform, and make a reasonable layout of the city space development segment. In the Reporting Period, SZPRD made multiple efforts for this segment. For instance, it steadily advanced the existing development projects inside and outside Shenzhen, accelerated the sales of existing projects, and sped up cash inflow. Moreover, it focused on the development and construction of industry-city complexes and accelerated to create an integrated and co-existing model for the development of boutique urban residences and high-end industry space.

2. Property management services

The Company's property management segment takes ITC Property Management as its platform. As China's first batch of first-class qualified enterprises in property management, ITC Property Management, after more than 30 years of development, has become a domestic first-class property service provider with diversified business capabilities and technological strength, and has been awarded

"Top 100 National Property Management Enterprises" and "Excellent Enterprise of Property Management in China's Industrial Parks" for many years in a row. The projects under its management are all over the country, and its business radiates to various regions in China, such as South China, Southwest China, East China and North China, as well as the China-Vietnam Cooperation Zone in Vietnam. The Company's existing business has covered industrial parks, cultural tourism scenic spots, government agencies, rail transportation, housing, hospitals, schools, hotels and other various business models, and is planning to develop the business of grassroots social governance. The Company collaborated with the government to create a safe, harmonious, civilized and orderly urban environment, basically forming a pattern of integrated development of multiple business models. There are more than 20 subsidiaries under ITC Property Management, and with the functional departments of the headquarters as the platform, it has actively built three centers of "market, empowerment and supervision", and formed three business centers and profit centers of specialized business model companies, specialized companies and companies in other regions, so as to continuously and effectively realize the new pattern of coordinated development of "1+1>2".

3. Industrial ecosystem operation

With respect to the industrial ecosystem operation segment, the Company gave full play to its foundation in the three basic industries, namely, real estate development, property management, and leasing and the advantage of the whole industry chain, focused on the two major strategies of "value-added operation of existing assets" and "light-asset operation output", and deepened internal and external strategic cooperation. It is committed to creating a closed loop of the whole industrial ecosystem, covering project development services, park operation services, and supporting rental operations, and keeping improving the space service and rental ecosystem in the industrial park. A unique and mature business development model has been put in place with the capability and experience of the whole chain of planning, dismantling, construction control, business invitation, operation, and on-site management with respect to various assets. The Company is expediting the stock taking and assessment of its properties in stock and strengthening the management over them. In the future, it will gradually expand the scope of leasing and raise the development capability of property rental. Moreover, the Company gradually shifts the focus of industrial ecosystem operation to sci-tech parks, provides supporting services covering the whole value chain, such as the import of industrial ecosystem, project development services, and park operation services, and serves the role of "space service provider" centering on sci-tech parks.

4. Other business

In the Reporting Period, the Company's businesses also included catering service and project supervision service. The catering service is operated by Shenzhen Guomao Catering Co., Ltd. Guomao Catering Co., Ltd., established in 1986, became famous at home and abroad, as it was the place where President Deng Xiaoping gave talks during his inspection to the south in 1992. Since its establishment, it has received more than 600 country leaders, famous people, and numerous domestic and overseas guests, with its reputation spreading all over the world. The project supervision service is handled by the subordinated supervision company of the Group. The company has the Grade A supervision qualification of building works of the Ministry of Housing and Urban-Rural Development (MOHURD). It was originally known as Shenzhen Property Engineering Management Department, and takes part in the construction and management work of Shenzhen International Trade Center Building. It is a witness of the whole process of "Shenzhen speed", and mainly serves for the development project of the Group.

(II) Industry Development Progress

1. Real estate industry

In the first half of 2022, the macro-economic operation continued the development trend of overall stability and steady progress. Specifically, significant potential was seen in demand recovery, production rally was well supported and macro policies well guaranteed, innovative development gained momentum for economic growth, people's living standard and quality continued to improve, and high-quality development was promoted by an increasing number of positive factors. Since 2021, real estate regulation has maintained the orientation that "houses are for living in, not for speculation", and clearly upheld the principles of "implementing city-specific policies" and "supporting people's demand for housing improvement". In January, the National Housing and Construction Conference called for sticking to the bottom line of zero systemic risk and fully releasing residents' housing demands. In March, the Report on the Work of the Government for 2022 points out that we should continue to meet people's housing needs,

encourage both housing rentals and purchases, move faster to develop the long-term rental market, promote the construction of government-subsidized housing, assist the commodity housing market in better meeting the reasonable housing needs of home buyers, and keep land costs, housing prices and market expectations stable, so as to facilitate the stable and healthy development of the real estate market. In April, the Central Bank and the Banking and Insurance Regulatory Commission indicated that they would provide financial services for mergers and acquisitions of risk disposal projects by key real estate companies. In May, the People's Bank of China issued a notice to lower the interest rate floor for individual housing loans with a view to offering credit support to home buyers. China Securities Regulatory Commission proposed to support the normal financing of real estate enterprises, allow high-quality real estate enterprises to further broaden the use of funds raised by bonds, and encourage high-quality real estate enterprises to issue corporate bonds for merger and acquisition of projects in the charge of real estate enterprises with any insurance accident. A series of measures adopted will be conducive to the virtuous circulation and sound development of the real estate industry.

From the perspective of regional market, in the first half of 2022, Shenzhen experienced repeated outbreaks of COVID-19, in response to which the government introduced a number of measures to stabilize growth. In February, the Ministry of Housing and Urban-Rural Development held a press conference in the theme of "promoting high-quality development of housing and urban-rural construction", indicating that it would strive to play a positive role in maintaining stable macroeconomic performance and continue to strengthen the construction and supply of public housing; in June, the four departments of Shenzhen jointly issued the "Implementation Plan for Further Strengthening Financial Services to Support Epidemic Prevention and Control", Promote Economic Recovery, Meet Basic Living Needs and Stabilize Development, clarifying the need to further strengthen the mitigation of risks faced by real estate enterprises, optimize the conditions for withdrawal of advance sale supervision funds under the premise of "ensuring delivery of buildings", and promote the virtuous circulation of enterprise funds.

In the first half of 2022, the supply of housing in Shenzhen new housing market was mainly concentrated in the second quarter. Affected by policies and the COVID-19 pandemic, the transaction volume of the new housing market decreased by 30% year on year, and the overall transaction volume was 1,657,500 square meters. In terms of land market, in the first half of the year, Shenzhen launched a total of 35 land plots, with a total planned area of 5,648,000 square meters, including eight residential land plots with a planned building area of 1,071,000 square meters, and five commercial land plots with a planned area of 205,000 square meters. In the first half of the year, the total transaction volume in building area was 3,554,000 square meters, with eight residential land plots achieving the highest possible transaction price and the price limits on new housing raised, which sends a positive signal to the market.

In the face of changes in industry policies and development trends, mainstream real estate enterprises are gradually making efforts in diversified business layouts. At present, mainstream real estate enterprises have already entered and formed stable industry pattern in many relevant fields other than residential development and sales, such as property management, commercial property, long-term rental and logistics real estate. Additionally, sub-industries such as elderly care, education and agency construction have also achieved rapid development. The industry has accelerated its transformation from real estate to immovable property, gradually shifting from the scale-driven advantage formed by residential development and sales to the integration of development, operation and service.

2. Property management industry

In recent years, driven by continued urbanization, consumption upgrade and encouraging policies, and overlaid with technological empowerment and capital dividends, the property management industry has entered a period of rapid development. With the rising social status of the property management industry, in early 2022, the General Office of the State Council issued the Notice on the Construction Plan for the Community Service System in Urban and Rural Areas During the 14th Five-Year Plan Period, aiming to guide the market and social forces to develop services such as childcare and elder care in communities, and encourage the development of household services such as property management, maintenance, housekeeping, catering and retail in communities, and encourage localities where conditions permit to introduce specialized property services, and establish and improve a two-way selection mechanism between property owners and property service enterprises. Urban services are a new field in the property

management industry this year. The revision of service standards related to urban environmental sanitation has provided relevant norms and guidelines for the property management industry. Moreover, a series of measures adopted have created favorable conditions for the rapid growth and standardized development of the property management industry.

Scale and boundary expansion remains the main theme in the development of the property management industry. In the first half of 2022, there were nearly 20 merger and acquisition (M&A) cases in the property management industry, involving transaction amount totaling RMB8 billion. The comparison with 2021 presents the following characteristics: First, M&As are more prudent overall, mainly focusing on the quality of M&A objects and strategic coordination and profitability. Second, state-owned enterprises become more active and play a dominant role in the M&A market. Among the 20 M&A cases in the first half of the year, the M&A entities of five ones are state-owned property companies with a disclosed transaction amount of approximately RMB4,314 million, accounting for 53.9% of the total transaction amount. In the medium and long term, M&A will vigorously promote the further improvement of industry concentration, and property management companies with the developer background have more advantages in this regard.

The property management enterprise listing boom continues, with three more property management enterprises entering the capital market during January-April. As at 17 June 2022, a total of 59 property management enterprises were listed, including 55 on the Main Board of Hong Kong and four on the A-share, with a total market capitalization of over RMB1 trillion. Improving the level of intelligence and building smart communities is still one of the important directions for enterprise development. In the first half of the year, major property management companies launched and upgraded their new intelligent property management systems to implement integrated property management and provide services such as property notification, warranty, visitor notification and life payment in a more convenient way. Some enterprises actively cooperated with Internet companies to explore the application of smart technology in property service scenarios and improve value-added services.

(III) Operating Performance of the Company in the Reporting Period

In 2022, the Company closely focused on the implementation of the key work deployment formulated at the beginning of the year. In the first half of the year, all the Company's work was conducted in strict accordance with the principle of "seeking progress in stability, maintaining stability in progress, and promoting progress in an innovative and prudent manner". The Real Estate Company took expansion as the goal, and made efforts to seek a breakthrough in project expansion. The Property Management Company took strategic transformation as the guide to enhance the empowerment value and brand value. The Commercial Operation Company aimed at improving quality and efficiency, and continued to innovate the operation and management mode, and each business segment has maintained a stable and healthy development trend. During the Reporting Period, the Company achieved operating revenue of approximately RMB1.988 billion and a net profit attributable to the Company as the parent of approximately RMB251 million, and all other indicators such as expenses and total remunerations were under effective control.

First, the industry-city space development segment maintained stable performance, with project construction being actively promoted. In the first half of the year, the real estate business recorded operating revenue of RMB1,156 million, accounting for 58.15% of the total revenue. During the Reporting Period, the real estate segment of the Company continued to strengthen the synergy of nodal targets and resource guarantee to achieve a comprehensively accelerated turnover of projects under construction, fully coordinated the annual sales of the Golden Collar Holiday project, and advanced the sales, payment collection and fine decoration partnership of Building A in an orderly manner, providing a strong support for the growth of revenue and profit. Moreover, the Group, together with Yangzhou Lvfa Real Estate Co., Ltd., successfully won the first batch of plot (GZ342) for Yangzhou Slender West Lake Science and Technology Innovation City Project. Adhering to the market-oriented management concept, the Group quickly carried out preparatory work such as cooperation agreement drafting and tender invitation and determination; Yutangshangfu Project of Shenzhen Guangming Wuhe Real Estate Co., Ltd. (hereinafter referred to as "Guangming Yutangshangfu Project ") and Dongguan Humen Project got started in the first quarter, and the overall progress thereof was orderly and controllable; Fuchang Phase II Project, Humen Coastal Port Project and other projects are progressing in an orderly manner.

Second, the property management segment grew steadily and continued to accelerate market expansion. In the first half of the year, the property management business recorded operating revenue of RMB778 million, accounting for 39.15% of the total revenue. The property management segment expanded totally 26 projects in the first half of the year, such as Linbangli and Kaiyuan Building

projects, with the expansion area totaling approximately 1,213,000 square meters. In order to implement the strategic layout of informatization, in the first half of the year, ITC Property Management completed such work as construction scheme drafting and cost investigation for its scientific and technological intelligent digital platform system composed of an intelligent operation management and control platform and a data middle office. Informatization projects of ITC Property Management such as the integration and upgrade of the charging system and the construction of the intelligent parking management and control platform are all progressing in an orderly manner.

Third, the industrial ecological operation and other segments improved quality and efficiency, and cultivated core operational capabilities. In the first half of the year, affected by the sluggish performance of external rental market and the short-term impact of the outbreak of COVID-19, the rental operation business recorded operating revenue of RMB54 million. In active response to policy call, the Company implemented rental reduction and exemption for state-owned houses to relieve the operating pressure of customers, which fully demonstrates the mission and responsibility of the Company as a state-owned enterprise. The Company took various steps to accelerate its transformation and upgrade, and explored such measures as establishing an incremental sharing mechanism and intensifying efforts on project expansion. Additionally, core operating capabilities were cultivated in multiple paths, and the transformation of the current pure rental business mode to a commercial operation mode was promoted, thereby boosting the development and growth of the industrial ecological operation segment. Moreover, the Company actively promoted the building of the key index system for the real estate segment, the informatization of intelligent construction site and the construction of the engineering quality and design management system. The supervision over relevant projects such as the Fuchang Phase II Project, Dongguan Humen Project and Guangming Yutangshangfu Project was in orderly progress. Various work was carried out in strict accordance with the standardized procedures for supervision and the Company's relevant requirements for internal control to successfully complete the supervision of existing projects.

(IV) Progress of key construction in progress

The Company is subject to the Guideline No. 3 of the Shenzhen Stock Exchange on Information Disclosure by Industry—for Listed Companies Engaging in Real Estate.

1. New additions to the land bank

Name of land lot or project	Location	Planned use of land	Site area (m ²)	Floor area with plot ratio (m ²)	How the land is obtained	The Company's interest	Total land price (RMB'0,000)	Consideration of the Company's interest (RMB'0,000)
Land Lot No. GZ342 in Yangzhou City	Pingshan Village, Hanjiang District, Yangzhou City	Commercial and residential	195,633	305,187.48	Open market	67.00%	83,535.29	55,968.64

2. Cumulative land bank

Name of project/area	Site area (0,000 m ²)	Floor area (0,000 m ²)	Floor area available for development (0,000 m ²)
Baolu project	3.24	8.16	8.16
Land in Danshui, Huiyang District, Huizhou City	1.77	4.25	4.25
Land in Hongqi Town, Haikou City	15.8	-	-
Yangzhou Slender West Lake Ecological Health Valley Project	19.56	30.52	30.52
Total	40.37	42.93	42.93

3. Development status of major projects

City/region	Name of project	Location	Usage	The Company's interest	Time for commencement of construction	% developed	% that has completed construction	Site area (m ²)	Planned floor area with plot ratio (m ²)	Floor area that completed construction in the Current Period (m ²)	Cumulative floor area that has completed construction (m ²)	Estimated total investment (RMB'0,000)	Cumulative investment (RMB'0,000)
Shenzhen	Golden Collar's Resort apartments	Futian District	Residential	100%	2014.03	Completed	100.00%	12,598	133,800	0	133,800	138,311	127,701
Shenzhen	Fuhui Huayuan	Futian District	Residential	100%	2018.12	Under construction	Main work completion filing 80% completed, and sample rooms are going through fine decoration	4,274	33,430	0	0	91,133	70,902
Shenzhen	Guanlan Bangling	Longhua District	Residential, commercial apartments and industrial	69%	2020.10	Under construction	94.66% demolished, Phase II pile foundation 30% completed and foundation pit supporting and earthwork 70% completed	68,300	433,640	0	0	694,150	359,507
Shenzhen	Project at Yutang Street, Guangming District	Guangming District	Residential	100%	2022.03	Under construction	All engineering piles completed, and earthwork supporting 50% completed	14,901	81,960	0	0	277,927	168,532
Dongguan City	Project in Humen Town, Dongguan city	Humen Town	Residential	100%	2022.03	Under construction	Earthwork supporting 60% completed, and pile foundation 30%	51,687	113,713	0	0	344,908	214,746

							complete						
Xuzhou City	Banshan Yujing (Phase II)	Tongshan District	Residential	100%	2019.3	Completed	100%	31,537	22,795	22,795	22,795	24,700	21,717

4. Sales status of major projects

City/region	Name of project	Location	Usage	The Company's interest	Floor area with plot ratio (m ²)	Floor area available for sale (m ²)	Cumulative pre-sold/sold floor area (m ²)	Floor area pre-sold/sold in the Current Period (m ²)	Pre-sale/sales revenue generate in the Current Period (RMB'0,000)	Cumulative settled floor area (m ²)	Floor area settled in the Current Period (m ²)	Pre-sale/sales revenue settled in the Current Period (RMB'0,000)
Shenzhen	Golden Collar's Resort apartments	Intersection of Futian South Road and Binhe Road in Futian District	Residential, studio apartments and commercial	100%	133,800.6	125,231.07	113,142.79	6,617.51	58,325	110,375.99	10,015.39	86,141.01
Dongguan City	Songhu Langyuan	Dalang Town	Residential, commercial	100%	147,139.96	140,911	140,911	0	0	149,289.84	48	39.37
Yangzhou City	Hupan Yujing Phase I	Intersection of Shouxihu Road and Hangou Road	Residential units, shops, apartments, parking garages and lots	100%	36,141.28	48,870.98	42,924.49	101.62	39	42,924.49	101.62	35.78
Yangzhou City	Hupan Yujing Phase II	Intersection of Shouxihu Road and Hangou Road	Residential units, shops, apartments, parking garages and lots	100%	56,935.75	73,121.96	70,012.8	1,678.83	2,465.69	69,993.69	1,678.83	2,262.10

5. Rental status of major projects

Name of project	Location	Usage	The Company's working interest	Rentable area	Cumulative rented area	Average occupancy rate
				m ²	m ²	
Xi Apartments (Longyuan)	Shenzhen	Apartments for long-term rental	100.00%	3967	3967	100.00%

Xi Apartments (Longhua)	Shenzhen	Apartments for long-term rental	100.00%	1609	1609	100.00%
Xi Apartments (Xinhu)	Shenzhen	Apartments for long-term rental	100.00%	1600	1600	100.00%
Donghu Apartments	Shenzhen	Apartments for long-term rental	100.00%	8171.72	5250.06	64.25%
Food Court in the International Trade Center	Shenzhen	Commercial	100.00%	4049	2453.63	60.60%
Fumin Complex	Shenzhen	Commercial, apartments	100.00%	6450	4836.84	74.99%
Tower A of Wenjindu Port Building	Shenzhen	Office building	75.00%	5884	5884	100.00%
Haiwai Lianyi Building	Shenzhen	Commercial units and offices	75.00%	9313.78	8839.78	94.91%
Anhua Building	Shenzhen	Offices	75.00%	1414	1414	100.00%
Training Building/Dormitory	Shenzhen	Residential units/offices/commercial units	75.00%	4194	4194	100.00%
Pengfu Building	Shenzhen	Offices	75.00%	6494	6494	100.00%
Jinfu Building	Shenzhen Shenzhen	Commercial	75.00%	1702	1406.74	82.65%
Jinfu Building	Shenzhen Shenzhen	Commercial	100.00%	568	568	100.00%
Fuxing Garden	Shenzhen	Residential/commercial	75.00%	5787	5787	100.00%
Fuxing Garden	Shenzhen	Commercial	100.00%	1417	1417	100.00%
Plant area in Tangxia Town, Dongguan City	Dongguan City	Plant	75.00%	22034	22034	100.00%
Pacific Business Building	Shenzhen	Commercial units/offices	75.00%	3199	3199	100.00%
Pacific Business Building	Shenzhen	Commercial units/offices	15.00%	14889	14720.57	98.87%
Kangti Building	Shenzhen	Commercial units/offices	75.00%	2096	2096	100.00%
Kangti Building	Shenzhen	Commercial units/offices	15.00%	1147	1147	100.00%
Lyuhua Building	Shenzhen	Commercial and residential	75.00%	6960	6913.7	99%
Shops on the ground floor of Tower 48 in Lianhua North Village	Shenzhen	Shops	75.00%	1000	1000	100.00%
Haonianhua Building	Shenzhen	Apartments and commercial units	100.00%	1803	1803	100.00%
Haonianhua Building	Shenzhen	Apartments and commercial units	75.00%	2278	2278	100.00%
Hostel 2 at Yuxin School	Shenzhen	Hostel	75.00%	3000	3000	100.00%
Kaifeng Garden in Shangmeilin	Shenzhen	Residential	100.00%	1307	953.23	72.93%
Fuyuan Industrial Zone	Shenzhen	Plant area	75.00%	47130	47130	100.00%
Tonglu Industrial Zone	Shenzhen	Plant area	100.00%	76886	75161.5	97.76%
Gonglu Building	Shenzhen	Commercial/offices	75.00%	317	317	100.00%
Jiangling Industrial Zone	Shenzhen	Plant area	75.00%	10397	10397	100.00%

Zone 21	Shenzhen	Commercial/offices	75.00%	9514	9514	100.00%
Baoli Community	Shenzhen	Residential	75.00%	9020	8879	98.44%
Songgang Plant	Shenzhen	Plant area	75.00%	5700	5700	100.00%
Longbu Plant	Shenzhen	Plant area	75.00%	7471	7471	100.00%
Gonglu Building in Huanggang	Shenzhen	Offices	75.00%	4600	4554.94	99.02%
Yuetong Complex	Shenzhen	Offices	75.00%	3044	3044	100.00%
Department Store Plaza	Shenzhen	Offices	33%	13515	13515	100.00%
Southern Securities Building	Shenzhen	Offices	33%	8809.8	3424.82	38.88%
Building 409, Sangda Industrial Zone	Shenzhen	Plant area	33%	3309.2	3309.2	100.00%
Mianshui Studio Apartment	Shenzhen	Apartment	33%	3440.12	3440.12	100.00%
Xiangfu Building	Shenzhen	Commercial	33%	3104.9	3104.9	100.00%

6. Primary land development

Applicable Not applicable

7. Financing channels

Unit: RMB

Financing channel	Ending balance of financings	Financing cost range/average financing cost	Maturity structure			
			Within 1 year	1-2 years	2-3 years	Over 3 years
Bank loans	3,843,732,330.00	4%-6%		128,000,000.00	2,999,500,000.00	716,232,330.00
Total	3,843,732,330.00	4%-6%		128,000,000.00	2,999,500,000.00	716,232,330.00

8. Development strategy and operating plan for the coming year

Efforts will be put on "expansion, acceleration, transformation, empowerment and effectiveness". In terms of land reserve, the Company will expand its capacity through market competition and capital operation, continue to focus on areas with economic development potentials, such as the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta, and actively facilitate the implementation of projects as soon as possible through market-based bid invitation, auction and listing, industrial land application, project cooperation and other means. In terms of project development, the Company will focus on project development and turnover in the latter half of the year. Specifically, it will gather strength to successfully achieve annual operation objectives, continue to strengthen the overall planning and control of the overall objectives, progress nodes and investment plans of each project, accelerate the development and construction of Humen Project, Guangming Project and Guanlan Bangling Urban Renewal Project (Phase I and Phase II), actively promote the completion and acceptance of the principal works and fine decoration of Fuchang Phase II Project, assist in the ownership confirmation and disposal of entrusted properties such as Pingshan Tianjun Industrial Park, and strive to complete such work as project approval and special declaration of the renewal unit plan for the Fuyuan Industry Park, conclusion of Baolu land compensation agreement and separation of the Yupinluanshan Project.

9. Provision of guarantees for homebuyers on bank mortgages

Applicable Not applicable

As a usual practice for real estate developers, the Company has been providing guarantees and security deposits for its homebuyers on their bank mortgages. As at 30 June 2022, security deposits for such outstanding guarantees amounted to RMB64,997,757.03, which will be returned upon the expiry of the guarantees, i.e. when the relevant homebuyers paid off their bank mortgages.

10. Joint investments by directors, supervisors and senior management and the listed company (applicable for such investments where the directors, supervisors and senior management are the investment entities)

Applicable Not applicable

Name of project	Type of investment entity	Amount of investment (RMB'0,000)	% of investment amount	As % of the peak of the project funds	Cumulative income	Disinvestment	Compatibility of actual investment amount and distributed income
Urban Renewal of Bangling Section at Guanlan Street	Mandatory investment entities (including directors and senior management)	2,647.00	66.18%	N/A	0	None	N/A
	Voluntary investment entities	1,353.00	33.82%	N/A	0	None	N/A

Note: Since this is an ongoing project, the peak of the project funds, cumulative income and disinvestment are unknown. For details, please refer to the relevant announcements disclosed by the Company on www.cninfo.com.cn dated 9 November 2019.

II Core Competitiveness Analysis

Advantages in brand and cultural accumulation: As a Shenzhen municipal state-owned enterprise, SZPRD has undergone 40 years of development and accumulation and has been highly recognized by the market for the brand value and comprehensive strength of "SZPRD" that carries the spirit of reform and opening up of the Shenzhen International Trade Center Building. SZPRD came into being because of the Shenzhen International Trade Center and has risen amid the Reform and Opening up campaign. Emerging and growing together with Shenzhen, a city of miracles, the Company has been "a loyal practitioner of the spirit of the ox" and overcome difficulties in proposing new services in the new era.

Market-oriented advantages: In accordance with the market-oriented pace of a small change in a year and a big change in three years, the Group continues to innovate institutional mechanisms, deepen internal reforms, and actively benchmark with industry models for market-oriented operation, which significantly stimulates the vitality and momentum of the Group's high-quality development. In recent years, the Guanlan Bangling project pioneered the cooperation between state-owned enterprises and private enterprises in developing urban renewal projects, marking the first fully market-oriented urban renewal project in the history of the Group, and took the lead in implementing the follow-on investment system for urban renewal projects in the city's state-owned capital system. The property management segment, with 90% projects outside the province and 90% market-oriented expansion, demonstrates the strong competitiveness of the Company's property management business in the national market. The Company has simultaneously established a multi-level incentive and restraint mechanism including follow-on investment and long-term incentives, allocating resources, selecting talents and assessing rewards and punishments according to the market-oriented approach.

Whole industry chain advantage: Over the years, the Group has formed the advantage of the whole industry chain in the whole process of project acquisition, development and construction, investment and sales, leasing management and property management, especially in the area of high-end park basic services and property management quality services, which has formed obvious segmentation advantages and forged the core competitive ability of the Company.

City-industry integration advantage: From the earliest urban complex of Shenzhen International Trade Center Building, Luohu Commercial City, Huanggang Port area development to the development and operation of large city-industry complex project of Guanlan Bangling urban renewal project, the Group's advantages of city-industry complex development products have been highlighted, and with the implementation of a series of urban renewal projects and industrial projects, the advantages of city-industry complex will be further consolidated and enhanced.

Advantages as a holding subsidiary of a Fortune Global 500 company: Shenzhen Investment Holdings Co., Ltd., the controlling shareholder of the Company, has been committed to building a world-leading state-owned capital investment and operation company and a financial holding group. It has now developed into a state-owned capital investment company focusing on fintech, technology

parks, infant industries and high-end services. It was listed in Fortune Global 500 companies in 2022 with operating revenue of RMB242.5 billion and ranked 372nd on the list, 24 places higher than that in 2021. Relying on the controlling shareholder's advantages in the whole industrial chain of technology parks, the Company carries out active transformation and upgrading and concentrates on the development and construction of industry-city complexes, heralding a broader development prospect.

III Core Business Analysis

See contents under the heading “I Principal Activity of the Company in the Reporting Period” in “Management Discussion and Analysis”.

Year-on-year changes in key financial data:

Unit: RMB

	H1 2022	H1 2021	Change (%)	Main reason for change
Operating revenue	1,988,299,840.24	2,706,785,638.30	-26.54%	Decreased revenue carryforwards in the property development business and the offering of rental exemptions in the rental business in the current period
Cost of sales	1,068,652,583.32	906,050,067.72	17.95%	
Selling expense	11,358,858.51	10,418,105.37	9.03%	
Administrative expense	143,701,058.05	119,107,631.52	20.65%	
Finance costs	28,092,277.76	-229,075.44	12,363.33%	Decreased interest income in the current period
Income tax expense	92,655,204.26	195,401,618.54	-52.58%	Decreased taxable income in the current period
R&D investments	2,689,725.40	0.00	100.00%	Acquisition of FMC in September 2021
Net cash generated from/used in operating activities	-395,994,231.09	1,141,561,301.92	-134.69%	Decreased cash inflows and payment for the land of the Yangzhou project in the current period
Net cash generated from/used in investing activities	-248,809,261.38	-13,043,999.27	-1,807.46%	Expenditure on equity acquisition in the current period
Net cash generated from/used in financing activities	151,572,890.35	-375,250,891.88	140.39%	New bank loan in the current period and the payment of cash dividends in July
Net increase in cash and cash equivalents	-490,792,510.62	752,696,603.78	-165.20%	
Asset impairment loss	3,302.47	-33,715.66	-109.80%	
Credit impairment loss	-14,462,076.54	-6,797,536.40	112.75%	Increased allowances for doubtful accounts in the current period
Other income	6,806,445.99	3,242,846.47	109.89%	Increased government grants and tax and levy rebates in the current period
Return on investment	946,914.05	3,350,564.96	-71.74%	Decreased net profits of joint ventures in the current period
Non-operating income	2,546,068.46	10,624,684.14	-76.04%	Demolition compensation received in the same period of last year
Non-operating expense	1,417,586.84	1,953,595.36	-27.44%	

Material changes to the profit structure or sources of the Company in the Reporting Period:

Applicable Not applicable

No such changes in the Reporting Period.

Breakdown of operating revenue:

Unit: RM

	H1 2022		H1 2021		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	1,988,299,840.24	100%	2,706,785,638.30	100%	-26.54%
By operating division					
Property development	1,156,147,570.46	58.15%	1,897,026,889.73	70.08%	-39.05%
Property management	778,342,112.81	39.15%	707,732,230.87	26.15%	9.98%
Property rental	53,810,156.97	2.71%	102,026,517.70	3.77%	-47.26%
By product category					
Property development	1,156,147,570.46	58.15%	1,897,026,889.73	70.08%	-39.05%
Property management	778,342,112.81	39.15%	707,732,230.87	26.15%	9.98%
Property rental	53,810,156.97	2.71%	102,026,517.70	3.77%	-47.26%
By operating segment					
Shenzhen	1,570,922,892.64	79.01%	2,477,765,972.22	91.54%	-36.60%
Other	417,376,947.60	20.99%	229,019,666.08	8.46%	82.25%

Operating Division, Product Category or Operating Segment Contributing over 10% of Operating Revenue or Operating Profit

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						
Property development	1,156,147,570.46	334,703,848.75	71.05%	-39.05%	30.62%	-15.44%
Property management	778,342,112.81	674,642,686.47	13.32%	9.98%	11.56%	-1.23%
By product category						
Property development	1,156,147,570.46	334,703,848.75	71.05%	-39.05%	30.62%	-15.44%
Property management	778,342,112.81	674,642,686.47	13.32%	9.98%	11.56%	-1.23%
By operating segment						

Core business data of the prior year restated according to the changed statistical caliber for the Reporting Period:

Applicable Not applicable

Any over 30% YoY movements in the data above and why:

Applicable Not applicable

IV Analysis of Non-Core Businesses

Applicable Not applicable

Unit: RMB

	Amount	As % of total profit	Main source/reason	Recurrent or not
Return on investment	946,914.05	0.28%	Share of profits of joint ventures	Yes
Gain/loss on changes in fair value	0.00	0.00%		
Asset impairments	3,302.47	0.00%	Inventory valuation allowances	Not
Non-operating income	2,546,068.46	0.76%	Government grants	Not
Non-operating expense	1,417,586.84	0.42%	Liquidated damages paid for delayed delivery	Not
Credit impairment loss	-14,462,076.54	-4.33%	Allowances for doubtful accounts	Not

V Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	30 June 2022		31 December 2021		Change in percentage (%)	Reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
Monetary assets	1,849,085,199.61	12.19%	2,337,067,963.55	15.76%	-3.57%	Payment for land
Accounts receivable	372,687,342.05	2.46%	295,184,881.92	1.99%	0.47%	Increased property management fees receivable
Inventories	9,887,020,742.83	65.19%	9,125,134,062.27	61.54%	3.65%	Increased land bank
Investment property	466,359,148.85	3.07%	452,419,511.17	3.05%	0.02%	
Long-term equity investments	51,220,215.75	0.34%	50,360,681.37	0.34%	0.00%	Increased returns from joint ventures
Fixed assets	89,069,782.55	0.59%	114,155,590.40	0.77%	-0.18%	Reclassification of assets
Right-of-use assets	71,219,989.28	0.47%	71,472,680.73	0.48%	-0.01%	
Contract liabilities	825,293,704.21	5.44%	1,371,850,725.60	9.25%	-3.81%	Operating revenue carryforwards
Long-term borrowings	3,779,015,668.00	24.92%	3,524,500,000.00	23.77%	1.15%	New bank loan
Lease liabilities	81,328,041.64	0.54%	83,081,182.89	0.56%	-0.02%	
Other receivables	849,028,570.14	5.60%	868,843,269.71	5.86%	-0.26%	Recovery of certain current accounts and increased allowances for doubtful accounts
Deferred income tax assets	1,360,135,643.80	8.97%	1,279,816,590.32	8.63%	0.34%	Increased land VAT provisions
Other non-current assets	2,750,873.08	0.02%	45,571,997.85	0.31%	-0.29%	Prepayment for equity acquisition transferred to long-term equity

						investments as acquiree has been transferred
Accounts payable	299,749,726.45	1.98%	351,831,212.23	2.37%	-0.39%	Increased payments for engineering
Advances from customers	11,924,111.88	0.08%	3,744,582.25	0.03%	0.05%	Increased rental advances
Other payables	1,834,012,894.06	12.09%	1,027,613,690.94	6.93%	5.16%	Increased dividends payable and receipt of cooperation funds from cooperation party Yangzhou Wuhe
Other non-current liabilities	118,749,645.02	0.78%	126,059,683.08	0.85%	-0.07%	Decreased output tax withheld

2. Major Assets Overseas

Applicable Not applicable

3. Assets and Liabilities at Fair Value

Applicable Not applicable

Unit: RMB

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Cumulative fair-value changes charged to equity	Impairment allowance for the Reporting Period	Purchased in the Reporting Period	Sold in the Reporting Period	Other changes	Ending amount
Financial assets								
4. Investments in other equity instruments	1,002,551.95		-118,365.58				30,786.35	914,972.72
Subtotal of financial assets	1,002,551.95		-118,365.58				30,786.35	914,972.72
Total of the above	1,002,551.95		-118,365.58				30,786.35	914,972.72
Financial liabilities	0.00							0.00

Contents of other changes:

Other changes were resulted from exchange rate movements.

Significant changes to the measurement attributes of the major assets in the Reporting Period:

Yes No

4. Restricted Asset Rights as at the Period-End

Unit: RMB

Item	Ending carrying value	Reason for restriction
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Monetary assets	375,888,953.54	[Note 1]-[Note 9]
Land use rights at Fumin New Village, Futian District, Shenzhen	542,507,314.43	[Note 10]
Total	918,396,267.97	

[Note 1] In terms of monetary assets with restricted right to use at the period-end, there was a bank guarantee of RMB368,609,058.40 issued by the Company in 2021 for the supervision of the implementation entity of the urban renewal unit project Phase II in Bangling Area, Guanlan Street, Longhua District of Shenzhen Rongyao Real Estate Development Co., Ltd., of which the principal was RMB365,765,440.00 and the interest was RMB2,843,618.40.

[Note 2] In terms of monetary assets with restricted right to use at the period-end, there was an escrow deposit of RMB44,757.83 in the catering branch of the subsidiary company Shandong Shengguomao Real Estate Management Co., Ltd.

[Note 3] In terms of monetary assets with restricted right to use at the period-end, there was an advance payment guarantee of RMB459,627.50 issued by the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. in December 2021 for the upgrading and reconstruction of the smart park of Shenzhen Bay Eco-Technology Park and the software platform development contract.

[Note 4] In terms of monetary assets with restricted right to use at the period-end, there was RMB3,000,000.00 in the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. blocked by the court due to pre-litigation preservation for contract disputes.

[Note 5] In terms of monetary assets with restricted right to use at the period-end, there was a loan deposit of RMB1,127,757.03 provided as mortgage loan guarantees for commercial housing purchasers and paid by the Company as a real estate developer according to real estate business practices.

[Note 6] In terms of monetary assets with restricted right to use at the period-end, there was RMB2,346,666.67 of interest on unexpired term deposits accrued at the period-end.

[Note 7] In terms of monetary assets with restricted right to use at the period-end, there was RMB16,111.20 of interest on large-denomination CDs (more than one year).

[Note 8] In terms of monetary assets with restricted right to use at the period-end, there was RMB128,974.91 in the account of the subsidiary company Shenzhen Property Engineering and Construction Supervision Co., Ltd. The account was in a receiving-only status because the legal person change formalities had not been completed by the period-end.

[Note 9] In terms of monetary assets with restricted right to use at the period-end, there was a restricted fund of RMB156,000 in the blocked account of the subsidiary company Shenzhen Huazhengpeng Property Management Co., Ltd.

[Note 10] Due to the needs of daily business activities, the Company applied for a loan from Bank of Communications Co., Ltd. Shenzhen Branch and mortgaged the land use right of Fumin New Village, Futian District. The loan has a duration from November 27, 2020 to November 27, 2023 and applies floating interest rates, with the first execution interest rate being 4.655%.

VI Investments Made

1. Total Investment Amount

Applicable Not applicable

2. Major Equity Investments Made in the Reporting Period

Applicable Not applicable

Unit: RMB

Name of investee corporation	Main businesses	Invest	Invested amount	Shareholding	Source of fund	Partners	Investment duration	Product type	Status as at the	Predicted return	Investment return	Whether	Date of disclosure (if	Disclosure index (if any)
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Company Name	Business Description	Acquisition Method	Investment Amount (RMB)	Percentage (%)	Asset Type	Target Company	Term	Interest Type	Balance Sheet Date	Investment Amount (RMB)	Current Period	Involved in Legal Actions	Announcement Date	Details
Shenzhen Property Management Co., Ltd.	Property management services	Acquisition	196,676,700.00	100%	Equity funds and bank loan	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and Shenzhen SPG Investment Co., Ltd.	Long-term	Equity interest	Ownership transferred	196,676,700.00	1,897,738.60	No	15 February 2022	For details, see the <i>Announcement on the Progress of the Wholly-owned Subsidiary's Acquisition of 100% Equity in Shenzhen Property Management Co., Ltd. and Related-party Transactions</i> on www.cninfo.com.cn (Announcement No.: 2022-01).
Shenzhen Foreign Trade Property Management Co., Ltd.	Property management services	Acquisition	20,898,800.00	100%	Equity funds and bank loan	China Shenzhen Foreign Trade (Group) Corp. Ltd.	Long-term	Equity interest	Ownership transferred	20,898,800.00	-1,927,102.71	No	25 February 2022	For details, see the <i>Announcement on the Progress of the Wholly-owned Subsidiary's Acquisition of 100% Equity in Shenzhen Foreign Trade Property Management Co., Ltd. and Related-party Transactions</i> on www.cninfo.com.cn (Announcement No.: 2022-06).
Shenzhen Shenfubao Property Development Co., Ltd.	Property management services	Acquisition	59,942,200.00	100%	Equity funds and bank loan	Shenzhen Shenfubao (Group) Co., Ltd.	Long-term	Equity interest	Ownership transferred	59,942,200.00	3,057,582.09	No	25 February 2022	For details, see the <i>Announcement on the Progress of the Wholly-owned Subsidiary's Acquisition of 100% Equity in Three Enterprises Owned by Shenzhen Shenfubao (Group) Co., Ltd. and Related-party Transactions</i> on www.cninfo.com.cn (Announcement No.: 2022-05).
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Building project construction, municipal project construction, daily operation and maintenance of municipal public facilities, road cleaning, etc.	Acquisition	21,729,700.00	100%	Equity funds and bank loan	Shenzhen Shenfubao (Group) Co., Ltd.	Long-term	Equity interest	Ownership transferred	21,729,700.00	-863,505.35	No	25 February 2022	For details, see the <i>Announcement on the Progress of the Wholly-owned Subsidiary's Acquisition of 100% Equity in Three Enterprises Owned by Shenzhen Shenfubao (Group) Co., Ltd. and Related-party Transactions</i> on www.cninfo.com.cn (Announcement No.: 2022-05).
Shenzhen Free Trade Zone Security Service Co., Ltd.	Property security and enterprise internal security	Acquisition	3,780,500.00	100%	Equity funds and bank loan	Shenzhen Shenfubao (Group) Co., Ltd.	Long-term	Equity interest	Ownership transferred	3,780,500.00	-611,814.96	No	25 February 2022	For details, see the <i>Announcement on the Progress of the Wholly-owned Subsidiary's Acquisition of 100% Equity in Three Enterprises Owned by</i>

															Shenzhen Shenfubao (Group) Co., Ltd. and Related-party Transactions on www.cninfo.com.cn (Announcement No.: 2022-05).
Total	--	--	303,027,900.00	--	--	--	--	--	--	303,027,900.00	1,552,897.67	--	--	--	--

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

Applicable Not applicable

4. Financial Investments

(1) Securities Investments

Applicable Not applicable

Unit: RMB

Variety of security	Code of security	Name of security	Initial investment cost	Accounting measurement method	Beginning carrying value	Gain/Loss on fair value changes in Reporting Period	Accumulated fair value changes charged to equity	Purchased in Reporting Period	Sold in Reporting Period	Gain/Loss in Reporting Period	Ending carrying value	Accounting title	Source of investment funds
Domestic/Foreign stock	400016、420016	Gintian A, Gintian B	3,565,856.06	Fair value method	1,002,551.95	0.00	-118,365.58	0.00	0.00	30,786.35	914,972.72	Investments in other equity instruments	Obtained in Gintian's debt restructuring
Total			3,565,856.06	--	1,002,551.95	0.00	-118,365.58	0.00	0.00	30,786.35	914,972.72	--	--

(2) Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

5. Use of Funds Raised

Applicable Not applicable

No such cases in the Reporting Period.

VII 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

VIII Principal Subsidiaries and Joint Stock Companies

Applicable Not applicable

Principal subsidiaries and joint stock companies with an over 10% effect on the Company's net profit

Unit: RMB

Name	Relationship with the Company	Principal activity	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Huangcheng Real Estate Co., Ltd.	Subsidiary	Development and sales of real estate	30,000,000.00	7,376,045,265.59	2,771,030,762.00	872,813,128.83	356,103,466.50	267,749,996.55
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	Subsidiary	Development and sales of real estate	50,000,000.00	30,225,051.90	43,517,106.79	251,006,417.40	34,245,280.58	33,265,242.45
Shenzhen International Trade Center Property Management Co., Ltd.	Subsidiary	Property management services	20,000,000.00	1,590,053,601.13	296,771,752.95	780,186,750.47	39,984,090.08	27,048,907.30

Subsidiaries obtained or disposed in the Reporting Period

Applicable Not applicable

Subsidiary	How subsidiary was obtained or disposed in the Reporting Period	Effects on overall operations and operating performance
Shenzhen Wuhe Urban Renewal Co., Ltd.	Newly established	Revenue: RMB0.7 million Net profit: RMB-0.56 million
Shenzhen Tonglu Wuhe Investment Development Co., Ltd.	Newly established	Revenue: RMB0.44 million Net profit: RMB-0.38 million
Yangzhou Wuhe Real Estate Co., Ltd.	Newly established	Revenue: RMB0 Net profit: RMB-0.47 million
Shenzhen Guomao Industrial Space Service Co., Ltd.	Newly established	Revenue: RMB0 Net profit: RMB-0.1 thousand
Shenzhen Property Management Co., Ltd.	Acquired under common control	Revenue: RMB67.6 million Net profit: RMB0.04 million
Shenzhen Shenwu Elevator Co., Ltd.	Acquired under common control	Revenue: RMB2.69 million

		Net profit: RMB0.06 million
Shenzhen Shenfang Real Estate Cleaning Co., Ltd.	Acquired under common control	Revenue: RMB4.64 million Net profit: RMB0.1 million
Shenzhen Foreign Trade Property Management Co., Ltd.	Acquired under common control	Revenue: RMB16.35 million Net profit: RMB-1.89 million
Shenzhen Shenfubao Property Development Co., Ltd.	Acquired under common control	Revenue: RMB63.91 million Net profit: RMB0.71 million
Shenzhen Fubao Urban Resource Management Co., Ltd.	Acquired under common control	Revenue: RMB1.76 million Net profit: RMB-0.84 million
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Acquired under common control	Revenue: RMB17.03 million Net profit: RMB-2.86 million
Shenzhen Free Trade Zone Security Service Co., Ltd.	Acquired under common control	Revenue: RMB11.99 million Net profit: RMB-0.69 million

Notes to the principal subsidiaries and joint stock companies:

IX Structured Bodies Controlled by the Company

Applicable Not applicable

X Risks Facing the Company and Countermeasures

1. Market risk

Under the guidance of the policy that "houses are for living in, not for speculating on", the demand side of the real estate market remains in the downward channel and the central government imposes generally stringent financial regulation over the real estate market. Consequently, there has been a shift from land dividends to management dividends in the real estate industry. In particular, it poses unprecedented challenges to business capabilities such as cost design and engineering. The advancement of urban renewal projects is confronted with complicated conditions and formidable obstacles and the Company's business and development face opportunities and challenges.

Under grim circumstances, the Company thoroughly studied the opportunities and challenges brought about by macroeconomic trends and policy movements, adhered to "expanding the main business and making breakthroughs in other businesses", actively sought the strategic breakthrough direction and adhered to prudent operation. Additionally, it raised funds from multiple channels, focused on enhancing the management level and seized opportunities in the land market. Based in Shenzhen, the Company aims to extend its presence to the Guangdong-Hong Kong-Macao metropolitan area and surrounding areas and strives to improve its sustainable development capabilities.

2. Land Reserve Risk

As a matter of fact, the Company still lacks enough land reserves and development power at later stages. In recent years, the supply of residential land on Shenzhen Market has continuously declined. Various large-scale real estate enterprises have enlarged their market shares and accelerated their M&A pace. While the real estate industry is centralizing, the degree of centralization of the land reserve scale has also been enhanced. As the external environment and the industry's trend become much more complicated and severe, the increment market scale will further shrink and the market competition will become increasingly fierce.

Facing the challenges, the Company will continue to expand through market competition, capital operation and urban renewal, increase land reserves and promote the launch of projects. In respect to property type, residential projects will focus on Guangdong-Hong Kong-Macao Greater Bay Area, Yangtze River Delta metropolitan area and areas where existing projects locate, and gradually turn to central urban agglomeration surrounding Wuhan, key cities in Chengdu- Chongqing in the West and those in Beijing, Tianjin and Hebei. Urban renewal projects will focus on Shenzhen, Dongguan and Huizhou, and follow-up of urban renewal projects in Guangzhou. Comprehensive industry and urban projects will focus on Guangdong-Hong Kong-Macao Greater Bay Area, Yangtze River Delta region, Wuhan region in the central part and Chengdu-Chongqing area in the West.

3. Financing Risk

In order to effectively prevent financial risks related to real estate, the central government has tightened the financial regulation of real estate. The tough regulation of the "three red lines" generally remains unchanged, and the financing of real estate enterprises is still under strict restriction. 2022 is a year of intensive project development and huge capital demand for the Company, which needs to invest a large amount of capital for project development and business development. In addition to its own funds, the Company also needs to conduct external financing by means of bank loan and issuance of negotiable securities.

Currently, the Company has steady financial situation and good credit condition, and will further strictly control financial risks, actively explore various financing channels so as to raise funds for project development in the future.

4. Pandemic risk

The impact of COVID-19 continues, and market uncertainties remain active. Shenzhen was greatly affected by the COVID-19 pandemic in the first half of 2022. Specifically, In the real estate segment, the real estate projects of the Company, especially those in the Shenzhen-adjacent area, were affected by the pandemic in such aspects as investment, construction progress, financing environment and sales rhythm, bringing great pressure to subsequent funds withdrawal of the Company; in terms of the property management segment, the Company needs to meet higher and stricter requirements in property management level and risk prevention and control capability; in terms of the industrial operation segment, the rental market was significantly impacted by the pandemic, and the Company's business operation capability is facing a severe test.

The above business plan and business objectives do not represent the listed Company's profit forecast for 2022. Whether it can be achieved depends on various factors including changes in market conditions and the effort made by the management team. Investors must pay special attention to that because there exists huge uncertainty.

Part IV Corporate Governance

I Annual and Extraordinary General Meeting Convened during the Reporting Period

1. General Meetings Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Convened date	Disclosure date	Resolution of the meeting
The 2021 Annual General Meeting	Annual General Meeting	60.68%	17 May 2022	18 May 2022	The Meeting considered and approved the Report on the Work of the Board of Directors for 2021, the Report on the Work of the Supervisory Committee for 2021, the Annual Report 2021, the Report on the Financial Accounts for 2021, the Report on the Financial Budget for 2022, the Proposal on the Distribution of Profits and Capitalization of Capital Reserve for 2021, the Proposal on the Comprehensive Credit Line and Financing Limit for 2022, the Proposal to Expect Continuing Related-party Transactions for 2022 and the Proposal to Renew the Appointment of Accounting Firm, etc. For details, please refer to the Announcement of Resolutions of the Annual General Meeting of Shareholders for 2021 with the number 2022-19 on Cninfo (www.cninfo.com.cn).
The First Extraordinary General Meeting of 2022	Extraordinary General Meeting	59.98%	20 July 2022	21 July 2022	The Proposal on the Subsidiary's Participation in the Bidding for Land Use Rights and Subsequent Land Development of No. 2021WR023 Land Plot in Chigang Community, Humen Town, Dongguan City, the Proposal on the Company's Participation in the Bidding for Land Use Rights and Subsequent Land Development of No. A606-0258 Land Plot in Yutang Sub-district, Guangming District, Shenzhen City, the Proposal on the Purchase of Liability Insurance for Directors, Supervisors and Senior Managers, and the Proposal on Election of Mr. Ma Hongtao as Shareholder Representative Supervisor of the Tenth Board of Supervisors of the Company were deliberated and approved during the 1st Extraordinary General Meeting of 2022. For details, see the Announcement on Resolutions of the 1st Extraordinary General Meeting of 2022 (No. 2022-31) published on Cninfo (www.cninfo.com.cn).

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

Applicable Not applicable

II Changes in Directors, Supervisors and Senior Management

Applicable Not applicable

Name	Office title	Type of change	Date of change	Reason for change
Wei Xiaodong	Director	Resigned	29 June 2022	Reassignment
Dai Xianhua	Supervisor and Chairman of the Supervisory Committee	Resigned	20 July 2022	Reaching the statutory retirement age
Zhang Zhimin	Director	Elected	29 June 2022	Elected at a workers' congress
Ma Hongtao	Supervisor and Chairman of the Supervisory Committee	Elected	20 July 2022	Elected at a general meeting of shareholders

III Interim Dividend Plan

Applicable Not applicable

The Company has no interim dividend plan, either in the form of cash or stock.

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

Applicable Not applicable

No such cases in the Reporting Period.

Part V Environmental and Social Responsibility

I Major Environmental Issues

Indicate by tick mark whether the Company or any of its subsidiaries is a heavily polluting business identified by the environmental protection authorities of China.

Yes No

Administrative penalties imposed for environmental issues during the Reporting Period

Name of the company or subsidiary company	Penalty reason	Violation situation	Penalty result	Impact on the production and operation of the listed companies	Remediation measures of the Company
None	None	None	None	None	None

Other environmental information disclosed with reference to key emission units

The Company attaches great importance to environmental protection and strictly implements relevant laws and regulations. During the Reporting Period, no major environmental violations occurred and no administrative penalties were imposed on environmental protection.

Actions taken to reduce carbon dioxide emissions during the Reporting Period and the impact:

Applicable Not applicable

Reasons for not disclosing other environmental information

Neither the Company nor any of its subsidiaries is a heavily polluting business identified by the environmental protection authorities of China.

II Social Responsibility

(I) Visit seriously ill employees in difficulty

On 20 January 2022, the Party Committee of SZPRD organized a symposium to extend regards to the employees in difficulty before the Spring Festival. Liu Shengxiang, Secretary of the Party Committee of the Group and Chairman of the Group, and Wei Xiaodong, Deputy Secretary of the Party Committee of the Group delivered sympathy funds and items amounting to approximately RMB110,000 to representatives of Party members and employees in difficulty, making them feel the care and warmth of the Group as an extended family.

During the symposium, Group leaders communicated with Party members and representatives of employees in difficulty and learned about their work and life in detail. Liu Shengxiang, Secretary of the Party Committee of the Group and Chairman of the Group, introduced the Group's strategic planning under the 14th Five-Year Plan, fruitful achievements made by the Group in 2021 and the Group's deployment of key work for 2022, while fully affirming and sincerely thanking all the Party members and employees in difficulty for their earnest performance of duties in spite of numerous difficulties. Mr. Liu stressed that the development of the Group is inseparable from the strong leadership of Shenzhen SASAC and SIHC, and the tireless efforts and selfless contribution of leading cadres at all levels and grassroots employees of the Group. In the process of development, the Group will never let any employee fall behind. Finally, he expressed the hope that the Group's Party members and employees in difficulty would face life bravely with a positive attitude and the determination to overcome difficulties, and get out of difficulties to live a happy and healthy life as soon as possible.

After the symposium, Group leaders delivered sympathy funds and items as well as sincere New Year wishes to the representatives of Party members and employees in difficulty, hoping that they could have a safe and peaceful Spring Festival.

(II) Gather strength of volunteers to help Shenzhen fight against COVID-19

At the critical juncture of pandemic prevention and control in Shenzhen, The Party Committee of the Group issued the Joining Hands In Fighting Against COVID-19: A Proposal to Party Organizations at All Levels and All Party Members of SZPRD on March 16, calling on Party members, cadres and employees to fully carry forward the spirit of fearlessness and selfless dedication, and turn into volunteers for pandemic prevention and control locally or nearby to join hands with the community in fighting against COVID-19.

Within just one day upon issuance of the aforesaid proposal, more than 80 Party members, cadres and employees of the Group living in Luohu District responded positively and volunteered to participate in local and nearby voluntary service activities in the frontline of the fight against COVID-19 in Luohu District, mainly involving such work as nucleic acid testing, material handling, order management, publicity and guidance, through which they successfully bring the spirit of "daring to be the first, and struggling forward through reform" of the Shenzhen International Trade Center Building to the front line of the fight against COVID-19, and provide a solid guarantee for the health and safety of Shenzhen citizens.

Since the outbreak of COVID-19 in Shenzhen, the Party Committee of SZPRD has attached great importance to pandemic prevention and control as well as work safety, and assisted the community in fighting against the pandemic for many times. Up to now, the Group has arranged more than 130 volunteers to the front line of the fight against COVID-19, making due contributions to Shenzhen's fight against the pandemic as a state-owned enterprise.

(III) Reduce and exempt rental totaling approximately RMB50 million for enterprises in difficulty

In order to firmly implement the work requirements of Shenzhen SASAC and SIHC, SZPRD actively fulfills its social responsibilities and implements various measures for rental reduction and exemption by state-owned enterprises (hereinafter referred to as "SOE rental reduction and exemption measures"). By 15 July 2022, the Group had completed rental reduction and exemption totaling RMB49,679,400 for existing tenants, benefiting 504 small and micro enterprises, 197 household industrial and commercial entities and four private kindergartens, with a view to effectively alleviating the pandemic impact on small and micro enterprises, and making every effort to help market entities tide over difficulties.

First, the Group practically assumes the responsibility for rental reduction based on scientific coordination and rapid response. In order to accelerate the implementation of rental reduction and exemption policies, the Group effectively fulfills its entity responsibility, and establishes a SOE rental reduction and exemption working group in the first time to coordinate and organize the implementation of rental reduction and exemption for the Group and its affiliated enterprises. The Group organizes the formulation of the Work Plan of SZPRD for Implementing SOE Rental Reduction and Exemption and relevant work guidelines to refine the working mechanism, review and approval authority and review process, and to clarify houses to be included in the rental reduction and exemption measures, the period of reduction and exemption as well as applicable objects and identification methods. Moreover, it also releases rental reduction and exemption announcements through WeChat groups and bulletin boards to disclose such information as acceptance method, contact person and contact number, so that all tenants can be aware of relevant rental reduction and exemption policies, through which the Group overcomes the current difficulties together with small and micro enterprises and other market entities, and well demonstrates its assumption of responsibility as a state-owned enterprise.

Second, the Group weaves a compact "guarantee network" for rental reduction based on extensive publicity and Group-wide vertical linkage. After the official launch of rental reduction, all affiliated enterprises of the Group timely take the initiative to visit tenants, guide tenants to submit materials, and simplify the declaration process, so as to effectively open up the "last kilometer" for the implementation of rental reduction policy. The Group establishes an effective routine working mechanism to strengthen communication and liaison among all parties, properly deal with the demands of all parties, and comprehensively address the problems encountered in practical operation. The Group and all its affiliated enterprises disseminate rental reduction and exemption policies across all levels and, for units and individuals really unable to enjoy such policies, relieve their negative emotions through patient explanation, thanks to which they haven't experienced any complaint or petition event so far.

Based on the full investigation in the early stage, the Group, in view of the problems and special cases centrally reflected by its affiliated enterprises during their implementation of relevant policies, organizes a number of special meetings on the promotion of rental reduction and exemption to further clarify such issues as policy basis, implementation entity and application scope, so as to ensure the precise and full implementation of rental reduction and exemption measures.

Third, the Group standardizes operation, strengthens review, and does well in the review of rental reduction. All the Group's affiliated enterprises strictly fulfill and improve the decision-making process for SOE housing rental reduction and exemption matters. In line with the requirements of "one policy for one enterprise" and "one archive for one household", the Group reviews the materials submitted by more than 700 tenant applicants batch by batch and item by item, including entity qualification declaration document, business license, tax payment certificate, etc., based on which strictly and carefully screens the objects of rental reduction, and verifies the business scope and actual rental situation of tenants, so as to ensure the compliance of rental reduction objects with relevant laws and regulations. In view of the special matters occurred in the process of rental reduction and exemption, the Group holds two rounds of symposia on the list of beneficiaries for deliberation. Based on the deliberation results, the Group takes such indexes as rental period, rental standard and rental reduction period as the determination basis for reduction and exemption amount, clearly requires middleman landlords subleasing state-owned houses to ensure the final lessee benefit from rental reduction and exemption in line with the requirements of "achieving rental reduction and exemption to the maximum possible extent" and, premised on the standardization of rental reduction and exemption procedures, enables flexible reduction and exemption by means of direct return of rental or deduction from subsequent unpaid rental following the principle of "implementing policies by category in an active and stable manner, and doing the utmost to satisfy commercial tenants", with a view to further reducing resistance to rental reduction and exemption.

Next, the Group will continue to coordinate various rental reduction and exemption work, conduct rental reduction and exemption for incremental tenants, expand the effects of the aforesaid work, help market entities overcome difficulties, and stimulate the development vitality of small and micro enterprises.

Part VI Significant Events

I Commitments of the Company's De Facto 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
Other commitments made to minority shareholders	Shenzhen Investment Holdings Co., Ltd.	Performance commitment and compensation arrangement	SIHC signed equity transfer contract on 100% equity transfer of TK Property with the Company, and the contract stipulated relevant commitments on performance ¹ .	23 September 2019	Three years	Expired ²
Fulfilled on time	Yes					

Note 1: SIHC signed equity transfer contract on 100% equity transfer of TK Property with the Company, and the contract stipulated: 1. SIHC promises that the cumulative net profits (net profit after deducting extraordinary items) of TK Property from 2019 to 2021 will not be less than 18% of the equity transfer payment amount of this transaction, i.e. three-year cumulative net profits \geq equity transfer payment * 18%. The above net profits are subject to the amount which is confirmed by audited financial report of TK Property. 2. In case three-year cumulative profits of TK Property fails to reach above promised amount, SIHC shall compensate the insufficient part to the Company in full amount by cash. In case three-year cumulative profits (net profit after deducting extraordinary items) of TK Property is more than the promised amount, the Company will not refund. 3. In case SIHC needs to fulfill performance compensation obligation, it shall complete the performance compensation obligation within 30 days after receiving the compensation notice of the Company, and the specific delivery method will be agreed by both parties. In case SIHC delays to pay the performance compensation, it shall pay liquidated damages of 3/10000 of unpaid amount for each day delay. In case of failing to pay for more than 90 days, then Company has the right to cancel the contract. On 27 November 2019, the Company completed the procedures for registration changes in industry and commerce regarding 100% equity transfer of TK Property. According to the Equity Transfer Contract and the audit result on profit or loss of transitional period in the audit report, the final price for this equity transfer was determined bilaterally as RMB1,027,382,513.56.

Note 2: The audit results of Baker Tilly International (Special General Partner) show that, by the end of 2021, the cumulative net profit upon deduction of non-recurring gains and losses of ITC Technology Park Company during the three-year performance commitment period of 2019 - 2021 was RMB212,788,300, and the portion exceeding 18% of transaction equity transfer payment (RMB184,928,900) amounted to RMB27,859,400. The three-year cumulative net profit of the ITC Technology Park Company has reached the promised amount. According to the Equity Transfer Contract, it is unnecessary for SIHC to compensate the Company in cash, and the Company will not return the portion exceeding the promised amount (RMB27,859,400 in total) to SIHC. The three-year cumulative net profit of the ITC Technology Park Company has reached the promised amount. According to the Equity Transfer Contract, it is unnecessary for SIHC to compensate the Company in cash, and the Company will not return the portion exceeding the promised amount (RMB27,859,400 in total) to SIHC. This commitment has already been fulfilled so far.

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

Applicable Not applicable

No such cases in the Reporting Period.

III Irregularities in the Provision of Guarantees

Applicable Not applicable

No such cases in the Reporting Period.

IV Engagement and Disengagement of Independent Auditor

Are the interim financial statements audited?

Yes No

This Interim Report is unaudited.

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

Applicable Not applicable

VI Explanations Given by the Board of Directors Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of Last Year

Applicable Not applicable

VII Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

VIII Legal Matters

Significant lawsuits and arbitrations:

Applicable Not applicable

General information	Involved amount (RMB'0,000)	Provision	Progress	Decisions and effects	Execution of decisions	Disclosure date	Index to disclosed information
The Fourth Owners' Committee of Shenzhen Nanshan	4,520.93	Yes	The first session of the arbitration has been concluded, and the parties to	Not yet	Not yet		

District Software Park (Applicant) and Shenzhen ITC Technology Park Service Co., Ltd. (Respondent 1) and High-tech Zone Branch (Respondent 2) in the arbitration case of property contract dispute of Software Park Phase I. The Applicant requested an award for Respondents 1 and 2 to return the owners' public revenue and bear the attorney's fees.			the arbitration have disputed the number of amounts involved and have applied for an audit by a third-party auditor. The audit has now been completed and feedback is being sought from both parties to the dispute, and the final audit report will be issued shortly.				
Shenzhen Rongyao Real Estate Development Co., Ltd. (plaintiff) sued Shenzhen Herunxiang Trade Co., Ltd. (defendant) for property demolition and relocation compensation contract dispute. After Rongyao paid the demolition compensation, Herunxiang failed to handle the cancellation of the real property ownership certificate of the relevant real estate in accordance with the agreement, which affected the development and construction progress of Rongyao.	20,000	Not	Property preservation measures have been taken and the case is under trial.	Not yet	Not yet		
Shenzhen Qitian Sunshine Hotel Management Co., Ltd. (plaintiff) sued ShenZhen Properties & Resources Development (Group) Ltd. (defendant) for property leasing contract dispute, requesting the defendant to pay compensation for interior decoration of the relocated house and relocation fee of the leased house and to return the subsidy fee of the leased house, etc.	1,144	Not	The first instance judgment reads that the plaintiff Shenzhen Qitian Sunshine Hotel Management Co., Ltd. shall pay rent of RMB1,050,913.6 to the defendant ShenZhen Properties & Resources Development (Group) Ltd. within ten days from the effective date of this judgment. All the claims of the plaintiff Shenzhen Qitian Sunshine Hotel Management Co., Ltd. were rejected, and the remaining counterclaims of the defendant Shenzhen Property Development (Group) Co., Ltd. were rejected. Shenzhen Qitian Sunshine Hotel Management	Not yet	Not yet		

			Co., Ltd. has instituted an appeal.				
Summary of other contract disputes	18,020	See Part X Financial Statements-XIV-2					

IX Punishments and Rectifications

Applicable Not applicable

X Credit Quality of the Company as well as its Controlling Shareholder and De Facto Controller

Applicable Not applicable

XI Major Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price	Total value (RMB '0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB '0,000)	Over the approved line or not	Method of settlement	Obtainable market price for same-type transactions	Disclosure date	Index to disclosed information
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent	Related-party transactions governing sales of commodity and providing of labors	Property management services	Market principle	Agreement price	1,906.69	2.45%	4,100	No	Cash	1,906.69	30 March 2022	Announcement on Estimated Continuing Related-party Transactions in 2022 (No.: 2022-12) disclosed on Cninfo
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent	Related-party transactions governing purchase of commodity	Management services	Market principle	Agreement price	4,321.96	5.55%	8,100	No	Cash	4,321.96	30 March 2022	

		and providing of labors											
ShenZhen Shentou Real Estate Development Co.,Ltd.	Wholly-owned subsidiary of the Company as the parent	Lease	Entrusted management services of houses	Market principle	Agreement price	2,801.2	52.06%	7,883	No	Cash	2,801.20	30 March 2022	
Total				--	--	9,029.85	--	20,083	--	--	--	--	--
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 Reporting Period				The total amount of continuing related-party transactions of the Company in 2022 is expected to be RMB262.3998 million, and actual total amount of continuing related-party transactions is RMB144.9672 million in H1 2022, lower than the approved line.									
Reason for any significant difference between the transaction price and the market reference price (if applicable)				N/A									

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

Applicable Not applicable

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Carrying value of assets transferred (RMB'0,000)	Valuation of assets transferred (RMB'0,000) (if any)	Transfer price (RMB'0,000)	Method of settlement	Gain/loss on the transaction (RMB'0,000)	Disclosure date	Index to disclosed information
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	Subsidiary of the Company's parent company	Equity acquisition	Acquisition of equity interests in Shenzhen Property Management Co., Ltd.	Market valuation	3,391.97	19,667.67	19,667.67	Cash	0	14 December 2021	Note 1
China Shenzhen Foreign Trade	Wholly-owned subsidiary	Equity acquisition	Acquisition of equity interests in	Market valuation	1,192.06	2,089.88	2,089.88	Cash	0	14 December 2021	Note 2

(Group) Corp. Ltd.	diary of the Company's parent company		Shenzhen Foreign Trade Property Management Co., Ltd.									
Shenzhen Shenfu bao (Group) Co., Ltd.	Wholly-owned subsidiary of the Company's parent company	Equity acquisition	Acquisition of equity interests in Shenzhen Shenfubao Property Development Co., Ltd.	Market valuation	2,461.69	5,994.22	5,994.22	Cash	0	14 December 2021		
Shenzhen Shenfu bao (Group) Co., Ltd.	Wholly-owned subsidiary of the Company's parent company	Equity acquisition	Acquisition of equity interests in Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Market valuation	2,152.56	2,172.97	2,172.97	Cash	0	14 December 2021	Note 3	
Shenzhen Shenfu bao (Group) Co., Ltd.	Wholly-owned subsidiary of the Company's parent company	Equity acquisition	Acquisition of equity interests in Shenzhen Free Trade Zone Security Service Co., Ltd.	Market valuation	366.87	378.05	378.05	Cash	0	14 December 2021		
Reason for any big difference between the transfer price and the carrying value or valuation (if any)				N/A								
Impact on the Company's operating				See "VIII Changes to the Consolidation Scope" under "Part X Financial Statements"								

results and financial condition	
Operating results during the Reporting Period (for those involving any performance-related agreement)	N/A

Note 1: See Announcement No. 2021-45 on Wholly-owned Subsidiary's Acquisition of 100% Equity Interests in Shenzhen Property Management Co., Ltd. & the Related Party Transaction, which has been disclosed on <http://www.cninfo.com.cn/>.

Note 2: See Announcement No. 2021-46 on Wholly-owned Subsidiary's Acquisition of 100% Equity Interests in Shenzhen Foreign Trade Property Management Co., Ltd. & the Related Party Transaction, which has been disclosed on <http://www.cninfo.com.cn/>.

Note 3: See Announcement No. 2021-47 on Wholly-owned Subsidiary's Acquisition of 100% Equity Interests in Three Subsidiaries of Shenzhen Shenfubao (Group) Co., Ltd. & the Related Party Transactions, which has been disclosed on <http://www.cninfo.com.cn/>.

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

Applicable Not applicable

No such cases in the Reporting Period.

4. Credits and Liabilities with Related Parties

Applicable Not applicable

Indicate by tick mark whether there were any credits and liabilities with related parties for non-operating purposes.

Yes No

Amounts due from related parties:

Related party	Relationship with the Company	Reason	Capital occupation for non-operating purposes (yes/no)	Beginning balance (RMB'0,000)	Amount newly added in current period (RMB'0,000)	Amount received in current period (RMB'0,000)	Interest rate	Current interest (RMB'0,000)	Ending balance (RMB'0,000)
Shenzhen Xinhai Holdings Co., Ltd.	The parent company of the subsidiary Rongyao Real Estate's minority shareholder Xinhai Rongyao	Business circulating funds before acquisition	No	40,150					40,150
Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	Minority shareholder of the subsidiary Rongyao Real Estate	Business circulating funds before acquisition	No	33,047.29					33,047.29
ShenZhen Special Economic	Subsidiary of the Company	Current accounts before	No	2,072.23					2,072.23

Zone Real Estate & Properties (Group) Co., Ltd.	's parent company	acquisition							
Influence on the Company's operating results and financial condition		All were within the risks control of the Company and not influenced the operating results and the financial conditions.							

Amounts due to related parties:

Related party	Relation with the Company	Formation reason	Beginning balance (RMB'0,000)	Amount newly added in current period (RMB'0,000)	Amount returned in current period (RMB'0,000)	Interest rate	Current interest (RMB'0,000)	Ending balance (RMB'0,000)
Shenzhen Jifa Warehouse Co., Ltd.	Joint venture	Current account	3,879.67	350				4,229.67
Shenzhen Tian'an International Building Property Management Co., Ltd.	Joint venture	Current account	521.43					521.43
Influence on the Company's operating results and financial condition		All were within the risks control of the Company and not influenced the operating results and the financial conditions.						

5. Transactions with Related Finance Companies

Applicable Not applicable

The Company did not make deposits in, receive loans or credit from and was not involved in any other finance business with any related finance company or any other related parties.

6. Transactions with Related Parties by Finance Companies Controlled by the Company

Applicable Not applicable

The finance company controlled by the Company did not make deposits, receive loans or credit from and was not involved in any other finance business with any related parties.

7. Other Major Related-Party Transactions

Applicable Not applicable

No such cases in the Reporting Period.

XII Major 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. Major guarantees

Applicable Not applicable

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	Collateral (if any)	Counter-guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Guarantees provided by the Company for its subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Shenzhen Rongyao Real Estate Development Co., Ltd.	18 October 2019	500,000	27 November 2019	336,547	Joint-liability	Security deposit		2019.11.27-2024.11.20	No	Yes
Total approved line for such guarantees in the Reporting Period (B1)				Total actual amount of such guarantees in the Reporting Period (B2)		0				
Total approved line for such guarantees at the end of the		500,000		Total actual balance of such guarantees at the end of the		336,527				

Reporting Period (B3)		Reporting Period (B4)								
Guarantees provided between subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Term of guarantee	Having expired 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)				Total actual guarantee amount in the Reporting Period (A2+B2+C2)		0				
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		500,000		Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)		336,527				
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets				81.33%						
Of which:										
Balance of debt guarantees provided directly or indirectly for obligors with an over 70% debt/asset ratio (E)				336,527						
Total of the three amounts above (D+E+F)				336,527						

Compound guarantees:

3. Cash Entrusted for Wealth Management

Applicable Not applicable

No such cases in the Reporting Period.

4. Other Major Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XIII Other Significant Events

Applicable Not applicable

(I) Matters on winning of the bid for land use right

On 18 February 2022, the Company and Yangzhou Lvfa Real Estate Co., Ltd., by joint bidding, won the state-owned land use right of No. GZ342 land plot in Pingshan Township, Yangzhou at a price of RMB835,352,910 in the online listing auction of state-owned construction land use right in Yangzhou. For details, see the Announcement on Winning of the Bid for Land Use Right (Announcement No.: 2022-02) disclosed by the Company on Cninfo (www.cninfo.com.cn) on 19 February 2022.

(II) Matters on appointment of senior managers of the Company

The Company held the Sixth Meeting of the 10th Board of Directors on 21 February 2022, where the Proposal on Appointment of General Manager of the Company, the Proposal on Appointment of Deputy General Manager and Officer in Charge of Finance of the Company and the Proposal on Appointment of Chief Financial Officer of the Company were reviewed and approved, and the Board of Directors agreed to appoint Mr. Wang Hangjun as general manager of the Company, Mr. Chen Hongji, Ms. Cai Lili, Mr.

Li Peng and Mr. Zhang Gejian as deputy general managers of the Company, with Ms. Cai Lili concurrently serving as officer in charge of finance of the Company, and Ms. Shen Xueying as chief financial officer of the Company. The term of office of the senior managers above starts from the date of review and approval at the Sixth Meeting of the 10th Board of Directors and expires on the date of expiration of the term of office of the 10th Board of Directors. For details, see the Announcement on Appointment of Senior Managers of the Company (Announcement No.: 2022-04) disclosed by the Company on Cninfo (www.cninfo.com.cn) on 22 February 2022.

(III) Matters on progress of acquisition by the wholly-owned subsidiary of 100% equity in Shenzhen Property Management Co., Ltd., three enterprises owned by Shenzhen Shenfubao (Group) Co., Ltd. and Shenzhen Foreign Trade Property Management Co., Ltd., and progress of relevant connected transactions

During the Reporting Period, all relevant procedures for industrial and commercial change registration were handled and the Notice of Change (for Recordation) approved by Shenzhen Market Supervision Administration was obtained for acquisition by Shenzhen International Trade Center Property Management Co., Ltd. (a wholly-owned subsidiary of the Company) of 100% equity in Shenzhen Property Management Co., Ltd., Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd., Shenzhen Free Trade Zone Security Service Co., Ltd. and Shenzhen Foreign Trade Property Management Co., Ltd. For details, see the Announcement on Progress of Acquisition by the Wholly-owned Subsidiary of 100% Equity in Shenzhen Property Management Co., Ltd. and Progress of Relevant Connected Transactions (Announcement No.: 2022-01), Announcement on Progress of Acquisition by the Wholly-owned Subsidiary of 100% Equity in Three Enterprises Owned by Shenzhen Shenfubao (Group) Co., Ltd. and Progress of Relevant Connected Transactions (Announcement No.: 2022-05) and Announcement on Progress of Acquisition by the Wholly-owned Subsidiary of 100% Equity in Shenzhen Foreign Trade Property Management Co., Ltd. and Progress of Relevant Connected Transactions (Announcement No.: 2022-06) disclosed by the Company on Cninfo (www.cninfo.com.cn) respectively on 15 February 2022 and 25 February 2022.

(IV) Matters on changes of directors and supervisors of the Company

During the Reporting Period, Mr. Wei Xiaodong, a director of the Company, applied for resignation from the position of non-independent director and staff representative director of the 10th Board of Directors for reason of job transfer; Mr. Dai Xianhua, a supervisor of the Company, applied for resignation from the position of supervisor and chairman of the Board of Supervisors for reaching the statutory retirement age. The Company held the Congress of Workers and Staff on 29 June 2022, where Mr. Zhang Zhimin was elected as staff representative director of the 10th Board of Directors of the Company, whose term of office shall expire upon expiration of the term of office of the 10th Board of Directors. The Company held the Seventh Meeting and Eighth Meeting of the Tenth Board of Supervisors respectively on 4 July 2022 and 20 July 2022, and held the General Meeting of Shareholders on 20 July 2022, where Mr. Ma Hongtao was elected as supervisor and chairman of the Board of Supervisors, whose term of office shall expire upon expiration of the term of office of the 10th Board of Supervisors. For details, see the Announcement on Resignation of Directors and Election of Staff Representative Director (Announcement No.: 2022-20), Announcement on Proposed Change of Supervisors of the Company (Announcement No.: 2022-29) and Announcement on Election of Chairman of the Board of Supervisors (Announcement No.: 2022-33) disclosed by the Company on Cninfo (www.cninfo.com.cn) respectively on 30 June 2022, 5 July 2022 and 21 July 2022.

XIV Significant Events of Subsidiaries

Applicable Not applicable

Part VII Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease in the Reporting Period (+/-)					After	
	Shares	Percentage (%)	New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
I. Restricted shares	1,898,306	0.32%	0	0	0	0	0	1,898,306	0.32%
1. Shares held by State	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by state-owned legal person	3,326	0.00%	0	0	0	0	0	3,326	0.00%
3. Shares held by other domestic investors	1,894,980	0.32%	0	0	0	0	0	1,894,980	0.32%
Among which: Shares held by domestic legal person	1,894,980	0.32%	0	0	0	0	0	1,894,980	0.32%
Shares held by domestic natural person	0	0.00%	0	0	0	0	0	0	0.00%
4. Shares held by foreign investors	0	0.00%	0	0	0	0	0	0	0.00%
Among which: Shares held by foreign legal person	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by foreign natural person	0	0.00%	0	0	0	0	0	0	0.00%
II. Unrestricted shares	594,080,786	99.68%	0	0	0	0	0	594,080,786	99.68%
1. RMB common shares	526,475,543	88.34%	0	0	0	0	0	526,475,543	88.34%
2. Domestically listed foreign shares	67,605,243	11.34%	0	0	0	0	0	67,605,243	11.34%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	595,979,092	100.00%	0	0	0	0	0	595,979,092	100%

Reasons for share changes:

 Applicable Not applicable

Approval of share changes:

 Applicable Not applicable

Transfer of share ownership:

Applicable Not applicable

Progress on any share repurchases:

Applicable Not applicable

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

Applicable Not applicable

Effects of share changes on the basic and 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

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

II Issuance and Listing of Securities

Applicable Not applicable

III Shareholders and Their Holdings as at the Period-End

Unit: share

Total number of ordinary shareholders at the period-end	50,123	Total number of preference shareholders with resumed voting rights at the period-end (if any)	0					
5% or greater ordinary shareholders or the top 10 ordinary shareholders								
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Total shares held at the period-end	Increase/decrease during the Reporting Period	Number of restricted shares held	Number of non-restricted shares held	Pledged, marked or frozen shares	
							Status	Number
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	50.57%	301,414,637	0	3,326	301,411,311		
Shenzhen State-owned Equity Management Co., Ltd.	Domestic non-state-owned legal person	6.38%	38,037,890	0	0	38,037,890		
China Orient Asset Management Co., Ltd.	State-owned legal person	2.77%	16,491,402	-6,744,998	0	16,491,402		
Industrial and Commercial Bank of China Limited—Southern China Securities Full Index Real Estate Trading Open-	Other	0.37%	2,188,634	1,574,334	0	2,188,634		

ended Index Securities Investment Fund								
Duan Shaoteng	Domestic natural person	0.29%	1,755,565	0	0	1,755,565		
Shenzhen Duty-Free Commodity Enterprises Co., Ltd.	Domestic non-state-owned legal person	0.29%	1,730,300	0	1,730,300	0		
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	0.27%	1,583,091	-2,553,242	0	1,583,091		
Yang Yaochu	Domestic natural person	0.26%	1,520,384	20,000	0	1,520,384		
Li Xinyi	Domestic natural person	0.25%	1,500,000	-2,050,100	0	1,500,000		
Wu Wenkai	Domestic natural person	0.20%	1,200,000	-52,800	0	1,200,000		
Strategic investor or general legal person becoming a top-10 ordinary shareholder due to rights issue (if any)	N/A							
Related or acting-in-concert parties among the shareholders above	The largest shareholder, Shenzhen Investment Holdings Co., Ltd., is the controlling shareholder of the Company and Shenzhen State-owned Equity Management Co., Ltd. And the Company does not know whether there are related parties or acting-in-concert parties among the other shareholders.							
Explain if any of the shareholders above was involved in entrusting/being entrusted with voting rights or waiving voting rights	N/A							
Special account for share repurchases (if any) among the top 10 shareholders	N/A							
Top 10 unrestricted shareholders								
Name of shareholder	Unrestricted shares held at the period-end	Shares by type						
		Type	Shares					
Shenzhen Investment Holdings Co., Ltd.	301,411,311	RMB ordinary share	301,411,311					
Shenzhen State-owned Equity Management Co., Ltd.	38,037,890	RMB ordinary share	38,037,890					
China Orient Asset Management Co., Ltd.	16,491,402	RMB ordinary share	16,491,402					
Industrial and Commercial Bank of China Limited—Southern China Securities Full Index Real Estate Trading Open-ended Index Securities Investment Fund	2,188,634	RMB ordinary share	2,188,634					
Duan Shaoteng	1,755,565	RMB ordinary share	1,755,565					
Hong Kong Securities Clearing Company Ltd.	1,583,091	RMB ordinary share	1,583,091					

Yang Yaochu	1,520,384	Domestically listed foreign share	1,520,384
Li Xinyi	1,500,000	RMB ordinary share	1,500,000
Wu Wenkai	1,200,000	RMB ordinary share	1,200,000
Wang Yuanchao	1,150,003	RMB ordinary share	1,150,003
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	The largest shareholder, Shenzhen Investment Holdings Co., Ltd., is the controlling shareholder of the Company and Shenzhen State-owned Equity Management Co., Ltd. And the Company does not know whether there are related parties or acting-in-concert parties among the other shareholders.		
Top 10 ordinary shareholders involved in securities margin trading (if any)	N/A		

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes No

No such cases in the Reporting Period.

IV Change in Shareholdings of Directors, Supervisors and Senior Management

Applicable Not applicable

There were no changes in shareholdings of directors, supervisors, and senior management in the Reporting Period. For details, see the 2021 Annual Report.

V Change of the Controlling Shareholder or the Actual Controller

Change of the controlling shareholder in the Reporting Period

Applicable Not applicable

The controlling shareholder remained the same in the Reporting Period.

Change of the actual controller in the Reporting Period

Applicable Not applicable

The actual controller remained the same in the Reporting Period.

Part VIII Preference Shares

Applicable Not applicable

No preference shares in the Reporting Period.

Part IX Bonds

Applicable Not applicable

Part X Financial Statements

I. Auditor's Report

Are these interim financial statements audited by an independent auditor?

Yes No

These interim financial statements have not been audited by an independent auditor.

II Financial Statements

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

1. Consolidated Balance Sheet

Prepared by Shenzhen Properties & Resources Development (Group) Ltd.
30 June 2022

Unit: RMB

Item	30 June 2022	1 January 2022
Current assets:		
Monetary assets	1,849,085,199.61	2,337,067,963.55
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	150,000.00	200,000.00
Accounts receivable	372,687,342.05	295,184,881.92
Accounts receivable financing		
Prepayments	50,838,741.68	70,979,023.99
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	849,028,570.14	868,843,269.71
Including: Interest receivable	0.00	292,279.16
Dividends receivable	0.00	0.00
Financial assets purchased under resale agreements		
Inventories	9,887,020,742.83	9,125,134,062.27
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	59,737,265.88	58,996,984.81
Total current assets	13,068,547,862.19	12,756,406,186.25

Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables	23,297,932.97	23,831,889.11
Long-term equity investments	51,220,215.75	50,360,681.37
Investments in other equity instruments	914,972.72	1,002,551.95
Other non-current financial assets		
Investment property	466,359,148.85	452,419,511.17
Fixed assets	89,069,782.55	114,155,590.40
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets	71,219,989.28	71,472,680.73
Intangible assets	1,362,405.36	1,753,389.33
Development costs		
Goodwill	9,446,847.38	9,446,847.38
Long-term prepaid expense	21,985,116.88	22,751,829.74
Deferred income tax assets	1,360,135,643.80	1,279,816,590.32
Other non-current assets	2,750,873.08	45,571,997.85
Total non-current assets	2,097,762,928.62	2,072,583,559.35
Total assets	15,166,310,790.81	14,828,989,745.60
Current liabilities:		
Short-term borrowings		
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	299,749,726.45	351,831,212.23
Advances from customers	11,924,111.88	3,744,582.25
Contract liabilities	825,293,704.21	1,371,850,725.60
Financial assets sold under repurchase agreements		
Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	178,698,661.25	230,618,067.23
Taxes payable	3,707,684,048.93	3,316,590,190.34
Other payables	1,834,012,894.06	1,027,613,690.94

Including: Interest payable	0.00	0.00
Dividends payable	417,468,458.60	17,542,675.98
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	90,188,631.18	83,924,701.83
Other current liabilities	61,443,414.40	77,355,792.16
Total current liabilities	7,008,995,192.36	6,463,528,962.58
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	3,779,015,668.00	3,524,500,000.00
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	81,328,041.64	83,081,182.89
Long-term payables	0.00	0.00
Long-term employee benefits payable	0.00	0.00
Provisions	1,436,353.14	1,425,490.50
Deferred income	0.00	0.00
Deferred income tax liabilities	239,383.87	307,853.79
Other non-current liabilities	118,749,645.02	126,059,683.08
Total non-current liabilities	3,980,769,091.67	3,735,374,210.26
Total liabilities	10,989,764,284.03	10,198,903,172.84
Owners' equity:		
Share capital	595,979,092.00	595,979,092.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	80,488,045.38	146,986,167.70
Less: Treasury stock	0.00	0.00
Other comprehensive income	-6,111,374.24	-8,174,653.66
Specific reserve		
Surplus reserves	29,637,548.47	47,574,940.18
General reserve		
Retained earnings	3,437,974,711.46	3,800,901,413.35
Total equity attributable to owners of the Company as the parent	4,137,968,023.07	4,583,266,959.57
Non-controlling interests	38,578,483.71	46,819,613.19
Total owners' equity	4,176,546,506.78	4,630,086,572.76
Total liabilities and owners' equity	15,166,310,790.81	14,828,989,745.60

Legal representative: Liu Shengxiang

Head of financial affairs: Cai Lili

Head of the financial department: Liu Qiang

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	30 June 2022	1 January 2022
Current assets:		
Monetary assets	953,783,344.78	1,177,352,486.44
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	3,014,608.24	2,223,974.66
Accounts receivable financing		
Prepayments	2,700.00	5,400.00
Other receivables	5,164,280,163.52	2,412,506,681.28
Including: Interest receivable	385,423,194.45	0.00
Dividends receivable	0.00	0.00
Inventories	742,236,882.61	2,343,857,737.13
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	1,544,107,832.54	496,729.09
Total current assets	8,407,425,531.69	5,936,443,008.60
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables	0.00	0.00
Long-term equity investments	1,385,686,096.14	1,109,826,561.76
Investments in other equity instruments	1,145,472.72	1,233,051.95
Other non-current financial assets		
Investment property	272,005,587.30	283,198,989.66
Fixed assets	36,239,485.56	41,133,269.92
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets	3,392,093.95	4,075,422.31
Intangible assets	0.00	0.00
Development costs		
Goodwill	0.00	0.00
Long-term prepaid expense	933,772.57	259,463.73

Deferred income tax assets	181,342,381.69	190,014,842.35
Other non-current assets	2,750,873.08	1,718,846,484.20
Total non-current assets	1,883,495,763.01	3,348,588,085.88
Total assets	10,290,921,294.70	9,285,031,094.48
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	28,854,978.13	48,640,839.24
Advances from customers	0.00	425,164.77
Contract liabilities	524,139,983.49	524,139,983.49
Employee benefits payable	40,761,711.90	49,313,279.30
Taxes payable	5,430,228.58	4,678,424.25
Other payables	7,278,541,787.97	5,963,004,158.44
Including: Interest payable	0.00	0.00
Dividends payable	405,295,424.96	29,642.40
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	65,262,588.80	65,163,793.74
Other current liabilities	47,172,598.51	47,172,598.51
Total current liabilities	7,990,163,877.38	6,702,538,241.74
Non-current liabilities:		
Long-term borrowings	619,300,000.00	525,100,000.00
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	2,659,760.04	2,976,367.29
Long-term payables	0.00	0.00
Long-term employee benefits payable	0.00	0.00
Provisions	0.00	0.00
Deferred income	0.00	0.00
Deferred income tax liabilities	0.00	0.00
Other non-current liabilities	40,000,000.00	40,000,000.00
Total non-current liabilities	661,959,760.04	568,076,367.29
Total liabilities	8,652,123,637.42	7,270,614,609.03
Owners' equity:		
Share capital	595,979,092.00	595,979,092.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		

Capital reserves	53,876,380.11	53,876,380.11
Less: Treasury stock	0.00	0.00
Other comprehensive income	-2,692,487.12	-2,574,121.54
Specific reserve		
Surplus reserves	29,637,548.47	29,637,548.47
Retained earnings	961,997,123.82	1,337,497,586.41
Total owners' equity	1,638,797,657.28	2,014,416,485.45
Total liabilities and owners' equity	10,290,921,294.70	9,285,031,094.48

3. Consolidated Income Statement

Unit: RMB

Item	H1 2022	H1 2021
1. Revenue	1,988,299,840.24	2,706,785,638.30
Including: Operating revenue	1,988,299,840.24	2,706,785,638.30
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	1,648,725,222.85	1,850,099,669.30
Including: Cost of sales	1,068,652,583.32	906,050,067.72
Interest expense		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	394,230,719.81	814,752,940.13
Selling expense	11,358,858.51	10,418,105.37
Administrative expense	143,701,058.05	119,107,631.52
R&D expense	2,689,725.40	0.00
Finance costs	28,092,277.76	-229,075.44
Including: Interest expense	36,281,087.17	38,497,917.45
Interest income	-9,179,453.97	-39,641,607.44
Add: Other income	6,806,445.99	3,242,846.47
Return on investment ("-" for loss)	946,914.05	3,350,564.96
Including: Share of profit or loss of joint ventures and associates	859,534.38	3,218,483.17
Income from the derecognition of financial assets at amortized cost ("-" for loss)		

Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		
Credit impairment loss (“-” for loss)	-14,462,076.54	-6,797,536.40
Asset impairment loss (“-” for loss)	3,302.47	-33,715.66
Asset disposal income (“-” for loss)	-41,452.49	0.00
3. Operating profit (“-” for loss)	332,827,750.87	856,448,128.37
Add: Non-operating income	2,546,068.46	10,624,684.14
Less: Non-operating expense	1,417,586.84	1,953,595.36
4. Profit before tax (“-” for loss)	333,956,232.49	865,119,217.15
Less: Income tax expense	92,655,204.26	195,401,618.54
5. Net profit (“-” for net loss)	241,301,028.23	669,717,598.61
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	241,301,028.23	669,717,598.61
5.1.2 Net profit from discontinued operations (“-” for net loss)	0.00	0.00
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	250,802,157.71	677,467,066.42
5.2.1 Net profit attributable to non-controlling interests	-9,501,129.48	-7,749,467.81
6. Other comprehensive income, net of tax	2,063,279.42	-818,697.61
Attributable to owners of the Company as the parent	2,063,279.42	-818,697.61
6.1 Items that will not be reclassified to profit or loss	-118,365.58	-265,258.45
6.1.1 Changes caused by remeasurements on defined benefit schemes	0.00	0.00
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method	0.00	0.00
6.1.3 Changes in the fair value of investments in other equity instruments	-118,365.58	-265,258.45
6.1.4 Changes in the fair value arising from changes in own credit risk	0.00	0.00
6.1.5 Other	0.00	0.00
6.2 Items that will be reclassified to profit or loss	2,181,645.00	-553,439.16
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 investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
6.2.5 Reserve for cash flow hedges		

6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	2,181,645.00	-553,439.16
6.2.7 Other		
Attributable to non-controlling interests	0.00	0.00
7. Total comprehensive income	243,364,307.65	668,898,901.00
Attributable to owners of the Company as the parent	252,865,437.13	676,648,368.81
Attributable to non-controlling interests	-9,501,129.48	-7,749,467.81
8. Earnings per share		
8.1 Basic earnings per share	0.4208	1.1367
8.2 Diluted earnings per share	0.4208	1.1367

Where business combinations under common control occurred in the Current Period, the net profit achieved by the acquirees before the combinations was RMB-6,933,601.34, with the amount for the same period of last year being RMB1,091,542.67

Legal representative: Liu Shengxiang

Head of financial affairs: Cai Lili

Head of the financial department: Liu Qiang.

4. Income Statement of the Company as the Parent

Unit: RMB

Item	H1 2022	H1 2021
1. Operating revenue	31,589,670.59	42,300,895.35
Less: Cost of sales	17,210,314.74	18,650,836.30
Taxes and surcharges	3,188,103.66	3,067,936.60
Selling expense	189,424.71	427,076.97
Administrative expense	45,512,068.89	35,663,070.91
R&D expense	0.00	0.00
Finance costs	4,842,416.19	-18,675,114.65
Including: Interest expense	13,075,372.03	12,722,639.32
Interest income	-5,221,428.26	-32,650,270.94
Add: Other income	182,349.33	102,972.08
Return on investment (“-” for loss)	77,583,669.56	63,037,324.89
Including: Share of profit or loss of joint ventures and associates	859,534.38	3,218,483.17
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)		
Credit impairment loss (“-” for loss)	47,995.81	-279,188.00
Asset impairment loss (“-” for loss)	0.00	0.00
Asset disposal income (“-” for loss)	0.00	0.00
2. Operating profit (“-” for loss)	38,461,357.10	66,028,198.19

Add: Non-operating income	0.00	7,173,820.40
Less: Non-operating expense	23,576.47	269.72
3. Profit before tax (“-” for loss)	38,437,780.63	73,201,748.87
Less: Income tax expense	8,672,460.66	-5,332,877.48
4. Net profit (“-” for net loss)	29,765,319.97	78,534,626.35
4.1 Net profit from continuing operations (“-” for net loss)	29,765,319.97	78,534,626.35
4.2 Net profit from discontinued operations (“-” for net loss)	0.00	0.00
5. Other comprehensive income, net of tax	-118,365.58	-265,258.45
5.1 Items that will not be reclassified to profit or loss	-118,365.58	-265,258.45
5.1.1 Changes caused by remeasurements on defined benefit schemes	0.00	0.00
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method	0.00	0.00
5.1.3 Changes in the fair value of investments in other equity instruments	-118,365.58	-265,258.45
5.1.4 Changes in the fair value arising from changes in own credit risk	0.00	0.00
5.1.5 Other	0.00	0.00
5.2 Items 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 investments in other debt obligations		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for investments in other debt obligations		
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 Other		
6. Total comprehensive income	29,646,954.39	78,269,367.90
7. Earnings per share		
7.1 Basic earnings per share	0.0499	0.1318
7.2 Diluted earnings per share	0.0499	0.1318

5. Consolidated Cash Flow Statement

Unit: RMB

Item	H1 2022	H1 2021
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,508,257,820.26	3,001,364,247.49
Net increase in customer deposits and interbank deposits		

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, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax rebates	9,187,939.90	27,946,004.56
Cash generated from other operating activities	461,787,150.96	225,294,018.32
Subtotal of cash generated from operating activities	1,979,232,911.12	3,254,604,270.37
Payments for commodities and services	1,486,656,535.01	653,018,303.65
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	503,751,276.86	453,393,551.31
Taxes paid	278,354,981.59	899,673,187.91
Cash used in other operating activities	106,464,348.75	106,957,925.58
Subtotal of cash used in operating activities	2,375,227,142.21	2,113,042,968.45
Net cash generated from/used in operating activities	-395,994,231.09	1,141,561,301.92
2. Cash flows from investing activities:		
Proceeds from disinvestment		
Return on investment		
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	33,054.00	26,112.57
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	33,054.00	26,112.57
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	8,208,285.38	13,070,111.84
Payments for investments	240,634,030.00	0.00
Net increase in pledged loans granted		

Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	248,842,315.38	13,070,111.84
Net cash generated from/used in investing activities	-248,809,261.38	-13,043,999.27
3. Cash flows from financing activities:		
Capital contributions received	1,260,000.00	140,000.00
Including: Capital contributions by non-controlling interests to subsidiaries	1,260,000.00	140,000.00
Borrowings raised	286,832,330.00	0.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	288,092,330.00	140,000.00
Repayment of borrowings	30,900,000.00	100,000.00
Interest and dividends paid	93,476,441.56	366,502,885.51
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities	12,142,998.09	8,788,006.37
Subtotal of cash used in financing activities	136,519,439.65	375,390,891.88
Net cash generated from/used in financing activities	151,572,890.35	-375,250,891.88
4. Effect of foreign exchange rates changes on cash and cash equivalents	2,438,091.50	-569,806.99
5. Net increase in cash and cash equivalents	-490,792,510.62	752,696,603.78
Add: Cash and cash equivalents, beginning of the period	1,963,988,756.69	4,372,982,079.50
6. Cash and cash equivalents, end of the period	1,473,196,246.07	5,125,678,683.28

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	H1 2022	H1 2021
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	25,384,592.62	32,652,425.50
Tax rebates	0.00	23,635,866.65
Cash generated from other operating activities	1,332,729,141.98	1,569,362,437.20
Subtotal of cash generated from operating activities	1,358,113,734.60	1,625,650,729.35
Payments for commodities and services	31,342,993.24	40,183,727.21
Cash paid to and for employees	35,011,651.40	30,961,214.02
Taxes paid	25,455,041.33	8,196,879.55
Cash used in other operating activities	1,183,602,910.44	125,972,788.21
Subtotal of cash used in operating activities	1,275,412,596.41	205,314,608.99
Net cash generated from/used in operating activities	82,701,138.19	1,420,336,120.36
2. Cash flows from investing activities:		

Proceeds from disinvestment		
Return on investment		
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	209.00	2,344.57
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	209.00	2,344.57
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	390,961.75	6,654,920.76
Payments for investments	389,000,000.00	209,000,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	389,390,961.75	215,654,920.76
Net cash generated from/used in investing activities	-389,390,752.75	-215,652,576.19
3. Cash flows from financing activities:		
Capital contributions received	0.00	0.00
Borrowings raised	125,000,000.00	0.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	125,000,000.00	0.00
Repayment of borrowings	30,800,000.00	0.00
Interest and dividends paid	13,015,483.64	257,143,626.33
Cash used in other financing activities	1,227,250.00	0.00
Subtotal of cash used in financing activities	45,042,733.64	257,143,626.33
Net cash generated from/used in financing activities	79,957,266.36	-257,143,626.33
4. Effect of foreign exchange rates changes on cash and cash equivalents	20,809.20	-2,544.95
5. Net increase in cash and cash equivalents	-226,711,539.00	947,537,372.89
Add: Cash and cash equivalents, beginning of the period	808,411,401.68	3,190,160,215.19
6. Cash and cash equivalents, end of the period	581,699,862.68	4,137,697,588.08

7. Consolidated Statements of Changes in Owners' Equity

H1 2022

Unit: RMB

Item	H1 2022													Non-controlling interests	Total owners' equity
	Equity attributable to owners of the Company as the parent														
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
	Prefere d shar	Perpetua l bon	Oth er												

		es	ds				inco me								
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00	0.00	0.00	0.00	146,986,167.70	0.00	-8,174,653.66	0.00	47,574,940.18	0.00	3,800,901,413.35		4,583,266,959.57	46,819,613.19	4,630,086,572.76
Add:															
Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Adjustment for business combination under common control															
Other adjustments															
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00	0.00	0.00	0.00	146,986,167.70	0.00	-8,174,653.66	0.00	47,574,940.18	0.00	3,800,901,413.35		4,583,266,959.57	46,819,613.19	4,630,086,572.76
3. Increase/decrease in the period ("-" for decrease)					-66,498,122.32	0.00	2,063,279.42	0.00	-17,937,391.1	0.00	-362,926,701.89		-445,298,936.50	-8,241,129.48	-453,540,065.98
3.1 Total comprehensive income							2,063,279.42				250,802,157.71		252,865,437.13	-9,501,129.48	243,364,307.65
3.2 Capital increased and reduced by owners					-66,498,122.32	0.00	0.00	0.00	17,937,391.1	0.00	-208,463,077.04		-292,898,591.07	1,260,000.00	291,638,591.07
3.2.1 Ordinary shares increased by owners													0.00	1,260,000.00	1,260,000.00
3.2.2 Capital increased by holders of other equity instruments													0.00		0.00
3.2.3 Share-based payments included in owners' equity													0.00		0.00

3.2.4 Other					- 66,4 98,1 22.3 2					- 17,9 37,3 91.7 1				- 208, 463, 077. 04			- 292, 898, 591. 07			- 292, 898, 591. 07
3.3 Profit distribution														- 405, 265, 782. 56			- 405, 265, 782. 56			- 405, 265, 782. 56
3.3.1 Appropriation to surplus reserves																	0.00			0.00
3.3.2 Appropriation to general reserve														- 405, 265, 782. 56			- 405, 265, 782. 56			- 405, 265, 782. 56
3.3.3 Appropriation to owners (or shareholders)																	0.00			0.00
3.3.4 Other																	0.00			0.00
3.4 Transfers within owners' equity																	0.00			0.00
3.4.1 Increase in capital (or share capital) from capital reserves																	0.00			0.00
3.4.2 Increase in capital (or share capital) from surplus reserves																	0.00			0.00
3.4.3 Loss offset by surplus reserves																	0.00			0.00
3.4.4 Changes in defined benefit schemes transferred to retained earnings																	0.00			0.00
3.4.5 Other comprehensive income transferred to retained earnings																	0.00			0.00
3.4.6 Other																	0.00			0.00

3.5 Specific reserve													0.00		0.00
3.5.1 Increase in the period													0.00		0.00
3.5.2 Used in the period													0.00		0.00
3.6 Other													0.00		0.00
4. Balance as at the end of the period	595,979,092.00	0.00	0.00	0.00	80,488,045.38	0.00	-6,111,374.24	0.00	29,637,548.47	0.00	3,437,974,711.46		4,137,968,023.07	38,578,483.71	4,176,546,506.78

H1 2021

Unit: RMB

Item	H1 2021													Non-controlling interests	Total owners' equity
	Equity attributable to owners of the Company as the parent														
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
	Preferrred shares	Perpetual bonds	Other												
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00				80,488,045.38		-6,749,589.41		19,205,979.63		3,038,993,912.43		3,727,917,440.03	53,204,039.80	3,781,147,983.83
Add: Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Adjustment for business combination under common control					69,784,581.93				17,917,979.81		44,478,686.34		132,181,248.08		132,181,248.08
Other adjustments															
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00				150,272,627.31		-6,749,589.41		37,123,959.44		3,083,472,598.77		3,860,098,811.97	53,204,039.80	3,913,302,727.91
3. Increase/decrease in the period ("-" for decrease)							818,697.61				400,310,574.58		399,491,876.97	-7,609,467.80	391,882,409.17
3.1 Total comprehensive							818,697.61				677,467,467.46		676,648,648.64	-7,747,747.74	668,898,898.89

ve income							697.				066.		368.	9,46	901.
							61				42		81	7.80	01
3.2 Capital increased and reduced by owners														140,000.00	140,000.00
3.2.1 Ordinary shares increased by owners														140,000.00	140,000.00
3.2.2 Capital increased by holders of other equity instruments															
3.2.3 Share-based payments included in owners' equity															
3.2.4 Other															
3.3 Profit distribution											-		-		-
											277,156,491.84		277,156,491.84		277,156,491.84
3.3.1 Appropriation to surplus reserves															
3.3.2 Appropriation to general reserve															
3.3.3 Appropriation to owners (or shareholders)											-		-		-
											277,156,491.84		277,156,491.84		277,156,491.84
3.3.4 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 Loss offset by surplus															

beginning of the Reporting Period of the year	79,092.00				6,380.11		2,574,121.54		7,548.47	497,586.41		416,485.45
3. Increase/decrease in the period (“-” for decrease)							-118,365.58			-375,500.462.59		-375,618,828.17
3.1 Total comprehensive income							-118,365.58			29,765,319.97		29,646,954.39
3.2 Capital increased and reduced by owners												
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 included in owners' equity												
3.2.4 Other												
3.3 Profit distribution										-405,265.782.56		-405,265,782.56
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)												
3.3.3 Other										-405,265.782.56		-405,265,782.56
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 Loss offset by surplus reserves												
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	595,979,092.00				53,876,380.11		-2,692,487.12		29,637,548.47	961,997,123.82		1,638,797,657.28

H1 2021

Unit: RMB

Item	H1 2021											Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surpluses reserves	Retained earnings	Other	
		Preferred shares	Perpetual bonds	Other								
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00				53,876,380.11		-2,545,451.19		19,205,979.63	1,487,964,894.53		2,154,480,895.08
Add: Adjustment for change in accounting policy												
Adjustment for correction of previous error												

Other adjustments												
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00				53,876,380.11		-2,545,451.19		19,205,979.63	1,487,964,894.53		2,154,480,895.08
3. Increase/decrease in the period (“-” for decrease)							-265,258.45			-165,816,801.37		-166,082,059.82
3.1 Total comprehensive income							-265,258.45			78,534,626.35		78,269,367.90
3.2 Capital increased and reduced by owners												
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 included in owners’ equity												
3.2.4 Other												
3.3 Profit distribution										-244,351,427.72		-244,351,427.72
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)												
3.3.3 Other										-244,351,427.72		-244,351,427.72
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 Loss offset by surplus reserves												
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	595,979,092.00				53,876,380.11		-2,810,709.64		19,205,979.63	1,322,148,093.16		1,988,398,835.26

III Company Profile

Shenzhen Properties & Resources Development (Group) Ltd. (hereinafter referred to as “the Company” or “Company”) was incorporated based on the reconstruction of Shenzhen Properties & Resources Development Co., Ltd. after obtaining approval of ZFBF [1991] No. 831 from People’s Government of Shenzhen Municipality. It was registered with Shenzhen Industrial and Commercial Administration Bureau on 17 January 1983 with Shenzhen as its headquarters. Now the Company holds the business license for legal person with the registration number/unified social credit code of 91440300192174135N. The registered capital was RMB595,979,092 with the total shares of 595,979,092 (RMB1 face value per share), among which, restricted public shares: 1,898,306 A shares and 0 B shares; unrestricted public shares: 526,475,543 A shares and 67,605,243 B shares. The stock of the Company has been listed on the Shenzhen Stock Exchange on 30 March 1992.

The Company is in the real estate sector. Its main business includes development of real estate and sale of commercial housing, construction and management of buildings, house rent, supervision of construction, domestic trading and materials supply and marketing (excluding exclusive dealing and monopoly sold products and commodities under special control to purchase). Main products or services rendered mainly include the development and sales of commercial residential housing; property management;

buildings and the building devices maintenance, garden afforest and cleaning service; property leasing; supervise and management of the engineering; retails of the Chinese food, Western-style food and wines, and etc.

The financial statements were approved and authorized for issue by the 11th Meeting of the 10th Board of Directors of the Company on 26 August 2022.

The consolidation scope of the Company's consolidated financial statements was determined based on the control. There were 63 subsidiaries including Shenzhen Huangcheng Real Estate Co., Ltd., Dongguan Guomao Changsheng Real Estate Development Co., Ltd., Shenzhen International Trade Center Property Management Co., Ltd. included in the consolidation financial statements in this report. Please refer to the Note VIII and Note IX of the financial report for details.

IV Basis for Preparation of Financial Statements

1. Preparation Basis

Based on the continuing operation, the financial statements of the Company are prepared in accordance with the actual transactions, governing provisions of the Accounting Standards for Business Enterprises and the following major accounting policies and estimates.

2. Continuation

There was no such case where the sustainable operation ability within 12 months since the end of the Reporting Period was highly doubted.

V. Important Accounting Policies and Estimations

Indication of specific accounting policies and estimations:

1. Statement for Complying with the Accounting Standard for Business Enterprise

The financial statement prepared by the Company complies with the requirements of the latest accounting standards for business enterprises as well as the application guidelines, interpretations and other relevant regulations (hereinafter referred to as the "accounting standards for business enterprises") issued by the Ministry of Finance. It reflects the Company's financial conditions, operating results, cash flow and other related information in a truthful and complete manner.

In addition, in the preparation of the financial report, reference was made to the presentation and disclosure requirements of the *Rule for Information Disclosure by Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reports* (2014 Revision) and the *Notice on Related Matters of the Implementation of New Accounting Standards for Business Enterprises by Listed Companies* (KJBH [2018] No. 453).

2. Fiscal Period

The fiscal year of the Company is a solar calendar year, which is from 1 January to 31 December.

3. Operating Cycle

Except for the real estate industry, other businesses run by the Company have relatively short operating cycles according to the classification standard of 12-month's liquidity of assets and liabilities. The operating cycle of the real estate industry shall be generally more than 12 months from *real estate development to cash the sales*. *The specific cycle shall be determined by the development project and classified by the assets and liabilities liquidity.*

4. Standard Currency of Accounts

The Company adopts Renminbi as a standard currency of accounts.

5. Accounting Process of Business Combinations under the Same Control and not under the Same Control

1. Accounting Process of Business Combinations under the Same Control

For business combination under the same control achieved through one transaction or step by step through multiple transactions by the Company, the assets and liabilities acquired in a business combination are measured at the carrying value of the acquiree in the consolidated financial statements of the ultimate controlling party at the date of combination. The difference between the carrying value of net assets acquired by the Company and the carrying value of the combination consideration paid (or the total nominal value of shares issued) is referred to for adjusting capital reserve; if capital reserve is not sufficient to offset the difference, then retained earnings are adjusted.

2. Accounting Process of Business Combinations not under the Same Control

The Group shall recognize the positive balance between the combination costs and the fair value of the identifiable net assets obtained from the acquiree on purchase date as goodwill. If the combination costs are less than the fair value of the identifiable net assets obtained from the acquiree, the Company shall recheck the various identifiable assets and liabilities obtained from the acquiree, fair value with liabilities, and measurement of combination costs. If the combination costs are less than the fair value of the identifiable net assets obtained from the acquiree after recheck, the Company shall record the balance into the profit and loss of the current period.

Business combinations not under the same control achieved step by step through multiple transactions should be treated in the following order:

(1) Adjusting the initial investment cost of long-term equity investment If the equity held prior to the date of purchase is accounted under the equity method, the equity is remeasured at the fair value on the purchase date, and the difference between the fair value and its carrying value is included in the investment income of the current period; if the equity in the acquiree held prior to the purchase date involves other comprehensive income or changes in other owners' equity under the equity method of accounting, it is converted into income for the current period on the purchase date, except for other comprehensive income arising from the re-measurement of the investee's net liabilities of the defined benefit pension plan or changes in net assets of the defined benefit plan and changes in the fair value of investments in other equity instruments held.

(2) Determining the goodwill (or the amount included in the profit or loss for the current period) When comparing the initial investment cost of long-term equity investments adjusted in the first step with the share of the fair value of the identifiable net assets of the subsidiary on the purchase date, if the former is more than the latter, the difference between the former and the latter is recognized as goodwill; if the former is less than the latter, the difference is included in profit or loss for the current period.

Step-by-step disposal of equity through multiple transactions that results in loss of control over the subsidiary

(1) Principles for determining whether transactions in the process of step-by-step disposal of equity that results in the loss of control over a subsidiary constitute a "package deal"

The multiple transactions are generally regarded as a "package deal" in accounting treatment if the clauses, conditions, and economic impacts of various transactions fall under one or more of the following circumstances:

- 1) These transactions are reached concurrently or after the impact thereof on each other is taken into consideration.
- 2) These transactions may achieve a complete business result only as a whole.
- 3) The occurrence of a transaction depends on the occurrence of, at a minimum, one another transaction.
- 4) A transaction is considered uneconomical separately but is considered economical when other transactions are also taken into consideration.

(2) Accounting treatment when transactions in the process of step-by-step disposal of equity that results in the loss of control over a subsidiary constitute a "package deal"

If the transactions in the disposal of equity of a subsidiary that results in the loss of control constitute a package deal, each transaction should be accounted for as a transaction that disposes of and loses control over a subsidiary; however, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment for each disposal prior to the loss of control should be recognized as other comprehensive earnings in the consolidated financial statements and transferred to profit or loss for the current period when the Company lost the control.

In the consolidated financial statements, the remaining equity should be remeasured at fair value on the date of loss of control. 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 combination on an ongoing basis at the original shareholding ratio is included in the return on investment for the current period when the Company lost the control. Other comprehensive income related to the equity investments in the former subsidiary should be included in the return on investment or retained earnings for the current period when the Company lost the control.

(3) Accounting treatment when transactions in the process of step-by-step disposal of equity that results in the loss of control over a subsidiary do not constitute a "package deal"

If the Company disposes of investments made in its subsidiary without losing control over the subsidiary, in the consolidated financial statements, the difference between the payment for equity disposed of and the Company's corresponding portion of net assets in the subsidiary is included in the capital reserve. If the capital reserve is insufficient for offset, the retained earnings should be adjusted.

If the disposal of investments made in its subsidiary results in a loss of control over the subsidiary, in the consolidated financial statements, the remaining equity should be remeasured at the fair value on the date of loss of control. 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 combination on an ongoing basis at the original shareholding ratio is included in the return on investment for the current period when the Company lost the control. Other comprehensive income related to the equity investments in the former subsidiary should be included in the return on investment or retained earnings for the current period when the Company lost the control.

6. Methods for Preparing Consolidated Financial Statements

Based on the financial statements of the Company as the parent and its subsidiaries and other related materials, the consolidated financial statements were prepared by the Group as the parent according to Accounting Standards for Enterprises No. 33 – Consolidated Financial Statements.

7. Classification of Joint arrangements and Accounting Treatment of Joint Operations

1. Identification and classification of joint arrangements

A joint arrangement is an arrangement over which two or more parties have joint control. A joint arrangement has the following characteristics: (1) Each participant is bound by the arrangement; (2) two or more parties of the joint arrangement exercise joint control over the arrangement. No one party can control the arrangement alone, and any party with joint control over the arrangement can prevent the other party or combination of parties from controlling the arrangement alone.

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 unanimous consent from the parties sharing the joint control.

Joint arrangements are divided into joint operations and joint ventures. A joint operation is a joint arrangement whereby the party to joint arrangement has rights to the assets, and obligations for the liabilities related to the arrangement. A joint venture is a joint arrangement whereby the party to joint arrangement has rights to the net assets of the arrangement.

2. Accounting treatment of joint arrangements

A party to a joint operation shall recognize the following items related to its share of interest in the joint operation and conduct accounting treatment for them in accordance with the relevant provisions of the Accounting Standard for Business Enterprises: (1) Recognition of assets held separately and of assets held jointly in proportion to its share; (2) recognition of liabilities incurred separately and of liabilities incurred jointly in proportion to its share; (3) recognition of revenue from the sale of its share of the output of the joint operation; (4) recognition of revenue from the sale of output of the joint operation in proportion to its share; (5) recognition of expenses incurred separately and of expenses incurred in the joint operation in proportion to its share.

The party to a joint venture should conduct accounting treatment in accordance with relevant provisions of the Accounting Standards for Business Enterprises No. 2 - Long-term Equity Investment.

8. Recognition Standard for Cash and Cash Equivalents

In the Company's understanding, cash and cash equivalents include cash on hand, any deposit that can be used for cover, and short-term (usually due within 3 months since the day of purchase) and high circulating investments, which are easily convertible into known amount of cash and whose risks in change of value are minimal.

9. Foreign Currency Businesses and Translation of Foreign Currency Financial Statements

(1) Accounting treatments for translation of foreign currency business

As for a foreign currency transaction in its initial recognition, the amount in the foreign currency shall be translated into the amount in the Renminbi at the spot exchange rate of the transaction date. On balance sheet date, the foreign currency monetary items shall be translated as the spot exchange rate on the balance sheet date, the balance occurred thereof shall be recorded into the profits and losses at the current period except that the balance of exchange arising from the principal and interests of foreign currency borrowings for the purchase and construction or production of assets eligible for capitalization. The foreign currency non-monetary items measured at the historical cost shall still be translated at the spot exchange rate on the transaction date, of which the amount of functional currency shall not be changed. The foreign currency non-monetary items measured at the fair value shall be translated at the spot exchange rate on the confirming date of fair value, of which the balance of exchange shall be included into the profit and loss of the current period or other comprehensive income.

(2) Translation of foreign currency financial statements

The asset and liability items in the balance sheets shall be translated at a spot exchange rate on the balance sheet date. Among the owner's equity items, except for the items as "retained earnings", other items shall be translated at the spot exchange rate at the time when they are incurred. The income and expense items in the income statements shall be translated at the spot exchange rate at the time when they are incurred. The difference from translation of foreign currency financial statements thereof shall be recognized as comprehensive income.

10. Financial Instruments

1. Recognition and derecognition of financial instruments

When the Group becomes a party to a financial instrument contract, it recognizes relevant financial assets or financial liabilities.

All regular acquisition or sales of financial assets are 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 Group promises to acquire or sell financial assets.

Financial assets (or part of financial assets, or part of a set of similar financial assets) are derecognized, i.e., written off from its account and balance sheet, if the following conditions are met:

- (1) The right to receive cash flows from financial assets has expired;
- (2) The right to receive cash flows from the financial assets is transferred, or the obligation to pay the full amount of cash flows received to a third party in a timely manner is assumed under a "pass-through agreement"; and (a) substantially almost all the risks and rewards of its ownership of the financial assets are transferred, or (b) control over the financial asset is relinquished, although substantially all the risks and rewards of its ownership of the financial assets are neither transferred nor retained.

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, financial assets of the Group are classified into the following categories: Financial assets measured at the amortized cost, financial assets measured at fair value through other comprehensive income of the current period, and financial assets measured at fair value through profit and loss for the current period. The subsequent measurement of financial assets depended on their categories.

The Group's classification of financial assets is based on the Group's business model for managing financial assets and the cash flow characteristics of the financial assets.

(1) Financial assets measured at amortized cost

Financial assets that meet both of the following conditions shall be classified as financial assets measured at amortized cost: The Group'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 are subsequently measured at amortized cost using the effective interest method. Gain or loss arising from derecognition or amortization using the effective interest method is included in profit and loss for the current period.

(2) Debt instrument investment measured at fair value through other comprehensive income

Financial assets that meet all the following conditions shall be classified as financial assets measured at fair value through other comprehensive income: The Group'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. The discount or premium is amortized using the effective interest method and recognized as interest income or expense. Except for impairment losses or gains and exchange differences that are recognized as profit and loss for the current period, changes in the fair value of such financial assets shall be recognized as other comprehensive income, until the financial assets are derecognized when accumulative gains or losses shall be transferred to profit and loss for the current period. Interest income related to such financial assets is included in profit or loss for the current period.

(3) Equity instrument investment measured at fair value through other comprehensive income

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

(4) Financial assets measured at fair value through profit and loss for the current period

The aforementioned financial assets measured at amortized cost and financial assets other than those measured at fair value through other comprehensive income are classified as financial assets measured at fair value through profit and loss for the current period. At initial recognition, in order to eliminate or significantly reduce accounting mismatch, financial assets can be designated as financial assets measured at fair value through profit or loss for the current period. Such financial assets shall be measured at fair value, and all changes in fair value are included in the profit and loss for the current period.

When and only when the Group changes its business model of managing financial assets, all relevant financial assets affected will be re-classified.

For financial assets measured at fair value through profit and loss for the current period, transaction costs are directly included in profit and loss for the current period. For other types of financial assets, related transaction costs are included in their initial recognized amounts.

3. Classification and measurement of financial liabilities

At initial recognition, the financial liabilities of the Group are classified into the following categories: Financial liabilities measured at the amortized cost, and financial liabilities measured at fair value through profit and loss for the current period.

Financial liabilities can be designated as financial liabilities measured at fair value through profit or loss for the current period at initial measurement if one of the following conditions is met: (1) The designation can eliminate or significantly reduce accounting mismatch; (2) the management and performance evaluation of a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities are based on fair value in accordance with the Group's risk management or investment strategy as set out in a formal written document, and are reported to key management personnel on this basis within the Group; (3) The financial liabilities contain embedded derivatives require splitting.

The Group determines the classification of financial liabilities at initial recognition. For financial liabilities measured at fair value through profit and loss for the current period, transaction costs are directly included in profit and loss for the current period. For other types of financial liabilities, related transaction costs are included in their initial recognized amounts.

The subsequent measurement of financial liabilities depended on their categories:

(1) Financial liabilities measured at amortized cost

Such financial liabilities shall be subsequently measured at amortized cost using the effective interest method.

(2) Financial liabilities measured at fair value through profit and loss for the current period

Financial liabilities measured at fair value through profit or loss for the current period include trading financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as at fair value through profit or loss at initial recognition.

4. Financial instrument offset

The net amount after financial assets and financial liabilities offset each other is reported in the balance sheet if both of the following conditions are met: The Group had a currently enforceable legal right to offset the recognized amounts; the Group planned to settle them on a net basis or to realize the financial assets and pay off the financial liabilities simultaneously.

5. Impairment of financial instrument

(1) Impairment measurement and accounting handling of financial instrument

Based on expected credit loss, the Company conducts impairment handling and confirms loss reserve for financial assets which is measured by amortized cost, debt instrument investment which is measured by fair value and whose change is calculated into other comprehensive profits, accounts receivable of rental, loan commitment which is beyond financial debt classified as the one which is measured by fair value and whose change is calculated into current profits and losses, financial debt which does not belong to the one which is measured by fair value and whose change is calculated into current profits or losses, or financial guarantee contract of

financial debt which is formed when it does not belong to financial asset transfer and doesn't conform to confirmation condition of termination or keeps on being involved in transferred financial asset.

Expected credit loss refers to weighted average of credit loss of financial instrument which takes the risk of contract breach occurrence as the weight. Credit loss refers to the difference between all contract cash flow which is converted into cash according to actual interest rate and receivable according to contract and all cash flow which to be charged as expected, i.e. current value of all cash shortage. Among it, as for financial asset purchased or original which has had credit impairment, it should be converted into cash according actual interest rate of this financial asset after credit adjustment.

As for financial asset purchased or original which has had credit impairment, the Company only confirms cumulative change of expected credit loss within the whole duration after initial confirmation on the balance sheet date as loss reserve.

As for accounts receivable which don't include major financing contents or the Company does not consider financing contents in contract which is less than one year, the Company applies simplified measurement method, and measures loss reserve according to amount of expected credit loss within the whole duration.

As for account receivable of rental and accounts receivable including major financing contents, the Company applies simplified measurement method, and measure loss reserve according to amount of expected credit loss within the whole duration.

As for financial asset beyond above mentioned measurement methods, the Company evaluates whether its credit risk has increased obviously since the initial confirmation on each balance sheet date. In case credit risk has increased obviously, the Company measures the loss reserve according to amount of expected credit loss within the whole duration; in case the credit risk does not increase obviously, the Company measures loss reserve according to the amount of expected credit loss in next 12 months.

By utilizing obtainable rational and well grounded information, including forward-looking information, comparing the risk of contract breach on balance sheet date and risk of contract breach on initial confirmation date, the Company confirms whether the credit risk of financial instrument has increased obviously from initial confirmation.

On balance sheet date, in case the Company judges that the financial instrument just has relatively low credit risk, then it will be assumed that credit risk of the financial instrument has not increased obviously.

Based on single financial instrument or financial portfolio, the Company evaluates expected credit risk and measures expected credit loss. When based on financial instrument portfolio, the Company takes common risk characteristics as the basis, and divides financial instruments into different portfolios.

The Company measures expected credit loss again on each balance sheet date, the increase of loss reserve or amount which is transfer back generated by it is calculated into current profits and losses as impairment profits or losses. As for financial asset which is measured by amortized cost, loss reserve offsets the carrying value of the financial asset listed in the balance sheet; as for debt investment which is measured by fair value and whose change is calculated into other comprehensive profits, the Company confirms its loss reserve in other comprehensive profits and does not offset the carrying value of the financial asset.

(2) Financial instruments assessing expected credit risk by groups and measuring expected credit losses

Item	Recognition basis	Method of measuring expected credit losses
Other receivables-intercourse funds among related party group within the consolidation scope	Accounts nature	Consulting historical experience in credit losses, combining actual situation and prediction for future economic situation, the group's expected credit loss rate shall be accounted through exposure at default and the expected credit loss rate within the next 12 months or the entire life
Other receivables-interest receivable group		
Other receivables-other intercourse funds among related party group		
Other receivables-credit risk characteristics group	Aging group	Consulting historical experience in credit losses, combining actual situation and prediction for future economic situation, the group's expected credit loss rate shall be accounted through exposure at default and the expected credit loss rate within the next 12 months or the entire life

(3) Accounts receivable with expected credit losses measured by groups

① Specific groups and method of measuring expected credit loss

Item	Recognition basis	Method of measuring expected credit losses
Bank's acceptance bills receivable	Bill type	Consulting historical experience in credit losses, combining actual situation and prediction for future economic situation, the group's expected credit loss rate shall be accounted through exposure at default and the expected credit loss rate within the entire life
Trade acceptance bills receivable		
Accounts receivable-other intercourse funds among related party group	Account nature	Consulting historical experience in credit losses, combining actual situation and prediction for future economic situation, the group's expected credit loss rate shall be accounted through exposure at default and the expected credit loss rate within the entire life
Accounts receivable-credit risk characteristics group	Aging group	Prepare the comparative list between aging of accounts receivable and expected credit loss rate over the entire life by consulting historical experience in credit losses, combining actual situation and prediction for future economic situation

② Accounts receivable-the comparative list between aging of common customer group and expected credit loss rate over the entire life

Aging	Expected credit loss rate of accounts receivable (%)
Within 1 year (inclusive, the same below)	3.00
1 to 2 years	10.00
2 to 3 years	30.00
3 to 4 years	50.00
4 to 5 years	80.00
Over 5 years	100.00

6. Financial asset transfer

Financial assets are derecognized if the Group has transferred almost all the risks and rewards of its ownership transferred to the transferor; financial assets are not derecognized if the Group has retained almost all the risks and rewards of its ownership.

If the Group has neither transferred nor retained almost all the risks and rewards of its ownership of the transferred financial assets, it will be treated respectively according to the following circumstances: If the control over the financial assets is waived, relevant financial assets shall be derecognized, and the assets and liabilities arising from them shall be recognized; if the control over the financial assets is 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 accordingly.

If continuing involvement is provided by way of financial guarantee for the transferred financial assets, the assets resulting from the continuing involvement are recognized at the lower of the carrying value of the financial assets and the financial guarantee amount. The financial guarantee amount refers to the maximum amount of the consideration received that will be required to be repaid.

11. Notes Receivable

Refer to Note V 10 Financial Instruments of the financial statements for details.

12. Accounts Receivable

Refer to Note V 10 Financial Instruments of the financial statements for details.

13. Accounts Receivable Financing

Not applicable.

14. Other Receivables

Recognition and accounting treatment methods regarding expected credit losses of other receivables

Refer to Note V 10 Financial Instruments of the financial statements for details.

15. Inventory

(1) Inventories Classification

Inventories include development land held for sale or consumption in the process of development and operation, development products, temporarily leased development products which intended for sale, relocation housing, stock materials, inventory equipment, and low-value consumables, etc., as well as development costs in the process of development.

(2) Cost Flow Assumption

- 1) Send-out materials shall adopt the moving weighted average method.
- 2) During the development of the project, the development land shall be included in the development cost of the project by the floor area apportionment of the developed products.
- 3) Send-out developed products shall be accounted by specific identification method.
- 4) The temporarily leased development products which intended for sale and relocation housing shall be amortized averagely by stages according to the expected useful life of the same kind of fixed assets of the Company.
- 5) If the public supporting facilities are completed earlier than the relevant development products, after the final account of the public supporting facilities, it shall be account into the development cost of the relevant development projects according to the building area; If the public supporting facilities are completed later than the relevant development products, the relevant development products shall withhold the public supporting facilities fees, and adjust the relevant development product costs according to the difference between the actual occurrence and the withhold amount after the completed public supporting facilities' final accounts.

(3) Recognition basis of Net Realizable Value of Inventory

On the balance sheet date, inventory shall be measured at the lower of cost or net realizable value, and provision shall be made for falling price of inventories on the ground of the difference between the cost of each item of inventories and the net realizable value. Inventories directly for sale, under normal producing process, to the amount after deducting the estimated sale expense and relevant taxes from the estimated sell price of the inventory, the net realizable value has been recognized; inventories which need to be processed, under normal producing process, to the amount after deducting the estimated cost of completion, estimated sale expense and relevant taxes from the estimated sale price of produced finished goods, the net realizable value has been recognized; on the balance sheet date, in the same item of inventories, if some have contractual price agreement while others do not, the net realizable value shall be recognized respectively and compared with their cost, and the amount of provision withdrawal or reversal for falling price of inventories shall be recognized respectively.

(4) Inventory System for Inventories

Inventory system: Perpetual inventory system

(5) Amortization Method of the Low-value Consumption Goods and Packing Articles

- 1) Low-value Consumption Goods

One-off amortization method

- 2) Packing Articles

One-off amortization method

16. Contract Assets

- (1) Recognition method and standards for contract assets

The Company presents contract assets or contract liabilities on the balance sheet according to the relationship between the fulfillment of its contract performance obligations and its customers' payment. Considerations that the Company has the right to collect for commodities transferred or services provided to customers (except for accounts receivable) are presented as contract assets.

- (2) Recognition method and accounting treatment method for expected credit loss of contract assets

For contract assets that do not contain significant financing components, the Company uses the simplified model of expected credit loss, measuring the loss provision according to an amount that is equivalent to the amount of expected credit loss of the entire duration. The increased loss provision or reversed amount thereof shall be recorded into the current profit or loss as impairment

losses or gains.

For contract assets that contain significant financing components, the Company has made the accounting policy choice and selected the simplified model of expected credit loss, measuring the loss provision according to an amount that is equivalent to the amount of expected credit loss of the entire duration. The increased loss provision or reversed amount thereof shall be recorded into the current profit or loss as impairment losses or gains.

17. Contract Costs

Contract costs comprise contract performance cost and contract acquisition cost.

The cost incurred by the Company from performing a contract is recognized into an asset as contract performance cost when it meets the following conditions:

This cost directly relates to an existing contract or a contract expected to be acquired. It consists of direct labor, direct materials, manufacture costs (or similar costs), costs specified to be borne by the customer and other costs incurred from this contract solely.

This cost has increased the Company's sources that are used to fulfill its contract performance obligations in the future.

This cost is expected to be recovered.

An incremental cost that is incurred by the Company for acquiring a contract and expected to be recovered is recognized into an asset as contract acquisition cost. However, for such asset with an amortization period of less than one year, the Company recognizes them into current profit/loss at their occurrence.

Assets related to contract costs are amortized on the same basis for recognizing the revenue from commodities or services related to such assets.

When the carrying value of an asset related to contract costs is higher than the difference between the following two items, the Company will withdraw impairment provision for the exceeded part and recognize it as asset impairment loss:

Residual consideration expected to be gained from transferring commodities and services related to this asset;

Costs expected to be incurred from transferring such commodities or services.

When the aforementioned asset impairment provision is reversed later, the carrying value of the asset after the reversal should not exceed its carrying value on the reversal date under the assumption of no withdrawal of impairment provision.

18. Assets Held for Sale

The Company divides its components (or non-current assets) meeting the following conditions into available for sale assets: (1) Assets can be sold immediately under the current conditions according to the practice of selling such assets or disposal groups in similar transactions; (2) The sale is likely to occur, and a resolution has been made on a sale plan and a firm purchase commitment is obtained (a firm purchase commitment refers to a legally binding purchase agreement signed between an enterprise and other parties, which contains important terms such as transaction price, time and severe penalty for breach of contract to minimize the possibility of major adjustment or cancellation of the agreement. The sale is expected to be completed within a year. It has been approved by relevant authorities or regulatory authorities according to relevant regulations.

The Company adjusts the estimated net residual value of available for sale assets to the net amount of its fair value minus the selling expenses (which shall not exceed the original book value of the assets available for sale). The difference between the original book value and the adjusted estimated net residual value shall be included in the current profit and loss as the loss of asset impairment, and provisions for impairment of assets available for sale shall be made. For the amount of impairment loss of disposal group available for sale recognized, the book value of goodwill of the disposal group shall be offset first, and then the book value of disposal group shall be offset in proportion according to the share of the book value of non-current assets in the disposal group measured according to this Standard.

When the net amount of fair value of non-current assets available for sale minus the selling expenses increases on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of asset impairment loss recognized after being classified as available for sale assets, and the reversed amount shall be included in the current profits and losses. The impairment loss of assets recognized before being classified as available for sale assets shall not be reversed. When the

net amount of fair value of disposal group available for sale minus the selling expenses increases on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of asset impairment loss recognized as non-current assets in the disposal group measured according to this Standard after being classified into the categories available for sale assets, and the reversed amount shall be included in the current profits and losses. The book value of goodwill that has been offset and the impairment loss of non-current assets measured according to this Standard shall not be reversed before they are classified as available for sale assets. The subsequent reversal amount of asset impairment loss recognized as disposal group available for sale shall be increased in proportion to the share of the book value of non-current assets in the disposal group, except goodwill, which are measured according to this Standard. In case that an enterprise loses its control over a subsidiary due to sale of its investment in the subsidiary, the investment in the subsidiary to be sold shall be divided into the available for sale category in individual financial statement of the parent company when the proposed investment in the subsidiary meets the conditions for classification of available for sale category, and all assets and liabilities of the subsidiary shall be classified into available for sale category in the consolidated financial statements, no matter whether the enterprise retains part of equity investment after the sale.

19. Investments in Debt Obligations

Not applicable.

20. Investments in other Debt Obligations

Not applicable.

21. Long-term Receivable

Refer to Note V-10. Financial Instrument for details.

22. Long-term Equity Investments

(1) Judgment of Joint Control and Significant Influences

The term "joint control" refers to the joint control over an arrangement in accordance with the related agreements, which does not exist unless the participants sharing the control power agree with each other about the related arranged activity. The term "significant influences" refers to the power to participate in making decisions on the financial and operating policies of an enterprise, but not to control or do joint control together with other parties over the formulation of these policies.

(2) Recognition of Investment Cost

1) If the business combination is under the common control and the acquirer obtains long-term equity investment in the consideration of cash, non-monetary asset exchange, bearing acquiree's liabilities, or the issuance of equity securities, the initial cost is the carrying amount of the proportion of the acquiree's owner's equity at the acquisition date. The difference between the initial cost of the long-term equity investment and the carrying amount of the paid combination or the total amount of the issued shares should be adjusted to capital surplus. If the capital surplus is not sufficient for adjustment, retained earnings are adjusted respectively.

When a long-term equity investment is formed from the business combination under common control through the Company's multiple transactions step by step, the treatment shall be carried out based on whether the transactions constitute the "package deal". If they do, the accounting treatment shall be carried out on the basis of assuming all transactions as one transaction with the acquisition of control. If they do not, the initial investment cost shall be the portion of the carrying value of acquiree's net assets entitled in the consolidated financial statements of the final controller after the consolidation. The difference between the initial investment cost of the long-term equity investment on the combination date and the carrying value of the investment before the combination plus the carrying value of the newly-paid consideration for the acquisition of the shares on the consolidation date shall be adjusted to capital reserve; if the capital reserve is insufficient for the adjustment, retained earnings should be adjusted accordingly.

2) For those formed from the business combination under different control, the initial investment cost is the fair value of the combination consideration paid on the acquisition date.

When a long-term equity investment is formed from the business combination under different control through the Company's multiple transactions step by step, the accounting treatment shall be carried out based on whether the financial statements are

individual or consolidated:

① In individual financial statements, the initial investment cost accounted in cost method is the sum of the carrying value of the equity investment originally held and the cost of new investment.

② In consolidate financial statements, judge whether the transactions constitute the “package deal”. If they do, the accounting treatment shall be carried out on the basis of assuming all transactions as one transaction with the acquisition of control. If they do not, for the acquiree’s equity held before the acquisition date, re-measurement shall be carried out according to the fair value of the equity on the acquisition date and the difference between the fair value and the carrying value shall be recorded into current investment income; if the acquiree’s equity held before the acquisition date involves other comprehensive income accounted in equity method, other comprehensive income related to it shall be transferred into the income for the period in which the acquisition date falls, with the exception of the other comprehensive incomes occurred because of the changes of net liabilities or net assets of the defined benefit pension plans be re-measured for setting by the investees.

③ For those formed other than from business combination: If they are acquired in cash payment, the initial investment cost is the purchase price actually paid; if they are acquired in the issue of equity securities, the initial investment cost is the fair value of the issued equity securities; if they are acquired in debt restructuring, the initial investment cost shall be recognized according to the Accounting Standards for Enterprises No. 12 - Debt Restructuring; if they are acquired in the exchange of non-monetary assets, the initial investment shall be recognized according to the Accounting Standards for Enterprises No. 7 - Exchange of Non-Monetary Assets.

(3) Method of subsequent measurement and recognition of profits and losses

Long-term equity investment with control over investees shall be accounted in cost method; long-term equity investment on associated enterprises and joint ventures shall be accounted in equity method.

(4) Method of treating the disposal of the investment in a subsidiary step by step through multiple transactions until the loss of the controlling right

1) Individual financial statements

For the disposed equity, the difference between its fair value and the actually obtained price shall be recorded into current profits or losses. For the residual equity, the part that still has significant effects on investees or with common control jointly with other parties shall be accounted in equity method; the part that has no more control, common control or significant effects on investees shall be accounted in accordance with the relevant regulation of the Accounting Standards for Enterprises No. 22 - Recognition and Measurement of Financial Instruments.

2) Consolidated financial statements

① For the disposal of the investment in subsidiaries step by step until the loss of the controlling right through multiple transactions, which do not constitute the “package deal”

Before the loss of the controlling right, for the balance between the disposal remuneration and the shares of net assets in the subsidiaries that have been calculated since the acquisition date or combination date corresponding to the disposal of long-term equity investment, capital reserve (capital premium) shall be adjusted, and if the capital premium is not sufficient for the write-down, the retained earnings shall be written down.

At the loss of the controlling right over the original subsidiaries, the residual equity shall be re-measured at its fair value on the date of losing the controlling right. The difference between the consideration obtained in the equity disposal, plus the fair value of the remaining equities, less the Company’s share of net assets enjoyed of the former subsidiary that has been calculated since the acquisition date or combination date according to the former shareholding ratio, shall be recorded into the investment gains for the period when the control ceases; meanwhile, goodwill shall be written down. Other comprehensive income related to former subsidiary's equity investment shall be transferred into current investment income when the control ceases.

② For the disposal of the investment in subsidiaries step by step until the loss of the controlling right through multiple transactions, which constitute the “package deal”

The accounting treatment shall be carried out on the basis of considering each transaction as a transaction of disposing the subsidiary

and losing control. However, before losing control, the difference between each disposal price before losing the control, and the corresponding net assets share enjoyed of subsidiary when disposing long-term equity investment, shall be recognized as other comprehensive income in the consolidated financial statements and when the control ceases, transferred into current profits or losses of the period of losing control.

(5) Impairment test method and impairment provision method

When there is objective evidence indicating impairment of the investment in subsidiaries, joint ventures and cooperative enterprises on the balance sheet date, corresponding provision for impairment shall be made according to the difference between the book value and recoverable amount.

23. Investment Property

Measurement mode of investment real estates

Measurement of cost method

Depreciation or amortization method

1. The term "investment real estate" includes the right to use any land which has already been rented, the right to use any land which is held and prepared for transfer after appreciation, and the right to use any building which has already been rented.
2. The Company initially measures the investment property according to the costs, and adopts the cost method in the subsequent measurement of investment property, and adopts the same methods with fixed assets and intangible assets to withdraw depreciation or amortization. When there is any indication of impairment of investment property on the balance sheet date, corresponding provision for impairment shall be made according to the difference between the book value and recoverable amount.

24. Fixed Assets

(1) Recognized Standard of Fixed Assets

The term "fixed assets" refers to the tangible assets that simultaneously possess the features as follows: they are held for the sake of producing commodities, rendering labor service, renting or business management; and their useful life is in excess of one fiscal year. Fixed assets are recorded at actual cost at the time of acquisition and depreciated using the straight-line method from the second month after they reach their intended serviceable condition.

(2) Depreciation Method

Category	Depreciation method	Useful life (year)	Expected net salvage value	Annual depreciation
Houses and buildings	Straight-line depreciation	20-25	5-10	3.6-4.75
Transportation	Straight-line depreciation	5	5	19
Other equipment	Straight-line depreciation	5	5	19
Machinery equipment	Straight-line depreciation	5	5	19
Decoration of fixed assets	Straight-line depreciation	5	0	20

(3) Recognition Basis, Pricing and Depreciation Method of Fixed Assets by Finance Lease

Not applicable.

25. Construction in Progress

1. No construction in progress may be recognized unless it simultaneously meets the conditions as follows: (1) The economic benefits are likely to flow into the enterprise; (2) The cost of the fixed asset can be measured reliably. Construction in progress shall be measured according to the occurred actual costs before the assets available for the intended use.

2. When the construction in progress is available for the intended use, it shall be transferred to fixed assets according to the actual cost of the project. For construction in progress available for the intended use but not dealing with final accounts of completed project, it shall be transferred to fixed assets according to the estimated value first, and then adjust original temporarily estimated value based on the actual costs after the final accounts of completed project, but not adjust the depreciation that was already calculated.

26. Borrowing Costs

1. Recognition Principle of Capitalization of Borrowing Costs

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of assets eligible for capitalization, it shall be capitalized and recorded into the costs of relevant assets. Other borrowing costs shall be recognized as expenses when it occurred, and shall be recorded into the current profits and losses.

2. Capitalization Period of Borrowings Costs

(1) The borrowing costs shall not be capitalized unless they simultaneously meet the following requirements: 1) The asset disbursements have already incurred; 2) The borrowing costs have already incurred; 3) The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.

(2) Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended. The borrowing costs incurred during such period shall be recognized as expenses, and shall be recorded into the profits and losses of the current period, till the acquisition and construction or production of the asset restarts.

(3) When the acquisition and construction or production of a qualified asset eligible for capitalization are available for its intended use or sale, the capitalization of borrowing costs shall be stopped.

3. Capitalized rate and amount of borrowing costs

To the extent that funds are borrowed specifically for the purpose of acquiring or constructing a qualifying asset, the amount of borrowing costs eligible for capitalization on that asset is determined as the actual interest costs (including amortization of discount and premium confirmed according to effective interest method) incurred on that borrowing during the period less any investment income on the temporary investment of the borrowing. To the extent that funds are borrowed generally and used for the purpose of acquiring or constructing a qualifying asset, the amount of borrowing costs eligible for capitalization shall be determined by applying a capitalization rate to the weighted average of excess of accumulated expenditures on qualifying asset over that on specific purpose borrowing.

27. Biological Assets

Not applicable.

28. Oil and Gas Assets

Not applicable.

29. Right-of-use Assets

On the start date of the lease term, the Group deems the right-of-use assets and lease obligations, except for the simplified short-term lease and low-value leases.

The Group initially measures right-of-use assets at cost. The cost includes:

1. The initial measurement amount of the lease obligation.
2. If a lease incentive exists for lease payments made on or before the commencement date of the lease term, the amount related to the lease incentive already taken is deducted.

3. Initial direct costs incurred.

4. Costs expected to be incurred by the Group for dismantling and removing the leased asset(s), restoring the premises where the leased asset(s) is/are located, or restoring the leased asset(s) to the status agreed in the leasing clauses. If the aforementioned costs are incurred for inventory production, relevant provisions of *Accounting Standard for Business Enterprises No.1 - Inventory* is applicable. The Group recognizes and measures the costs described in Item 4 above in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 13 - Contingencies*. The initial direct costs incurred refer to the incremental costs incurred to achieve the lease. Incremental costs are costs that would not have been incurred had the business not acquired the lease.

The Group depreciates the right-of-use assets in accordance with relevant depreciation provisions of the *Accounting Standards for Business Enterprises No. 4 - Fixed Assets*. If it is reasonably certain that the ownership of the leasehold property will be obtained at the end of the lease term, the Group will depreciate the leasehold property over its remaining service life. If it is not reasonably certain that the ownership of the leasehold property will be obtained at the end of the lease term, the Group will depreciate the leased asset(s) over the lease term or the remaining service life, whichever is shorter.

The Group determines the impairment of the right-of-use assets and conducts accounting treatment of the impairment losses already identified in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 8 - Asset Impairment*.

30. Intangible Assets

(1) Pricing Method, Useful Life and Impairment Test

1. Intangible assets include right to use land sites, use right of software etc. and conduct the initial measurement according to the costs.

2. With regard to intangible assets with limited service life, it shall be amortized systematically and reasonably within their service life according to the expected implementation of economic interests related to the intangible assets. If it can't recognize the expected implementation reliably, it shall be amortized by straight-line method. The specific useful lives are as follows:

Items	Useful life for amortization (years)
Use right of lands	Statutory life of land use right
Use right of software	5

The intangible assets with uncertain service life shall not be amortized, and the Company rechecks the service life of the intangible assets in every accounting period. For intangible assets with uncertain service, the recognition basis is without certain service life and expected benefit life.

3. For intangible assets with definite service life, when there is any indication of impairment on the balance sheet date, corresponding provision for impairment shall be made according to the difference between the book value and recoverable amount; for intangible assets with uncertain service life and those not ready for service, impairment test shall be conducted every year no matter whether there is any indication of impairment.

(2) Accounting Policies of Internal R&D Expenses

Not applicable.

31. Impairment of Long-term Assets

For long-term assets, such as long-term equity investment, investment property measured by cost model, fixed assets, construction in progress, and intangible assets with limited service life, the Company shall estimate the recoverable amount if there are signs of impairment on balance sheet date. For intangible assets with uncertain goodwill or service life formed by enterprise combination, whether or not there is sign of impairment, impairment test shall be conducted every year. Goodwill combination and its related assets group or combination of assets group shall be conducted the impairment test.

If the recoverable amount of the above-mentioned long-term assets is lower than its carrying value, it shall make the preparation for assets impairment based on its balance and be recorded into current profits and losses.

32. Long-term Prepaid Expenses

Long-term deferred expenses refer to general expenses with the amortized period over one year (one year excluded) that have

occurred. Long-term prepaid expense shall be recorded into the account according to the actual accrual. Long-term prepaid expense shall be amortized averagely within benefit period or specified period. In case of no benefit in the future accounting period, the amortized value of such project that fails to be amortized shall be transferred into the profits and losses of the current period.

33. Contract Liabilities

The Company presents contract assets or contract liabilities on the balance sheet according to the relationship between the fulfillment of its contract performance obligations and its customers' payment. Obligations to be fulfilled by the Company of transferring commodities or providing services to customers, as the Company has received or should receive customers' considerations, are presented as contract liabilities.

34. Payroll

(1) Accounting Treatment of Short-term Compensation

During the accounting period when the employees providing the service for the Company, the actual short-term compensation shall be recognized as liabilities, and be recorded into the current profits and losses or related assets costs.

(2) Accounting Treatment of the Welfare after Demission

The Company's welfare after demission plans is divided into defined contribution plans and defined benefit plans (1) During the accounting period when the employee providing service for the Company, the amount paid in line with the setting drawing plan will be recognized as liabilities and recorded into current profits or losses or cost of relevant assets.

(2) The accounting treatment of defined benefit plans usually consists of the following steps:

1) According to the expected cumulative welfare unit method, adopt unbiased and mutually consistent actuarial assumptions to evaluate related demographic variables and financial variables, measure the obligations generated from defined benefit plans and recognize the period in respect of related obligations. Meanwhile, discount the obligations generated from defined benefit plans to recognize their present value and the current service costs;

2) If there are any assets in a defined benefit plan, the deficit or surplus formed from the present value of the defined benefit plan obligations less the fair value of the defined benefit plan assets shall be recognized as net liabilities or net assets of a defined benefit plan. If there is any surplus in a defined benefit plan, the net assets of the plan shall be measured at the lower of the surplus or the upper asset limit;

3) At the end of the period, the staff remuneration costs generated from a defined benefit plan shall be recognized as services costs, net interests of the net liabilities or net assets of the plan and changes from the re-measurement of the net liabilities or net assets of the plan. Service costs and net interests of the net liabilities or net assets of the plan shall be recorded into the current profits or losses or related asset costs, while changes from the re-measurement of the net liabilities or net assets of the plan shall be recorded into other comprehensive income and shall not be transferred back to profits or losses in subsequent accounting periods. But the amounts recognized in other comprehensive income may be transferred within the equity scope.

(3) Accounting Treatment of Demission Welfare

When the Company is unable to unilaterally withdraw the plan on the cancellation of labor relationship or the layoff proposal, or when recognizing the costs or expenses (the earlier one between the two) related to the reorganization of paying the demission welfare, should recognize the payroll liabilities from the demission welfare and include in the current gains and losses.

(4) Accounting Treatment of Other Welfare of the Long-term Employees

The Company provides the other long-term employee benefits for the employees, and for those met with the defined contribution plans, accounting treatment should be conducted according to the related regulations of the defined contribution plans; the for the others long-term employee benefits except for the former, accounting treatment should be conducted according to the related regulations of the defined benefit plans. In order to simplify the related accounting treatment, the payrolls shall be recognized as service costs, the net amount of interest of net liabilities and net assets of other welfare of the long-term employees. The total net amounts made up from the changes of measuring the net liabilities and net assets of other welfare of the long-term employees again shall be recorded into the current profits and losses or related assets costs.

35. Lease Liabilities

On the start date of the lease term, the Group deems the right-of-use assets and lease obligations, except for the simplified short-term lease and low-value leases.

The Group initially measures the lease obligation at the present value of the lease payments outstanding at the commencement date of the lease term.

The term "lease payments" refers to the payments made by the Group to the lessor in terms of the use of the leased asset(s) within the lease term, including:

- (1) fixed lease payments and substantial fixed lease payments (if a lease incentive exists, deduct the amount related to the lease incentive);
- (2) the variable lease payments that depend on indexation or ratio, which are determined according to the indexation or ratio on the commencement date of the lease term in the initial measurement;
- (3) the exercise price of the purchase option, when applicable, if the Group is reasonably certain that the option will be exercised;
- (4) payments required to be made for exercising the option to terminate the lease if the lease term reflects that the Group will exercise such an option;
- (5) estimated amount payable based on the residual value of the guarantee provided by the Group.

When calculating the present value of lease payments, the Group uses the interest rate implicit in lease as the rate of discount. If the interest rate implicit in lease cannot be determined, the Group's incremental lending rate is used as the rate of discount.

36. Provisions

1. The obligation such as external guaranty, litigation or arbitration, product quality assurance, loss contract, pertinent to a contingencies shall be recognized as the provisions when the following conditions are satisfied simultaneously: ① That obligation is a current obligation of the enterprise; ② It is likely to cause any economic benefit to flow out of the enterprise as a result of performance of the obligation; and ③ The amount of the obligation can be measured in a reliable way.
2. The Company shall conduct the initial measurement to provisions according to the best estimate number needed for performing the related current obligation and recheck the carrying value of accrued liabilities on balance sheet date.

37. Share-based Payment

Not applicable.

38. Other Financial Instruments such as Preference Shares and Perpetual Bonds

Not applicable.

39. Revenue

The Accounting Policy Adopted for Recognition and Measurement of Revenue

1. Recognition of revenue

The Company gains revenue mainly from property sales, property management, sales of software and property leasing (refer to 42. Leasing for more detail).

The Company recognizes revenue when it has fulfilled the obligation of contract performance, namely, when it has acquired the control of the related commodity. The acquisition of control over a commodity refers to the capacity to control the use of the commodity and to gain almost all economic interests thereof.

2. The Company judges whether a contract performance obligation is "a contract performance obligation fulfilled in a time period" or "a contract performance obligation fulfilled at a time point" according to the terms in revenue standards, and recognizes revenue according to the following principles.

- (1) When the Company meets one of the following conditions, the obligation should be classified as a contract performance obligation fulfilled in a specific time period:

1) The customer gains and consumes the economic interests brought by the Company's contract performance when the Company performs the contract.

2) The customer is able to control the assets in progress during the Company's contract performance.

3) The assets produced during the Company's contract performance have irreplaceable use, and the Company has the right to collect payment in respect of its completed contract performance accumulated as of now throughout the entire contract period.

For a contract performance obligation fulfilled in a time period, the Company recognizes revenue according to the progress towards contract completion in that period, but excluding the case when such progress cannot be reasonably determined. The Company uses the output or input method to determine the right progress towards contract completion by considering the nature of the commodity.

4) For one that is classified as a contract performance obligation fulfilled at a time point instead of in a time period, the Company recognizes revenue when the customer acquires the control over the related commodity.

In judging whether the customer has acquired the control over a commodity, the Company considers the following signs:

1) The Company is entitled to the current right of payment collection in respect of the commodity. In other words, the customer has the current obligation to pay for the commodity.

2) The Company has transferred the legal ownership of the commodity to the customer. In other words, the customer has owned the legal ownership of the commodity.

3) The Company has transferred the physical commodity to the customer. In other words, the customer has taken physical possession of the commodity.

4) The Company has transferred the major risks and remunerations in respect of the ownership of the commodity. In other words, the customer has acquired the major risks and remunerations in respect of the ownership of the commodity.

5) The customer has accepted the commodity.

6) Other signs indicating that the customer has acquired control over the commodity.

Specific policies of the Company for recognizing revenue:

1) Real Estate Sales Contracts

The realization of sales revenue shall be recognized under the following conditions: the developed products have been completed and accepted, the sales contract has been signed and the obligations stipulated in the contract have been fulfilled, the main risks and rewards of ownership of the developed products have been transferred to the buyer at the same time, the Company shall no longer retain the continuous management rights normally associated with ownership and effectively control the sold developed products, the revenue amount can be measured reliably, the related economic benefits are likely to flow in, and the related costs that have occurred or will occur can be measured reliably.

For the sale of self-occupied housing, the realization of sales income shall be recognized under the following conditions: the main risks and rewards of ownership of self-occupied houses are transferred to the buyer, the Company will no longer retain the continuous management rights normally associated with ownership and effectively control the sold development products, the amount of income can be measured reliably, relevant economic benefits are likely to flow in, the relevant costs that have occurred or will occur can be measured reliably.

Only recognizing the sales income realization under the following conditions: acquired the real estate completed and accepted as qualified (the completion and acceptance reports), signed an irreversible sales contract, obtained the buyer's payment certificate (for those who chose bank mortgage, the first installment and the full amount of bank mortgage must be required; for those who did not choose the bank mortgage to make their payment, the full house payment must be required) issued the notice of repossession (if the owner fails to go through the formalities in time within the specified time limit the building shall be deemed as repossessed).

2) Providing Labor Services

If the provision of labor services can be reliably estimated (all the following conditions are met: ① The amount of income can be measured reliably; ② The relevant economic benefits are likely to inflow to the Company; ③ The progress of the transaction can be reliably determined; ④ The cost incurred and to be incurred in the transaction can be measured reliably), it shall recognize the revenue from providing services employing the percentage-of-completion method, and confirm the completion of labor service

according to the costs incurred as a percentage of the total estimated costs. If the Company can't, on the date of the balance sheet, reliably estimate the outcome of a transaction concerning the labor services it provides, it shall be handled under the following conditions: If the cost of labor services incurred is expected to be compensated, the revenue from the providing of labor services shall be recognized in accordance with the amount of the cost of labor services incurred, and the cost of labor services shall be carried forward at the same amount; If the cost of labor services incurred is not expected to compensate, the cost incurred should be included in the current profits and losses, and no revenue from the providing of labor services may be recognized.

Property management revenue shall be recognized when property management services have been provided, economic benefits related to property management services can flow into the enterprise, and costs related to property management can be reliably measured.

3) Transferring the Right to Use Assets

The revenue of transferring the right to use assets may not be recognized unless the following conditions are both met: the relevant economic benefits are likely to inflow to the Company; and the revenue can be reliably measured. The interest income shall be recognized according to the time and actual interest rate in which other people use the Company's monetary funds. Royalty revenue shall be recognized according to the chargeable time and method stipulated in related contracts and agreements.

According to the lease date and lease amount agreed in the lease contract and agreement, the realization of rental property income shall be recognized when relevant economic benefits are likely to flow in.

4) Software sales revenue

① Revenue recognition and measurement methods for sales of custom software and independent software products

Custom software refers to the special software designed and developed after the full on-site investigation of the user's business according to the software development contract signed with the customer based on the actual needs of the user, and the resulting developed software is not universal. Revenue is recognized over time based on the progress of completed performance obligations over the contract period only if the goods produced by the Company in the course of performance have an irreplaceable use and the Company is entitled to receive payment for the cumulative portion of performance completed to date throughout the contract period, with the progress of completed performance obligations determined by the proportion of the contract costs actually incurred to complete the performance obligations to the total estimated contract costs. Otherwise, the revenue is recognized at a certain point in time.

For sales contracts of independent software products signed with the customer, the customer directly purchases the standard version of the software, i.e., the real estate and facilities management platform, and the corresponding modules are deployed by implementation personnel according to the customer's requirements. In this case, the performance obligations are to be performed at a certain point in time. The revenue is recognized after the Company delivers the product to the customer and the customer accepts the product.

② Revenue recognition and measurement methods for systems integration contracts

System integration includes the sale and installation of purchased merchandise and software products. The revenue is recognized when the Company has transferred the primary risks and rewards of the ownership of the purchased merchandise to the purchaser; the Company neither retained the continued management rights usually associated with the ownership, nor effectively controlled the sold goods; the installation and commissioning of the system have been completed and the system has been put into trial operation, or the initial inspection report of the purchaser is obtained; the economic benefits relevant to the transaction are likely to flow into the Company, the relevant costs can be reliably measured.

③ Revenue recognition and measurement methods for technical service revenue

Technical service revenue mainly refers to the business of providing consulting, implementation and after-sales services of products to customers as required by contracts. If a service period is agreed upon in a contract, it is considered as a performance obligation to be performed within a certain period of time, and revenue is recognized for services settled with the customer in accordance with the contracted service period during the service provision period.

5) Other Business Income

According to the stipulations of relevant contracts and agreements, when the economic benefits related to the transaction can flow into the enterprise and the costs related to the income can be reliably measured, the realization of other business income shall be confirmed.

3. Measurement of Revenue

The Company should measure revenue according to the transaction prices apportioned to each of the individual contract performance obligations. In determining a transaction price, the Company considers the impact of a number of factors, including variable consideration, significant financing components in contracts, non-cash consideration, and consideration payable to customers.

(1) Variable consideration

The Company determines the best estimate of variable consideration according to the expected value or the amount most likely to occur. But a transaction price containing variable consideration should not exceed the amount from the accumulated recognized revenue that will probably not have any significant reversal when related uncertainties are eliminated. When assessing whether the significant reversal of accumulated recognized revenue is almost impossible or not, a company should concurrently consider the possibility and weight of the revenue reversal.

(2) Significant financing component

When a contract contains any financing component, the Company should determine the transaction price according to the amount payable that is assumed to be paid in cash by the customer when it acquires control over the commodity. The difference between the transaction price and the contract consideration should be amortized in the effective interest method during the contract period.

(3) Non-cash consideration

When a customer pays non-cash consideration, the Company should determine the transaction price according to the fair value of the non-cash consideration. When such fair value cannot be reasonably estimated, the Company will indirectly determine the transaction price by reference to the individual price committed by the Company for transferring the commodity to the customer.

(4) Consideration payable to a customer

For consideration payable to a customer, the Company should deduct the transaction price from the consideration payable, and deduct the revenue for the current period at either the recognition of related revenue or the payment (or committed payment) of the consideration to the customer, whichever is earlier, but excluding the case in which the consideration payable to the customer is for the purpose of acquiring from the customer other commodities that can be obviously distinguished.

If the Company's consideration payable to a customer is for the purpose of acquiring from the customer other commodities that can be obviously distinguished, the Company should confirm the commodity purchased in the same way as in its other purchases. When the Company's consideration payable to a customer exceeds the fair value of the commodity that can be obviously distinguished, the exceeded amount should be used to deduct the transaction price. If the fair value of the commodity acquired from the customer that can be obviously distinguished cannot be reasonably estimated, the Company should deduct the transaction price from the consideration payable to the customer.

Differences in accounting policies for the recognition of revenue caused by different business models for the same type of business

Not applicable.

40. Government Grants

1. If the government subsidies meet with the following conditions at the same, it should be recognized: (1) The entity will comply with the condition attaching to them; (2) The grants will be received from government. If a government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If a government subsidy is a non-monetary asset, it shall be measured at its fair value, and shall be measured at a nominal amount when the fair value cannot be obtained reliably.

2. Judgment basis and accounting methods of government subsidies related to assets

The government subsidies that are acquired for construction or form long-term assets in other ways according to government documents shall be defined as asset-related government subsidies. For those not specified in government documents, the judgment shall be made based on the compulsory fundamental conditions for acquiring the subsidies. If the subsidies are acquired with

construction or the formation of long-term assets in other ways as fundamental conditions, they shall be recognized as asset-related government subsidies. For asset-related government subsidies, the carrying value of related assets shall be written down or recognized as deferred income. If asset-related government subsidies are recognized as deferred income, it shall be recorded into profits or losses by period in a reasonable and systemic manner within the life of related assets. Government subsidies measured at the nominal amount shall be directly recorded into current profits or losses. If related assets are sold, transferred, disposed of or destroyed before the end of their life, the undistributed balance of related deferred income shall be transferred into the profits or losses for the period of the asset disposal.

3. Judgment basis and accounting treatment of profits-related government subsidies

Government subsidies other than asset-related government subsidies shall be defined as profits-related government subsidies. For government subsidies consisting of both asset-related parts and profits-related parts, which are difficult to judge whether they are related to assets or profits, the entirety shall be classified as profits-related government subsidies. Profits-related government subsidies that are used to compensate the related future expenses or losses shall be recognized as deferred income and shall be included into the current profit/losses during the period when the relevant expenses or losses are recognized; those subsidies used to compensate the related expenses or losses incurred shall be directly included into the current profits/losses.

4. Government subsidies related to the Company's routine operating activities shall be included into other income or write down related costs according to the economic business nature. Government subsidies not related to the Company's routine activities shall be included into non-operating income and expenditure.

41. Deferred Income Tax Assets/Deferred Income Tax Liabilities

1. In accordance with the balance (the item not recognized as assets and liabilities can confirm their tax bases according to the tax law, the balance between the tax bases and its carrying amount) between the carrying amount of assets or liabilities and their tax bases, deferred tax assets and deferred tax liabilities should be recognized at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.
2. A deferred tax asset shall be recognized within the limit of taxable income that is likely to be obtained to offset the deductible temporary differences. At the balance sheet date, where there is strong evidence showing that sufficient taxable profit will be available against which the deductible temporary difference can be utilized, the deferred tax asset unrecognized in prior period shall be recognized.
3. The Company assesses the carrying amount of deferred tax asset at the balance sheet date. If it's probable that sufficient taxable profit will not be available against which the deductible temporary difference can be utilized, the Company shall write down the carrying amount of deferred tax asset, or reverse the amount written down later when it's probable that sufficient taxable profit will be available.
4. The current income tax and deferred income tax of the Company are recorded into the current gains and losses as income tax expenses or revenue, except in the following circumstances: (1) Business combination; (2) The transaction or event directly included in owner's equity.

42. Lease

(1) Accounting Treatment of Operating Lease

1. Lessee

The Group shall, when as the lessee, on the commencement date of the lease term, recognize the right-of-use assets and lease obligations for the lease, unless it is a simplified short-term lease or low-value asset lease.

After the commencement date of the lease term, the Group uses the cost model for subsequent measurement of right-of-use assets. The Group depreciates the right-of-use assets in accordance with relevant depreciation provisions of the *Accounting Standards for*

Business Enterprises No. 4 - Fixed Assets. If the lessee can reasonably ascertain that the ownership of the leasehold property will be obtained at the end of the lease term, it shall depreciate the leasehold property over its remaining service life. If it is not reasonably certain that the ownership of the leasehold property will be obtained at the end of the lease term, it shall depreciate the leased asset(s) over the lease term or the remaining service life, whichever is shorter. The Group will determine the impairment of the right-of-use assets and conduct accounting treatment of the impairment losses already identified in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 8 - Asset Impairment.*

The Group calculates the interest expenses of the lease obligations during each period of the lease term at a fixed periodic interest rate, and includes them in profit or loss for the current period. Where the *Accounting Standards for Business Enterprises No. 17 - Borrowing Costs* and other standards provide that such interest expenses shall be included in the cost of related assets, such provisions shall be observed.

The Group does not recognize the right-of-use assets and lease liabilities for short-term leases and low-value asset leases. In each period within the lease term, the relevant lease payments for short-term leases and low-value asset leases are included in cost of the related assets or profit or loss for the current period on a straight-line basis.

2. Lessor

In the case of the Group is the lessor, it recognizes the receipts of the operating lease incurred during each period of the lease term as rentals by the straight-line method. The Group capitalizes the initial direct costs related to the operating lease upon incurrence thereof and, within the lease term, apportions and includes such costs in the current profit or loss on the basis same as the recognition of rentals.

For the fixed assets in the assets under operating lease, the Group shall adopt the depreciation policy of similar assets to calculate and distill depreciation. For other assets under operating lease, the Group shall amortize them in a systematic and reasonable manner in accordance with the accounting standards for enterprises applicable to the assets. The Group will determine the impairment of assets under operating lease and conduct accounting treatment in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 8 - Asset Impairment.*

(2) Accounting Treatments of Financial Lease

The Group shall, when as the lessor, on the commencement date of the lease term, recognize the finance lease receivables for the finance lease and derecognize the leased asset(s) of the finance lease. The Group shall also calculate and confirm the interest income at a fixed periodic interest rate in each period in the lease term.

43. Other Important Accounting Policies and Accounting Estimations

1. Confirmation standard and accounting handling method for operation termination

Components which meet one of the following conditions, have been disposed or divided as held for sale category and can be distinguished separately are confirmed as operation termination.

- 1) The component represents one important independent main business or one single main operation area.
- 2) The component is one part of a related plan which plans to dispose one independent main business or one single main operation area.
- 3) The component is a subsidiary which is obtained for resale specially.

44. Changes in Main Accounting Policies and Estimates

(1) Change of Accounting Policies

Applicable Not applicable

(2) Changes in Accounting Estimates

Applicable Not applicable

45. Other

In the Note of the financial statements, the data of the period-beginning refers to the financial statement data on 1 January 2022; the data of the period-end refers to the financial statement data on 30 June 2022; the Reporting Period refers to the H1 2022; the same period of last year refers to the H1 2021. The same to the Company as the parent.

VI Taxes**1. Main Taxes and Tax Rates**

Category of taxes	Tax basis	Tax rate
VAT	Sales of goods or provision of taxable services	[Note 1]
Urban maintenance and construction tax	Turnover tax payable	Applied to 7%, 5%, 1% separately according to the regional level
Enterprise income tax	Taxable income	25%、20%、15%、16.5%
VAT of land	Added value generated from paid transfer of the use right of state-owned lands and property right of above-ground buildings and other attachments	30%-60%
Real estate tax	Levied according to price: paid according to 1.2% of the residual value of the real estate's original value after deducted 30% at once; levied according to lease: paid according to 12% of the rental income	1.2%、12%
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%

Notes of the disclosure situation of the taxpaying bodies with different enterprises income tax rate

Name	Income tax rate
Chongqing Shenzhen International Trade Center Property Management Co., Ltd.	15%
Shenzhen Guomao Catering Co., Ltd.	20%
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	20%
Shenzhen Julian Human Resources Development Co.,Ltd.	20%
Shenzhen Huazhengpeng Property Management Development Co., Ltd.	20%
Shenzhen Jinhailian Property Management Co.,Ltd.	20%
Shenzhen Zhongtongda House Xiushan Service Co.,Ltd.	20%
Shenzhen Kangping Industry Co.,Ltd.	20%
Shenzhen Teacher Family Training Co., Ltd.	20%
Shenzhen Education Industry Co., Ltd.	20%
Shenzhen Yufa Industry Co., Ltd.	20%
Chongqing Aobo Elevator Co., Ltd.	20%
Shenzhen SZPRD Yanzihu Development Co., Ltd.	20%
Shenzhen SZPRD Fuyuantai Development Co., Ltd.	20%

Shenzhen Social Welfare General Company	20%
Shenzhen Fuyuanmin Property Management Co., Ltd.	20%
Shenzhen Meilong Industrial Development Co., Ltd.	20%
Shenzhen Penghongyuan Industrial Development Co., Ltd.	20%
Shenzhen Sports Service Co., Ltd.	20%
Subsidiaries registered in Hong Kong area	16.50%
Other taxpaying bodies within the consolidated scope	25%

2. Tax Preference

According to the regulations of No. 2, Property Service of No. 37, Commercial Service among the encouraging category of the Guidance Catalogue of Industry Structure Adjustment (Y2011), the western industry met with the conditions should be collected the corporate income tax according to 15% of the tax rate. The subsidiary of the Group Chongqing Shenzhen International Trade Center Property Management Co., Ltd. applies to above policy.

In accordance with the *Announcement on Implementing the Preferential Income Tax Policies for Micro and Small Enterprises and Household Industrial and Commercial Entities* (C.SH. [2021] No. 12) issued by the State Taxation Administration, during the period from 1 January 2021 to 31 December 2022, the portion of the annual taxable income of small low-profit enterprises not exceeding RMB1 million shall be included in the taxable income at a reduced rate of 12.5%, and the enterprise income tax shall be levied at the tax rate of 20%. In accordance with the *Announcement on Further Implementing the Preferential Income Tax Policies for Micro and Small Enterprise* (C.SH. [2022] No. 13) issued by the State Taxation Administration, during the period from 1 January 2022 to 31 December 2024, the portion of the annual taxable income of small low-profit enterprises exceeding RMB1 million but not exceeding RMB3 million shall be included in the taxable income at a reduced rate of 25%, and the enterprise income tax shall be levied at the tax rate of 20%. This policy has been applied to 12 subsidiaries such as Chongqing Aobo Elevator Co., Ltd. and Shenzhen Guomao Catering Co., Ltd. since 2021.

3. Other

[Note 1]: Taxable items and tax rate of the VAT of the Company and its subsidiaries are as follows:

Type of the revenue	General rate	Percentage charges of
Sales of house property	9%	5%
Rent of real estate	9%	5%
Property service	6%	3%
Catering service	6%	3%
Others	13%	--

VII. Notes to Main Items of Consolidated Financial Statements

1. Monetary Assets

Unit: RMB

Item	Ending balance	Beginning balance
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Cash on hand	71,615.91	130,623.99
Bank deposits	1,475,312,518.47	1,956,993,388.60
Other monetary assets	373,701,065.23	379,943,950.96
Total	1,849,085,199.61	2,337,067,963.55
Of which: total amount deposited overseas	56,988,826.71	53,280,873.00
Total amount of restriction in use by guaranteed, pledged or frozen	375,888,953.54	373,079,206.86

Other notes:

Among other monetary assets, the funds with limited use rights mainly include the interest on deposits arising from large-denomination CDs of RMB16,111.20, and the margin and interest of RMB368,609,058.40; the funds with limited use rights in bank deposits mainly include the bank frozen funds and the interest on time deposits of RMB2,346,666.67, plus the balance of the bank margin account. The above amount is not regarded as cash and cash equivalents due to restrictions on use.

2. Trading Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
Of which:		
Of which:		

Other notes:

3. Derivative Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance

Other notes:

4. Notes Receivable

(1) Notes Receivable Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
Bank acceptance bill	150,000.00	200,000.00
Total	150,000.00	200,000.00

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying balance		Bad debt provision		Carrying value	Carrying balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Notes receivable for which bad debt	150,000.00	100.00%				200,000.00	100.00%			

provision separately accrued										
Of which:										
Of which:										
Total	150,000.00	100.00%				200,000.00	100.00%			

Bad debt provision separately accrued:

Unit: RMB

Name	Ending balance			
	Carrying balance	Bad debt provision	Withdrawal proportion	Withdrawal reason

Please refer to the relevant information of disclosure of bad debt provision of other accounts receivable if adopting the general mode of expected credit loss to withdraw bad debt provision of notes receivable.

Applicable Not applicable

(2) Bad Debt Provision Withdrawal, Reversed or Recovered in the Reporting Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Verification	Others	

Of which significant amount of reversed or recovered bad debt provision:

Applicable Not applicable

(3) Notes Receivable Pledged by the Company at the Period-end

Unit: RMB

Item	Ending pledged amount
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(4) Notes Receivable which Had Endorsed by the Company or had Discounted and had not Due on the Balance Sheet Date at the Period-end

Unit: RMB

Item	Amount of recognition termination at the period-end	Amount of not terminated recognition at the period-end
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(5) Notes Transferred to Accounts Receivable because Drawer of the Notes Failed to Execute the Contract or Agreement

Unit: RMB

Item	Amount of the notes transferred to accounts receivable at the period-end
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Other notes:

(6) Notes Receivable with Actual Verification for the Reporting Period

Unit: RMB

Item	Amount verified
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Of which, verification of significant notes receivable:

Unit: RMB

Name of entity	Nature	Amount verified	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes of the verification of notes receivable

5. Accounts Receivable**(1) Listed by Category**

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying balance		Bad debt provision		Carrying value	Carrying balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawal of Bad debt provision separately accrued	109,854,568.88	21.60%	108,764,452.56	99.01%	1,090,116.32	109,683,529.63	25.86%	108,831,153.86	99.22%	852,375.77
Of which:										
Accounts receivable withdrawal of bad debt provision of by group	398,719,518.15	78.40%	27,122,292.42	6.80%	371,597,225.73	314,453,086.06	74.14%	20,120,579.91	6.40%	294,332,506.15
Of which:										
Total	508,574,087.03	100.00%	135,886,744.98	26.72%	372,687,342.05	424,136,615.69	100.00%	128,951,733.77	30.40%	295,184,881.92

Bad debt provision separately accrued: 108,764,452.56

Unit: RMB

Name	Ending balance			
	Carrying balance	Bad debt provision	Withdrawal proportion	Withdrawal reason
Shenzhen Jiyong Properties & Resources Development	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and unrecoverable

Company				
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2,836,561.00	100.00%	Uncollectible for a long period
Lunan Industry Corporation	2,818,284.84	2,818,284.84	100.00%	Uncollectible for a long period
Those with insignificant single amount for which bad debt provision separately accrued	10,388,394.99	9,298,278.67	90.00%	Uncollectible for a long period
Total	109,854,568.88	108,764,452.56		

Withdrawal of bad debt provision by group: 27,122,292.42

Unit: RMB

Name	Ending balance		
	Carrying balance	Bad debt provision	Withdrawal proportion
Portfolio of credit risk features	230,453,307.58	22,119,291.72	9.6%
Portfolio of transactions with other related parties	168,266,210.57	5,003,000.70	2.97%
Total	398,719,518.15	27,122,292.42	

Notes to the determination basis for the group:

Please refer to the relevant information of disclosure of bad debt provision of other accounts receivable if adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable.

Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Carrying balance
Within 1 year (including 1 year)	351,869,724.26
1 to 2 years	22,416,959.51
2 to 3 years	8,839,653.22
Over 3 years	125,447,750.04
3 to 4 years	7,249,669.70
4 to 5 years	1,478,687.64
Over 5 years	116,719,392.70
Total	508,574,087.03

(2) Bad Debt Provision Withdrawal, Reversed or Recovered in the Reporting Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Verification	Others	
Bad debt provision withdrawn separately	108,831,153.86		66,701.30			108,764,452.56
Bad debt provision withdrawn by portfolio	20,120,579.91	7,001,712.51				27,122,292.42
Total	128,951,733.77	7,001,712.51	66,701.30			135,886,744.98

Of which significant amount of reversed or recovered bad debt provision:

Unit: RMB

Name of entity	Amount reversed or recovered	Way of recovery
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(3) Accounts Receivable Written-off in Current Period

Unit: RMB

Item	Amount verified
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Of which the verification of significant accounts receivable:

Unit: RMB

Name of entity	Nature	Amount verified	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes to verification of accounts receivable:

(4) Top 5 of the Ending Balance of the Accounts Receivable Collected according to Arrears Party

Unit: RMB

Name of entity	Ending balance	Proportion to total ending balance of accounts receivable	Ending balance of bad debt provision
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	18.45%	93,811,328.05
Shenzhen Bay Technology Development Co., Ltd.	86,462,569.52	17.00%	2,529,166.58
Shenzhen Investment Holdings Co., Ltd.	47,832,951.11	9.41%	1,422,392.91
Shenzhen Wanqu International Hotel Co., Ltd.	14,946,000.00	2.94%	448,380.00
Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	8,450,758.68	1.66%	253,522.76
Total	251,503,607.36	49.46%	

(5) Accounts Receivable Derecognized due to the Transfer of Financial Assets**(6) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Accounts Receivable**

Other notes:

6. Accounts Receivable Financing

Unit: RMB

Item	Ending balance	Beginning balance
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The changes of accounts receivable financing in the Reporting Period and the changes in fair value

Applicable Not applicable

Please refer to the relevant information of disclosure of bad debt provision of other accounts receivable if adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable financing.

Applicable Not applicable

Other notes:

7. Prepayment**(1) Prepayment Listed by Aging Analysis**

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	12,883,228.01	25.00%	24,618,321.77	35.00%
1 to 2 years	13,011,531.72	26.00%	25,907,661.19	37.00%
2 to 3 years	24,493,271.59	48.00%	499,638.55	1.00%
Over 3 years	450,710.36	1.00%	19,953,402.48	28.00%
Total	50,838,741.68		70,979,023.99	

Notes of the reasons of the prepayment aging over 1 year with significant amount but failed settled in time:

(2) Top 5 Prepayment in Ending Balance Collected according to the Prepayment Target

Name of entity	Carrying balance	As % of the total ending balance of the prepayments (%)
Shenzhen Qianhai Advanced Information Service Co., Ltd.	40,050,000.00	78.78%
Beijing Jingdong Century Information Technology Co., Ltd.	2,944,781.14	5.79%
Chongqing Yudi Assets Management Co., Ltd.	1,842,000.00	3.62%
Shenzhen Luohu Bureau of Housing and Construction	550,811.28	1.08%
Shenzhen Shengji Clothing Co., Ltd.	519,750.00	1.02%
Subtotal	45,907,342.42	90.30%

Other notes:

8. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Interests receivable	0.00	292,279.16
Dividends receivable	0.00	0.00
Other Receivables	849,028,570.14	868,550,990.55
Total	849,028,570.14	868,843,269.71

(1) Interest Receivable**1) Category of Interest Receivable**

Unit: RMB

Item	Ending balance	Beginning balance
Fixed-term deposits		292,279.16
Total	0.00	292,279.16

2) Significant Overdue Interest

Unit: RMB

Entity	Ending balance	Overdue time	Overdue reason	Whether occurred impairment and its judgment basis
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Other notes:

3) Information of Withdrawal of Bad Debt ProvisionApplicable Not applicable**(2) Dividend Receivable****1) Dividend receivable classification**

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
Total	0.00	0.00

2) Significant Dividends Receivable Aging over 1 Year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason	Whether occurred impairment and its judgment basis
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3) Information of Withdrawal of Bad Debt ProvisionApplicable Not applicable

Other notes:

(3) Other Receivables**1) Other Receivables Classified by Account Nature**

Unit: RMB

Nature	Closing book balance	Beginning carrying amount
Security Deposit	15,927,349.50	15,025,139.35
Margin	41,110,867.95	44,249,702.32
Reserve fund	496,242.95	386,265.55
Payment on behalf	6,841,037.14	9,150,124.30
External intercourse funds	862,560,811.14	852,568,764.26
Others	10,862,220.93	28,018,942.03
Total	937,798,529.61	949,398,937.81

2) Withdrawal of Bad Debt Provision

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss of the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected credit losses for the entire duration (with credit impairment)	
Balance as at 1 January 2022	51,065,282.29		29,782,664.97	80,847,947.26
Balance of 1 January 2022 in the Current Period				
Withdrawal of the Current Period	8,306,789.80		275,135.61	8,581,925.41
Reversal of the Reporting Period			659,913.20	659,913.20
Balance as at 30 June 2022	59,372,072.09		29,397,887.38	88,769,959.47

Changes of carrying amount with significant amount changed of loss provision in the Current Period

 Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Carrying balance
Within 1 year (including 1 year)	56,154,849.28
1 to 2 years	19,448,826.84
2 to 3 years	801,807,450.42
Over 3 years	60,387,403.07
3 to 4 years	2,499,826.35
4 to 5 years	2,115,971.79
Over 5 years	55,771,604.93
Total	937,798,529.61

3) Bad Debt Provision Withdrawn, Reversed or Recovered in the Reporting Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Verification	Others	
Bad debt provision withdrawn separately	29,782,664.97	275,135.61	659,913.20			29,397,887.38
Bad debt provision withdrawn by portfolio	51,065,282.29	8,306,789.80				59,372,072.09
Total	80,847,947.26	8,581,925.41	659,913.20			88,769,959.47

Of which the bad debt provision reversed or recovered with significant amount during the Reporting Period:

Unit: RMB

Name of entity	Amount reversed or recovered	Way of recovery
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4) Particulars of the Actual Verification of Other Receivables during the Reporting Period

Unit: RMB

Item	Amount verified
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Of which the verification of significant other receivables:

Unit: RMB

Name of entity	Nature	Amount verified	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes to the verification of other receivables:

5) Top 5 of the Ending Balance of Other Receivables Collected according to the Arrears Party

Unit: RMB

Name of entity	Nature	Ending balance	Aging	Proportion to ending balance of total other receivables%	Ending balance of bad debt provision
Shenzhen Xinhai Holding Co., Ltd. and the related party Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	Intercourse funds	756,526,157.01	2 to 3 years	80.67%	16,695,784.72
Shenzhen Bangling Stock Cooperative Company	Intercourse funds	30,000,000.00	2 to 3 years	3.20%	9,000,000.00
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	Intercourse funds	20,722,314.85	Over 5 years	2.21%	0.00
Shenzhen Bay Technology Development Co., Ltd.	Intercourse funds	11,809,060.35	1 to 2 years	1.26%	419,496.75
Shenzhen Qianhai High End Information Service Co., Ltd.	Intercourse funds	10,720,575.27	Within 1 year	1.14%	321,617.26
Total		829,778,107.48		88.48%	26,436,898.73

6) Accounts Receivable Involving Government Subsidies

Unit: RMB

Name of entity	Project of government subsidies	Ending balance	Ending aging	Estimated recovering time, amount and basis
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7) Derecognition of Other Receivables due to the Transfer of Financial Assets**8) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Other Receivables**

Other notes:

9. Inventories

Whether the Company needs to comply with the disclosure requirements for the real estate industry

Yes

(1) Category of InventoryThe Company shall comply with the disclosure requirements for the real estate industry in the *Self-regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange - Industry Information Disclosure*.

Classification by nature:

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Depreciation reserves of inventories or impairment provision for contract performance costs	Carrying value	Carrying balance	Depreciation reserves of inventories or impairment provision for contract performance costs	Carrying value
R&D expenses	9,597,308,817.40	6,648,404.13	9,590,660,413.27	8,720,133,125.46	6,648,404.13	8,713,484,721.33
Developing properties	294,014,058.54		294,014,058.54	409,687,436.41		409,687,436.41
Raw materials	2,095,101.98	748,879.60	1,346,222.38	2,005,384.86	701,270.11	1,304,114.75
Products on hand	2,981,776.45	2,094,300.39	887,476.06	2,238,285.51	2,094,300.39	143,985.12
Low-value consumables	112,572.58		112,572.58	513,804.66		513,804.66
Total	9,896,512,326.95	9,491,584.12	9,887,020,742.83	9,134,578,036.90	9,443,974.63	9,125,134,062.27

Disclose main items of "R&D expenses" and interest capitalization in the following format:

Unit: RMB

Project	Time for commencement	Estimated date of completion	Estimated total investment	Beginning balance	Transferred to developing properties for this period	Other decreased amount	Increase (R&D expenses) for this period	Ending balance	Accumulated amount of interest capitalization	Of which: amount of capitalized interests for the Reporting Period	Source of fund
Guanlan	7 January	31 Decem	6,941,500,000.	3,805,312,202.			115,590,629.32	3,920,902,831.	175,255,593.56	60,384,910.13	Bank loans

Bangling project	2021	ber 2025	00	35				67			
SZPRD - Banshan Yujing Phase II	15 March 2019	31 January 2022	235,810,000.00	196,197,525.93	224,790,745.77			28,593,219.84			
SZPRD - Fuchang Garden Phase II	30 June 2018	30 June 2023	911,330,000.00	677,368,072.10				19,476,401.99	696,844,474.09		
Yupinluanshan Garden				232,030,746.62			994,667.18	233,025,413.80			
Hainan Qionghai Land				6,648,404.13				6,648,404.13			
Shenhu Garden				37,002,030.89				37,002,030.89			
Fuyuan Project				9,127,089.11			1,324,991.03	10,452,080.14			
Guangmingyutang Project	7 March 2022	21 October 2024	2,779,266,400.00	1,621,000,000.00			62,363,440.41	1,683,363,440.41			
Land 2021WR023, Humen Town	1 March 2022	30 April 2024	3,449,077,000.00	2,133,826,142.11			11,761,639.64	2,145,587,781.75			
Shouxi Ecological Health Valley			3,000,000,000.00				860,820,294.93	860,820,294.93			
Others				1,620,912.22			1,041,153.37	2,662,065.59			
Total			17,316,983,400.00	8,720,133,125.46	224,790,745.77		1,101,966,437.71	9,597,308,817.40	175,255,593.56	60,384,910.13	

Disclose main items of “Developing properties” in the following format:

Unit: RMB

Project	Time of completion	Beginning balance	Increase	Decrease	Ending balance	Accumulated amount of interest capitalization	Of which: amount of capitalized interests for the Reporting Period
SZPRD-Langqiao International	1 December 2012	3,447,316.75			3,447,316.75	83,077,702.96	
SZPRD-Hupan Yujing Phase	1 June 2015	57,356,637.66		273,873.02	57,082,764.64	10,446,911.43	

I							
SZPRD-Songhu Langyuan	1 July 2017	24,505,635.9 1		135,692.64	24,369,943.2 7	27,205,315.9 5	
SZPRD-Hupan Yujing Phase II	1 November 2017	45,306,202.6 0		14,412,375.1 8	30,893,827.4 2	30,539,392.6 5	
SZPRD-Golden Collar's Resort	1 December 2019	270,245,459. 13		106,148,893. 90	164,096,565. 23	26,385,636.2 9	
International Trade Center Plaza	1 December 1995	4,839,083.10			4,839,083.10		
Huangyuyuan A Area	1 June 2001	790,140.58			790,140.58		
Podium Building of Fuchang Building	1 November 1999	645,532.65			645,532.65		
SZPRD-Banshan Yujing Phase II	12 January 2022		224,790,745. 77	219,493,288. 90	5,297,456.87		
Other items		2,551,428.03			2,551,428.03		
Total		409,687,436. 41	224,790,745. 77	340,464,123. 64	294,014,058. 54	177,654,959. 28	

Classification of “Developing properties with the collection of payments in installments”, “Renting developing properties” and “Temporary Housing”:

Unit: RMB

Project	Beginning balance	Increase	Decrease	Ending balance
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(2) Falling Price Reserves of Inventory and Impairment Provision for Contract Performance Costs

Disclosure of falling provision withdrawal of inventory in the following format:

Classification by nature:

Unit: RMB

Item	Beginning balance	Increased amount		Decrease		Ending balance	Remarks
		Withdrawal	Others	Reversal or write-off	Others		
R&D expenses	6,648,404.13					6,648,404.13	
Raw materials	701,270.11	47,609.49				748,879.60	
Products on hand	2,094,300.39					2,094,300.39	
Total	9,443,974.63	47,609.49				9,491,584.12	

Classified by main items:

Unit: RMB

Project	Beginning balance	Increased amount		Decrease		Ending balance	Remarks
		Withdrawal	Others	Reversal or write-off	Others		

(3) Notes to the Ending Balance of Inventories Including Capitalized Borrowing Expense

The ending balance of inventories including capitalized borrowing expense is detailed as follows:

Project	Period-begin	Reporting Period	Carry-over in Reporting Period	Period-end
SZPRD-Guanlan Bangling	114,870,683.43	60,384,910.13		175,255,593.56
SZPRD-Langqiao International	2,971,986.54			2,971,986.54
SZPRD-Hupan Yujing Phase I	1,292,469.40		12,924.69	1,279,544.71
SZPRD-Golden Collar's Resort	1,115,856.40		449,355.37	666,501.03
Total	120,250,995.77	60,384,910.13	462,280.07	180,173,625.83

(4) Inventory Restrictions

Disclosing restricted inventory by project:

Unit: RMB

Project	Beginning balance	Ending balance	Reason for restriction

10. Contract Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value

Amount of significant changes in carrying value of contract assets in the Reporting Period and reasons thereof:

Unit: RMB

Item	Change in amount	Reason

If the bad debt provision for contract assets in accordance with the general model of expected credit losses, the information related to the bad debt provision shall be disclosed by reference to the disclosure method of other receivables:

Applicable Not applicable

Withdrawal of impairment provision for contract assets in the Reporting Period

Unit: RMB

Item	Withdrawal of the Current Period	Reversal of the Reporting Period	Write-off/verified	Reason

Other notes:

11. Held-for-sale Assets

Unit: RMB

Item	Closing book balance	Impairment provision	Ending carrying value	Fair value	Estimated disposal expense	Estimated disposal time

Other notes:

12. Current Portion of Non-current Assets

Unit: RMB

Item	Ending balance	Beginning balance
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Significant investments in debt obligations /other investments in debt obligations

Unit: RMB

Item	Ending balance				Beginning balance			
	Par value	Coupon rate	Actual interest rate	Maturity date	Par value	Coupon rate	Actual interest rate	Maturity date

Other notes:

13. Other Current Assets

Unit: RMB

Item	Ending balance	Beginning balance
Prepaid VAT	17,160,103.72	13,429,805.73
Deducted input tax	7,792,799.63	11,851,148.00
Prepaid income tax	34,784,362.53	33,716,031.08
Total	59,737,265.88	58,996,984.81

Other notes:

14. Investments in Debt Obligations

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value

Significant investments in debt obligations

Unit: RMB

Item	Ending balance				Beginning balance			
	Par value	Coupon rate	Actual interest rate	Maturity date	Par value	Coupon rate	Actual interest rate	Maturity date

Withdrawal of impairment provision

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss of the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected credit losses for the entire duration (with credit impairment)	
Balance of 1 January 2022 in the Current Period				

Changes of carrying amount with significant amount changed of loss provision in the Current Period

Applicable Not applicable

Other notes:

15. Other Investments in Debt Obligations

Unit: RMB

Item	Beginning balance	Accrued interest	Change in fair value in the Reporting Period	Ending balance	Cost	Accumulated changes in fair value	Accumulated provision for losses recognized in other comprehensive income	Remarks

Significant other investments in debt obligations

Unit: RMB

Item	Ending balance				Beginning balance			
	Par value	Coupon rate	Actual interest rate	Maturity date	Par value	Coupon rate	Actual interest rate	Maturity date

Withdrawal of impairment provision

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss of the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected credit losses for the entire duration (with credit impairment)	
Balance of 1 January 2022 in the Current Period				

Changes of carrying amount with significant amount changed of loss provision in the Current Period

 Applicable Not applicable

Other notes:

16. Long-term Receivables**(1) List of Long-term Receivables**

Unit: RMB

Item	Ending balance			Beginning balance			Interval of discount rate
	Carrying balance	Bad debt provision	Carrying value	Carrying balance	Bad debt provision	Carrying value	
Financing lease accounts	23,297,932.97		23,297,932.97	23,831,889.11		23,831,889.11	
Of which: unrealized financing income	14,780,268.83		14,780,268.83	16,430,753.09		16,430,753.09	
Total	23,297,932.97		23,297,932.97	23,831,889.11		23,831,889.11	

Impairment of bad debt provision

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss of the next 12 months	Expected loss in the duration (credit	Expected credit losses for the entire duration	

		impairment not occurred)	(with credit impairment)	
Balance of 1 January 2022 in the Current Period				

Changes of carrying amount with significant amount changed of loss provision in the Current Period

Applicable Not applicable

(2) Derecognition of Long-term Receivables due to the Transfer of Financial Assets

(3) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Long-term Receivables

Other notes:

17. Long-term Equity Investment

Unit: RMB

Investee	Beginning balance (carrying value)	Increase/decrease								Ending balance (carrying value)	Ending balance of depreciation reserve
		Additional investment	Investment reduced	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Others		
I. Joint ventures											
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	43,516,665.12			784,773.86						44,301,438.98	
Shenzhen Tian'an International Mansion Property Administration Co., Ltd. (Tian'an Company)	6,844,016.25			74,760.52						6,918,776.77	
Subtotal	50,360,681.37			859,534.38						51,220,215.75	
II. Associated enterprises											
Shenzhen	18,983,									18,983,	18,983,

Wufang Ceramics Industrial Co., Ltd.	614.14									614.14	614.14
Shenzhen Kangfu Health Products Co., Ltd.	165,000.00									165,000.00	165,000.00
Shenzhen Xinghao Imitation Porcelain Co., Ltd.	756,670.68									756,670.68	756,670.68
Shenzhen Social Welfare Company Fuda Electronics Factory	326,693.24									326,693.24	326,693.24
Shenzhen Fulong Industry Development Co., Ltd.	1,684,350.00									1,684,350.00	1,684,350.00
Haonianhua Hotel	2,733,570.05									2,733,570.05	2,733,570.05
Shenzhen Education Fund Longhua Investment	500,000.00									500,000.00	500,000.00
Shenzhen Kangle Sports Club Huangfa Branch	540,060.00									540,060.00	540,060.00
Dankeng Village Plants of Fumin	1,168,973.20									1,168,973.20	1,168,973.20

Guanlan Town, Shenzhen City											
Shenzhen Bull Entertainment Co., Ltd.	500,000.00									500,000.00	500,000.00
Shenzhen Lianhua Caitian Property Management Co., Ltd.	1,475,465.91									1,475,465.91	1,475,465.91
Shenzhen Yangyuan Industrial Co., Ltd.	1,030,000.00									1,030,000.00	1,030,000.00
Jiakaifeng Co., Ltd. Bao'an Company	600,000.00									600,000.00	600,000.00
Guiyuan Garage	350,000.00									350,000.00	350,000.00
Shenzhen Wuweiben Roof Greening Co., Ltd.	500,000.00									500,000.00	500,000.00
Shenzhen Yuanping Plastic Steel Doors Co., Ltd.	240,000.00									240,000.00	240,000.00
Shenzhen Youfang Printing Co., Ltd.	100,000.00									100,000.00	100,000.00
Shenzhen Lusheng Industrial	100,000.00									100,000.00	100,000.00

Development Co., Ltd.											
Subtotal	31,754,397.22									31,754,397.22	31,754,397.22
Total	82,115,078.59			859,534.38						82,974,612.97	31,754,397.22

Other notes:

18. Other Equity Instrument Investment

Unit: RMB

Item	Ending balance	Beginning balance
Gintian Industry (Group) Co., Ltd.	914,972.72	1,002,551.95
Total	914,972.72	1,002,551.95

Non-trading equity instrument investment in the Reporting Period disclosed by items

Unit: RMB

Project	Dividend income recognized	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes included other comprehensive income	Reason for other comprehensive income transferred to retained earnings
Gintian Industry (Group) Co., Ltd.			2,675,383.59		Not aiming at gaining earnings by selling equity in the near term	

Other notes:

19. Other Non-current Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

20. Investment Property

(1) Investment Property Adopted the Cost Measurement Mode

Applicable Not applicable

Unit: RMB

Item	Houses and buildings	Land use right	Construction in progress	Total
I. Original carrying value				
1. Beginning balance	810,185,273.04	30,262,437.05	37,823,001.92	878,270,712.01
2. Increased amount of the period	48,387,134.81	19,509,471.00		67,896,605.81

(1) Outsourcing				
(2) Transfer from inventory/fixed assets/construction in progress	47,868,044.82	19,509,471.00		67,377,515.82
(3) Business combination increase				
(4) Foreign currency statement	519,089.99			519,089.99
3. Decreased amount of the period		10,610,432.80		10,610,432.80
(1) Disposal				
(2) Other transfer		10,610,432.80		10,610,432.80
4. Ending balance	858,572,407.85	39,161,475.25	37,823,001.92	935,556,885.02
II. Accumulative depreciation and accumulative amortization				
1. Beginning balance	395,144,110.90	15,870,449.43	14,836,640.51	425,851,200.84
2. Increased amount of the period	43,785,704.31	5,088,612.17	3,781,365.96	52,655,682.44
(1) Withdrawal or amortization	28,036,152.93	5,088,612.17	3,781,365.96	36,906,131.06
(2) Other transfer	15,749,551.38			
3. Decreased amount of the period		9,309,147.11		9,309,147.11
(1) Disposal				
(2) Other transfer		9,309,147.11		9,309,147.11
4. Ending balance	438,929,815.21	11,649,914.49	18,618,006.47	469,197,736.17
III. Impairment provision				
1. Beginning balance				
2. Increased amount of the period				
(1) Withdrawal				
3. Decreased amount of the period				
(1) Disposal				
(2) Other transfer				
4. Ending balance				
IV. Carrying value				
1. Ending carrying value	419,642,592.64	27,511,560.76	19,204,995.45	466,359,148.85
2. Beginning carrying value	415,041,162.14	14,391,987.62	22,986,361.41	452,419,511.17

(2) Investment Property Adopted the Fair Value Measurement Mode

Applicable Not applicable

The Company shall comply with the disclosure requirements for the real estate industry in the *Self-regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange - Industry Information Disclosure*.

Investment properties measured in fair value by project disclosure:

Unit: RMB

Project	Location	Time of completion	Floor area	Lease income during this Reporting Period	Beginning fair value	Ending fair value	Range of fair value changes	Reason for fair value changes and report index
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Whether the Company has new investment properties in construction period measured in fair value

Yes No

Whether the Company has new investment properties measured in fair value

Yes No

(3) Investment Property Failed to Accomplish Certification of Property

Unit: RMB

Item	Carrying value	Reason
02-01 plot of Statutory plan in Baolong East Area	27,511,560.76	Replaced from the construction of Xiamen-Shenzhen Railway, and it is currently being replaced
Meilin land [Note 1]	0.00	Obtained after the success in the last instance in 2017, relevant certifications of property are in the procedure
507 Unit, Block No. 6, Maguling	24,643.91	The house is used for property management, once occupied by the third party, a property management company, now has been recovered, but hasn't handled the warrant yet.

Other notes:

[Note 1] As at 30 June 2022, the original carrying value of Meilin land was RMB3,885,469.40, the accumulated accrued depreciation was RMB3,885,469.40, and the carrying value was RMB0.

21. Fixed Assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	89,069,782.55	114,155,590.40
Total	89,069,782.55	114,155,590.40

(1) List of Fixed Assets

Unit: RMB

Item	Houses and buildings	Machinery equipment	Transportation vehicle	Decoration of the fixed assets	Other machinery	Total
I. Original carrying value						
1. Beginning balance	170,769,520.52	6,483,968.92	20,195,129.01	37,558,734.54	56,526,130.84	291,533,483.83
2. Increased amount of the period	240,226.21	247,127.70	339,894.96		1,567,114.98	2,394,363.85
(1) Purchase		247,127.70	339,894.96		1,390,384.98	1,977,407.64
(2) Transfer from construction in progress						
(3)						

Business combination increase						
(4) Others	240,226.21				176,730.00	416,956.21
3. Decreased amount of the period						
(1) Disposal or scrap			323,504.00		2,832,372.08	3,155,876.08
(2) Others	41,402,623.30					41,402,623.30
4. Ending balance	129,607,123.43	6,731,096.62	20,211,519.97	37,558,734.54	55,260,873.74	249,369,348.30
II. Accumulative depreciation						
1. Beginning balance	117,648,374.76	2,129,589.70	13,427,420.96	11,190,690.65	32,906,100.20	177,302,176.27
2. Increased amount of the period	1,352,670.16	420,706.83	1,003,554.48	3,724,852.62	3,405,520.98	9,907,305.07
(1) Withdrawal	1,352,670.16	420,706.83	1,003,554.48	3,724,852.62	3,405,520.98	9,907,305.07
3. Decreased amount of the period	24,481,215.99		326,802.27		2,177,614.49	26,985,632.75
(1) Disposal or scrap			326,802.27		2,177,614.49	2,504,416.76
(2) Others	24,481,215.99					24,481,215.99
4. Ending balance	94,519,828.93	2,550,296.53	14,104,173.17	14,915,543.27	34,134,006.69	160,223,848.59
III. Impairment provision						
1. Beginning balance					75,717.16	75,717.16
2. Increased amount of the period						
(1) Withdrawal						
3. Decreased amount of the period						
(1) Disposal or scrap						
4. Ending balance					75,717.16	75,717.16
IV. Carrying value						
1. Ending carrying value	35,087,294.50	4,180,800.09	6,107,346.80	22,643,191.27	21,051,149.89	89,069,782.55
2. Beginning carrying value	53,121,145.76	4,354,379.22	6,767,708.05	26,368,043.89	23,544,313.48	114,155,590.40

(2) List of Temporarily Idle Fixed Assets

Unit: RMB

Item	Original carrying value	Accumulated depreciation	Impairment provision	Carrying value	Remarks
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(3) Fixed Assets Leased out by Operation Lease

Unit: RMB

Item	Ending carrying value
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(4) Fixed Assets Failed to Accomplish Certification of Property

Unit: RMB

Item	Carrying value	Reason
Room 406, 2 Unit, Hulunbuir Guangxia Digital Building	2,462,546.02	Property rights disputes before, now have won a lawsuit with unaccomplished certification of property.
Room 401, 402, Sanxiang Business Building Office Building	691,256.12	The office building will be removed due to the project adjustment and a high-rise office building will be established nearby the present address. The existing property shall be replaced after the completion of the new office building. Thus, the certification of the property is failed to transact.

Other notes:

(5) Proceeds from Disposal of Fixed Assets

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

22. Construction in Progress

Unit: RMB

Item	Ending balance	Beginning balance
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(1) Construction in Progress

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value

(2) Changes in Significant Construction in Progress during the Reporting Period

Unit: RMB

Project	Budget	Beginning balance	Increased amount	Transferred in fixed assets	Other decreased amount	Ending balance	Proportion of accumulated investment in constructions to budget	Job schedule	Accumulated amount of interest capitalization	Of which: amount of capitalized interests for the Reporting Period	Capitalization rate of interests for the Reporting Period	Source of fund
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(3) List of the Withdrawal of the Depreciation Reserves for Construction in Progress

Unit: RMB

Item	Amount withdrawn	Reason for withdrawal
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Other notes:

(4) Engineering Materials

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value

Other notes:

23. Productive Living Assets**(1) Productive Living Assets Adopting Cost Measurement Mode**Applicable Not applicable**(2) Productive Living Assets Adopting Fair Value Measurement Mode**Applicable Not applicable**24. Oil and Gas Assets**Applicable Not applicable**25. Right-of-use Assets**

Unit: RMB

Item	Houses and buildings	Total
I. Original carrying value		
1. Beginning balance	85,899,256.85	85,899,256.85
2. Increased amount of the period	11,559,229.14	11,559,229.14
(1) New Leases	11,559,229.14	11,559,229.14
3. Decreased amount of the period	444,415.14	444,415.14
(1) Disposal	444,415.14	444,415.14
4. Ending balance	97,014,070.85	97,014,070.85
II. Accumulated amortization		
1. Beginning balance	14,426,576.12	14,426,576.12
2. Increased amount of the period	11,367,505.45	11,367,505.45
(1) Withdrawal	11,367,505.45	11,367,505.45
3. Decreased amount of the period		
(1) Disposal		
4. Ending balance	25,794,081.57	25,794,081.57
III. Impairment provision		
1. Beginning balance		

2. Increased amount of the period		
(1) Withdrawal		
3. Decreased amount of the period		
(1) Disposal		
4. Ending balance		
IV. Carrying value		
1. Ending carrying value	71,219,989.28	71,219,989.28
2. Beginning carrying value	71,472,680.73	71,472,680.73

Other notes:

26. Intangible Assets

(1) List of Intangible Assets

Unit: RMB

Item	Land use right	Patent right	Non-patent technologies	Software use rights	Total
I. Original carrying value					
1. Beginning balance				3,221,505.52	3,221,505.52
2. Increased amount of the period					
(1) Purchase					
(2) Internal R&D					
(3) Business combination increase					
3. Decreased amount of the period					
(1) Disposal					
4. Ending balance				3,221,505.52	3,221,505.52
II. Accumulated amortization					
1. Beginning balance				1,468,116.19	1,468,116.19
2. Increased amount of the period				390,983.97	390,983.97
(1) Withdrawal				390,983.97	390,983.97
3. Decreased amount of the period					
(1) Disposal					
4. Ending balance				1,859,100.16	1,859,100.16

III. Impairment provision					
1. Beginning balance					
2. Increased amount of the period					
(1) Withdrawal					
3. Decreased amount of the period					
(1) Disposal					
4. Ending balance					
IV. Carrying value					
1. Ending carrying value				1,362,405.36	1,362,405.36
2. Beginning carrying value				1,753,389.33	1,753,389.33

The proportion of intangible assets formed from the internal R&D of the Company at the Period-end to the ending balance of intangible assets: 0.00%.

(2) Land Use Right Failed to Accomplish Certification of Property

Unit: RMB

Item	Carrying value	Reason
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Other notes:

27. Development Costs

Unit: RMB

Item	Beginning balance	Increased amount			Decrease			Ending balance
		Internal development costs	Others		Recognized as intangible assets	Transferred into the current profit or loss		
Total								

Other notes:

28. Goodwill

(1) Original Carrying Value of Goodwill

Unit: RMB

Name of the invested units or events generating goodwill	Beginning balance	Increase		Decrease		Ending balance
		Formed by business combination		Disposal		
Shenzhen Facility Management	9,446,847.38					9,446,847.38

Community Technology Co., Ltd.						
Total	9,446,847.38					9,446,847.38

(2) Depreciation Reserves of Goodwill

Unit: RMB

Name of the invested units or events generating goodwill	Beginning balance	Increase		Decrease		Ending balance
		Withdrawal		Disposal		
Total						

Information on the Assets Groups or Combination of Assets Groups which Goodwill Belongs to

Notes of the testing process of goodwill impairment, parameters (such as growth rate of the forecast period, growth rate of stable period, rate of profit, discount rate, forecast period and so on for prediction of future present value of cash flows) and the recognition method of goodwill impairment losses:

Influence of goodwill impairment testing

Other notes:

29. Long-term Prepaid Expense

Unit: RMB

Item	Beginning balance	Increased amount	Amortization amount of the period	Other decreased amount	Ending balance
Decoration fee	22,751,829.74	2,318,604.28	3,085,317.14		21,985,116.88
Total	22,751,829.74	2,318,604.28	3,085,317.14		21,985,116.88

Other notes:

30. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred Income Tax Assets Had Not Been Off-set

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for impairment of assets	129,221,875.96	31,019,116.87	119,305,827.39	28,122,514.38
Internal unrealized profit	360,087,240.13	90,021,810.11	137,494,156.00	34,373,539.00
Deductible losses	1,207,262,505.92	301,089,011.89	1,200,124,630.73	299,411,568.81
Accrued land VAT	3,542,391,013.29	885,597,754.82	3,184,602,479.28	796,150,619.82
Estimated profit calculated at pre-sale revenue of property enterprises	206,142,892.04	51,535,723.01	479,584,729.78	119,896,182.45
Other accrued expenses	4,619,348.00	872,227.10	8,579,103.04	1,862,165.86
Total	5,449,724,875.34	1,360,135,643.80	5,129,690,926.22	1,279,816,590.32

(2) Deferred Income Tax Liabilities Had not Been Off-set

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
The carrying value of fixed assets was larger than the tax basis	957,535.48	239,383.87	1,231,415.14	307,853.79
Total	957,535.48	239,383.87	1,231,415.14	307,853.79

(3) Deferred Income Tax Assets or Liabilities Had Been Off-set Listed in Net Amount

Unit: RMB

Item	Ending off-set amount of deferred income tax assets and liabilities	Ending balance of deferred income tax assets and liabilities	Beginning off-set amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets and liabilities
Deferred income tax assets		1,360,135,643.80		1,279,816,590.32
Deferred income tax liabilities		239,383.87		307,853.79

(4) List of Unrecognized Deferred Income Tax Assets

Unit: RMB

Item	Ending balance	Beginning balance
Deductible temporary difference	79,379,873.28	64,475,240.37
Deductible losses	446,753,278.03	475,933,209.43
Total	526,133,151.31	540,408,449.80

(5) Deductible Losses of Unrecognized Deferred Income Tax Assets Will Due in the Following Years

Unit: RMB

Year	Ending amount	Beginning amount	Remarks
Y2022	16,615,652.69	49,880,895.14	The deductible losses of 2017
Y2023	265,603,820.64	265,603,820.64	The deductible losses of 2018
Y2024	124,830,194.64	124,830,194.64	The deductible losses of 2019
Y2025	21,774,068.98	21,774,068.98	The deductible losses of 2020
Y2026	13,844,230.03	13,844,230.03	The deductible losses of 2021
Y2027	4,085,311.05		The deductible losses of 2022
Total	446,753,278.03	475,933,209.43	

Other notes:

31. Other Non-current Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value
Prepayment for purchase of fixed assets, investment properties and	115,779.31		115,779.31	115,779.31		115,779.31

intangible assets						
Prepayment for long-term equity acquisition				42,726,200.00		42,726,200.00
Others	2,635,093.77		2,635,093.77	2,730,018.54		2,730,018.54
Total	2,750,873.08		2,750,873.08	45,571,997.85		45,571,997.85

Other notes:

32. Short-term Borrowings

(1) Category of Short-term Borrowings

Unit: RMB

Item	Ending balance	Beginning balance
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Notes of the category for short-term loans:

(2) List of the Short-term Borrowings Overdue but not Returned

The amount of the overdue unpaid short-term borrowings at the period-end was RMBXXX, of which the significant overdue unpaid short-term borrowings are as follows:

Unit: RMB

Entity	Ending balance	Interest rate	Overdue time	Overdue charge rate
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Other notes:

33. Trading Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Of which:		
Of which:		

Other notes:

34. Derivative Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

35. Notes Payable

Unit: RMB

Category	Ending balance	Beginning balance
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The total amount of notes payable due but unpaid was RMBXXX.

36. Accounts Payable**(1) List of Accounts Payable**

Unit: RMB

Item	Ending balance	Beginning balance
Engineering construction expense payable	183,776,375.66	242,383,453.30
Accrued expenses	23,449,656.74	16,697,665.15
Others	92,523,694.05	92,750,093.78
Total	299,749,726.45	351,831,212.23

(2) Significant Accounts Payable Aged over 1 Year

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Shenzhen Planning Bureau of Land Resources	25,000,000.00	Historical problems
Jiangsu Hanjian Group Co., Ltd.	23,663,927.03	Unsettled
China Construction Fourth Engineering Division Corp., Ltd.	18,217,672.83	Unsettled
Shanghai Mingpeng Construction Group Co., Ltd.	5,976,705.79	Unsettled
Shenzhen Shenxu Electromechanical Engineering Equipment Co., Ltd.	4,728,433.00	Unsettled
Total	77,586,738.65	

Other notes:

37. Advances from Customers**(1) List of Advances from Customers**

Unit: RMB

Item	Ending balance	Beginning balance
Rental	8,658,171.07	1,265,805.23
Other	3,265,940.81	2,478,777.02
Total	11,924,111.88	3,744,582.25

(2) Significant Advances from Customers Aged over 1 Year

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
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Other notes:

38. Contract Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
House payment in advance	767,993,558.23	1,329,251,898.56
Property fee in advance	35,430,173.03	22,742,381.14
Other payments in advance	21,869,972.95	19,856,445.90

Total	825,293,704.21	1,371,850,725.60
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Significant changes in the amount of carrying value and the reason in the Reporting Period

Unit: RMB

Item	Change in amount	Reason
SZPRD -Golden Collar's Resort	- 301,820 ,916.81	Carry-over income of the Reporting Period
SZPRD - Banshan Yujing Phase II	- 250,832 ,288.53	Carry-over income of the Reporting Period
Total	- 552,653 ,205.34	—

The Company shall comply with the disclosure requirements for the real estate industry in the *Self-regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange - Industry Information Disclosure*.

The proceeds information of top five advance sale amount:

Unit: RMB

No.	Project	Beginning balance	Ending balance	Estimated date of completion	Advance sale proportion
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39. Payroll Payable

(1) List of Payroll Payable

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
I. Short-term salary	227,076,754.76	436,732,185.31	488,758,454.44	175,050,485.63
II. Post-employment benefit-defined contribution plans	2,208,300.26	36,295,112.76	35,859,697.61	2,643,715.41
III. Termination Benefits	1,333,012.21	2,149,251.05	2,477,803.05	1,004,460.21
Total	230,618,067.23	475,176,549.12	527,095,955.10	178,698,661.25

(2) List of Short-term Salary

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
1. Salary, bonus, allowance, subsidy	210,881,513.13	385,551,305.26	436,886,313.14	159,546,505.25
2. Employee welfare	1,229,329.15	2,797,154.57	2,793,581.25	1,232,902.47
3. Social insurance	175,180.41	14,944,773.63	15,060,101.02	59,853.02
Of which:				
Medical insurance premiums	171,489.07	13,121,771.61	13,237,287.64	55,973.04
Work-related injury insurance	1,148.13	516,456.20	516,394.99	1,209.34
Maternity insurance	2,543.21	657,593.09	657,465.66	2,670.64

Other commercial insurances		648,952.73	648,952.73	
4. Housing fund	1,739,640.18	13,499,871.63	14,196,587.26	1,042,924.55
5. Labor union budget and employee education budget	12,713,142.28	8,325,784.12	8,723,918.86	12,315,007.54
8. Non-monetary benefits	337,949.61	11,613,296.10	11,097,952.91	853,292.80
Total	227,076,754.76	436,732,185.31	488,758,454.44	175,050,485.63

(3) List of Defined Contribution Plans

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
1. Basic pension benefits	122,887.45	30,828,191.20	30,824,457.82	126,620.83
2. Unemployment insurance	3,390.98	1,299,371.48	971,780.33	330,982.13
3. Annuity	2,082,021.83	4,167,550.08	4,063,459.46	2,186,112.45
Total	2,208,300.26	36,295,112.76	35,859,697.61	2,643,715.41

Other notes:

40. Taxes Payable

Unit: RMB

Item	Ending balance	Beginning balance
VAT	18,313,322.13	31,899,490.39
Corporate income tax	135,956,455.26	89,909,020.12
Personal income tax	3,599,500.49	4,784,572.49
Urban maintenance and construction tax	1,234,959.36	2,183,941.56
Land appreciation tax	3,542,023,155.33	3,184,727,554.49
Property tax	4,519,345.11	406,052.03
Land use tax	917,403.47	938,263.93
Education Surcharge	548,983.03	956,374.53
Local education surcharge	483,640.79	637,795.25
Others	87,283.96	147,125.55
Total	3,707,684,048.93	3,316,590,190.34

Other notes:

41. Other Payables

Unit: RMB

Item	Ending balance	Beginning balance
Interests payable	0.00	0.00
Dividends payable	417,468,458.60	17,542,675.98
Other payables	1,416,544,435.46	1,010,071,014.96
Total	1,834,012,894.06	1,027,613,690.94

(1) Interest Payable

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

List of the significant overdue unpaid interest:

Unit: RMB

Entity	Overdue amount	Overdue reason
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Other notes:

(2) Dividends Payable

Unit: RMB

Item	Ending balance	Beginning balance
Ordinary stock dividends	417,468,458.60	17,542,675.98
Total	417,468,458.60	17,542,675.98

Other notes: including significant dividends payable unpaid for over one year, the unpaid reason shall be disclosed:

Item	Amount unpaid	Reason
Shenzhen Greening Department	10,869,036.68	Company restructured without clearing payment object
Labor Union of Shenzhen Greening Department	1,300,000.00	Company restructured without clearing payment object
Others	33,639.36	Without access to its account and the final payment is unpaid
Total	12,202,676.04	

(3) Other Payables**1) Other Payables Listed by Nature of Account**

Unit: RMB

Item	Ending balance	Beginning balance
Security Deposit	312,735,362.72	308,594,807.32
Margin	16,645,088.22	14,226,129.01
Collection on behalf	26,751,503.62	16,771,844.07
Intercourse funds	763,295,532.36	425,527,818.25
Accrued expenses	213,175,708.73	169,509,455.08
Payment on behalf	33,285,120.99	16,622,281.69
Others	50,656,118.82	58,818,679.54
Total	1,416,544,435.46	1,010,071,014.96

2) Significant Other Accounts Payable Aging over One Year

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Shenzhen Pason Aluminum Technology Co., Ltd.	198,352,106.44	Did not submit the payment application for historical reasons
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	38,796,665.14	Come-and-go accounts without specific payment term
Tencent Technology (Shenzhen) Company Limited	5,257,966.56	Property management and utilities deposit
Shenzhen Tian'an International Mansion	5,214,345.90	Come-and-go accounts without specific

Property Administration Co., Ltd.		payment term
Shenzhen Social Commonweal Foundation	3,323,202.00	Did not submit the payment application
Total	250,944,286.04	

Other notes:

42. Held-for-sale Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

43. Current Portion of Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Current portion of long-term borrowings	69,865,800.56	68,984,050.47
Current portion of lease liabilities	20,322,830.62	14,940,651.36
Total	90,188,631.18	83,924,701.83

Other notes:

44. Other Current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Tax to be charged off	61,443,414.40	77,355,792.16
Total	61,443,414.40	77,355,792.16

Increase/decrease of the short-term bonds payable:

Unit: RMB

Name	Par value	Issue date	Bond duration	Issue amount	Beginning balance	Issued in the Reporting Period	Interest accrued at par value	Amortization of premium and depreciation	Repaid in the Reporting Period	Ending balance
Total										

Other notes:

45. Long-term Borrowings

(1) Category of Long-term Borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Pledged loan	3,159,715,668.00	2,999,400,000.00
Mortgage loan	126,500,000.00	1,500,000.00
Credit loan	492,800,000.00	523,600,000.00
Total	3,779,015,668.00	3,524,500,000.00

Note to the category of long-term borrowings:

Pledged borrowings at the period-end

1. The pledged borrowings at the period-end were used to develop the Bangling urban renewal project of Shenzhen Rongyao Real Estate Development Co., Ltd. (hereinafter referred to as “Rongyao Real Estate”) with the duration from 29 November 2019 to 20 November 2024, applying the borrowing rate by rising 1.55% complying with one-year level of loan prime rate. And 69% equity of Rongyao Real Estate held by the Company was pledged and the guarantee mode was the joint liability guaranty.

2. The borrowings are used for Shenzhen International Trade Center Property Management Co., Ltd. to pay for the equity of Shenzhen Foreign Trade Property Management Co., Ltd., Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd., Shenzhen Free Trade Zone Security Service Co., Ltd. and Shenzhen Property Management Co., Ltd. The term of the borrowings is from 18 May 2022 to 26 April 2027, the lending rate is 3.55%, and the pledge is 100% equity of Shenzhen Foreign Trade Property Management Co., Ltd., Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd., Shenzhen Free Trade Zone Security Service Co., Ltd. and Shenzhen Property Management Co., Ltd.

The mortgage borrowings at the period-end were used for the daily operating activities of ShenZhen Properties & Resources Development (Group) Ltd. (hereinafter referred to as the Company) with the duration from 27 November 2020 to 27 November 2023, applying a floating interest rate. The first-phase execution interest rate was 4.655%, and the pledge was the land use right of Fumin New Village in Futian District of the Company.

The credit borrowings at the period-end were used for the transaction payment of equity of Shenzhen Toukong Property Management Co., Ltd. with the duration from 18 May 2020 to 10 May 2025, applying the borrowing rate by adding 23.5 basis points complying with one-year level of loan prime rate.

Other notes, including interest rate range

46. Bonds Payable

(1) Bonds Payable

Unit: RMB

Item	Ending balance	Beginning balance
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(2) Changes of Bonds Payable (Excluding Other Financial Instruments Divided as Financial Liabilities such as Preferred Shares and Perpetual Bonds)

Unit: RMB

Name	Par value	Issue date	Bond duration	Issue amount	Beginning balance	Issued in the Reporting Period	Interest accrued at par value	Amortization of premium and depreciation	Repaid in the Reporting Period	Ending balance

Total	—								
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(3) Convertible Conditions and Time for Convertible Corporate Bonds

(4) Notes to Other Financial Instruments Classified as Financial Liabilities

Basic situation of other financial instruments such as preferred shares and perpetual bonds outstanding at the period-end

Changes in financial instruments such as preferred shares and perpetual bonds outstanding at the period-end

Unit: RMB

Outstanding financial instruments	Period-beginning		Increase		Decrease		Period-end	
	Number	Carrying value	Number	Carrying value	Number	Carrying value	Number	Carrying value

Notes to basis for the classification of other financial instruments as financial liabilities

Other notes:

47. Lease Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease payments	125,508,114.13	124,179,565.50
Less: Unrecognized financing expense	-23,857,241.87	-26,157,731.25
Less: lease liabilities due within 1 year	-20,322,830.62	-14,940,651.36
Total	81,328,041.64	83,081,182.89

Other notes:

48. Long-term Payables

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

(1) Long-term Payables Listed by Nature

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

(2) Specific Payables

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance	Reason for formation
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Other notes:

49. Long-term Payroll Payable**(1) List of Long-term Payroll Payable**

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

(2) Changes in Defined Benefit Plans

Obligation present value of defined benefit plans:

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Plan assets:

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Net liabilities (net assets) of defined benefit plans:

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Notes of influence of content of defined benefit plans and its relevant risks to the future cash flow, time and uncertainty of the Company:

Notes to the results of significant actuarial assumptions and sensitivity analysis of defined benefit plans:

Other notes:

50. Provisions

Unit: RMB

Item	Ending balance	Beginning balance	Reason for formation
Pending litigation	1,436,353.14	1,425,490.50	Cai Baolin's lawsuit on the residual value of decoration
Total	1,436,353.14	1,425,490.50	

Other notes, including notes to related significant assumptions and evaluation of significant provisions:

Note: refer to Note XIV-2 for details.

51. Deferred Income

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance	Reason for formation
Total	0.00			0.00	

Item involving government grants:

Unit: RMB

Item	Beginning balance	Amount of newly subsidy	Amount recorded into non-operating	Amount recorded into other income in	Amount offset cost in the Reporting	Other changes	Ending balance	Related to assets/related income
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			income in the Reporting Period	the Reporting Period	Period			
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Other notes:

52. Other Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Utility specific fund	513,163.06	615,787.03
Housing principle fund	32,048,385.33	30,182,416.96
House warming deposit	6,957,496.22	7,008,598.13
Electric Equipment Maintenance fund	4,019,415.44	4,019,415.44
Deputed maintenance fund	30,403,544.01	39,097,425.77
Follow-up investment of employees for Guanlan Bangling project	40,000,000.00	40,000,000.00
Others	4,807,640.96	5,136,039.75
Total	118,749,645.02	126,059,683.08

Other notes:

53. Share Capital

Unit: RMB

	Beginning balance	Increase/decrease (+/-)					Ending balance
		New shares issued	Bonus shares	Bonus issue from profit	Others	Subtotal	
The sum of shares	595,979,092.00						595,979,092.00

Other notes:

54. Other Equity Instruments

(1) Basic Information about Other Outstanding Financial Instruments such as Preferred Shares and Perpetual Bonds at the Period-end

(2) Changes of Outstanding Financial Instruments such as Preferred Shares and Perpetual Bonds at the Period-end

Unit: RMB

Outstanding financial instruments	Period-beginning		Increase		Decrease		Period-end	
	Number	Carrying value	Number	Carrying value	Number	Carrying value	Number	Carrying value

Changes of other equity instruments in the Reporting Period, reasons thereof and basis of related accounting treatment:

Other notes:

55. Capital Reserve

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Capital premium (equity premium)	66,498,122.32		66,498,122.32	
Other capital reserves	80,488,045.38			80,488,045.38
Total	146,986,167.70		66,498,122.32	80,488,045.38

Other notes, including a description of the increase or decrease in the current period and the reasons for the change:

(1) The Company acquired 100% equity of Shenzhen Property Management Co., Ltd. in January 2022, and 100% equity of Shenzhen Foreign Trade Property Management Co., Ltd., Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd., Shenzhen Free Trade Zone Security Service Co., Ltd. in February 2022, both by means of business combination under the same control. It is stipulated that, during the preparation of comparative statements at the beginning of the period for business combination, the parties involved shall be deemed to be in their present state at the time when the ultimate controlling party begins to exercise control. Therefore, during the combination of the acquired companies this year, the Company increased the opening capital reserve, opening surplus reserve and undistributed profit respectively by RMB66,498,122.32, RMB17,937,391.71, and RMB12,720,655.15.

(2) On the actual acquisition and combination date for the current period, the difference (undistributed profit) between the acquisition price and the net book value of the assets of the acquired companies on the combination date was RMB201,687,082.98.

56. Treasury Shares

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Total	0.00			0.00

Other notes, including a description of the increase or decrease in the current period and the reasons for the change:

57. Other Comprehensive Income

Unit: RMB

Item	Beginning balance	Amount of the current period					Ending balance
		Income before taxation in the Current Period	Less: recorded in other comprehensive income in prior period and transferred in profit or loss in the Current Period	Less: recorded in other comprehensive income in prior period and transferred in retained earnings in the Current Period	Less: Income tax expense	Attributable to owners of the Company as the parent after tax	
I. Other comprehensive income that may not be reclassified to profit or loss	-2,574,121.54	-118,365.58				-118,365.58	-2,692,487.12

Changes in fair value of other equity instrument investment\	-2,574,121.54	-118,365.58				-118,365.58		-2,692,487.12
II. Other comprehensive income that may subsequently be reclassified to profit or loss	-5,600,532.12	2,181,645.00				2,181,645.00		-3,418,887.12
Differences arising from translation of foreign currency-denominated financial statements	-5,600,532.12	2,181,645.00				2,181,645.00		-3,418,887.12
Total of other comprehensive income	-8,174,653.66	2,063,279.42				2,063,279.42		-6,111,374.24

Other notes, including the adjustment of the effective gain/loss on cash flow hedges to the initial recognized amount:

58. Specific Reserve

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
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Other notes, including a description of the increase or decrease in the current period and the reasons for the change:

59. Surplus Reserves

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Statutory surplus reserves	47,209,537.05		17,937,391.71	29,272,145.34
Discretionary surplus reserves	365,403.13			365,403.13
Total	47,574,940.18		17,937,391.71	29,637,548.47

Notes, including changes and reason of change:

Refer to “Capital Reserve” for the reason of decrease in surplus reserves of the Reporting Period.

60. Retained Earnings

Unit: RMB

Item	Reporting Period	Same period of last year
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Beginning balance of retained profits before adjustments	3,800,901,413.35	3,038,993,912.43
Total retained earnings at the beginning of the adjustment (“+” for increase, “-” for decrease)		44,478,686.34
Beginning balance of retained profits after adjustments	3,800,901,413.35	3,083,472,598.77
Add: Net profit attributable to owners of the Company as the parent	250,802,157.71	1,025,588,514.94
Less: Withdrawal of statutory surplus reserve		10,450,980.74
Dividend of ordinary shares payable		297,708,719.62
Others	-208,463,077.04	
Ending retained profits	3,437,974,711.46	3,800,901,413.35

List of adjustment of beginning retained profits:

- 1) RMBXXX beginning retained earnings was affected by retrospective adjustment conducted according to the *Accounting Standards for Business Enterprises* and relevant new regulations.
- 2) RMBXXX beginning retained earnings was affected by changes in accounting policies.
- 3) RMBXXX beginning retained earnings was affected by correction of significant accounting errors.
- 4) RMB12,720,655.15 beginning retained earnings was affected by changes in combination scope arising from same control.
- 5) RMBXXX beginning retained earnings was affected totally by other adjustments.

61. Operating Revenue and Cost of Sales

Unit: RMB

Item	Amount of the current period		Amount of the previous period	
	Revenue	Cost	Revenue	Cost
Main business	1,972,677,481.97	1,067,980,872.62	2,688,603,222.17	902,028,270.86
Others	15,622,358.27	671,710.70	18,182,416.13	4,021,796.86
Total	1,988,299,840.24	1,068,652,583.32	2,706,785,638.30	906,050,067.72

Relevant information of revenue:

Unit: RMB

Category of contracts	Segment 1	Segment 2		Total
Product categories	1,988,299,840.24			1,988,299,840.24
Of which:				
Real estate	1,156,147,570.46			1,156,147,570.46
Property management	778,342,112.81			778,342,112.81
Leasing business	53,810,156.97			53,810,156.97
Of which:				
Shenzhen				
Other regions	1,570,922,892.64			1,570,922,892.64
Product categories	417,376,947.60			417,376,947.60
By types of market or customers				
Of which:				
Types of contracts				
Of which:				
By the time of transferring goods				
Of which:				

By contract term				
Of which:				
By marketing channel				
Of which:				
Total				

Information about performance obligations:

On 30 June 2022, the transaction price assigned to unfulfilled (or partially unfulfilled) performance obligations was estimated to be RMB1.445 billion, which is mainly expected future revenue of transaction prices that have not met the delivery conditions stipulated in sales contracts of real estate. The Company is expected to achieve the planned sales revenue within one or two years when the house property is completed and passes the acceptance, which meets the delivery conditions stipulated in sales contracts, and when the customers acquire the control rights of relevant goods or services.

Information in relation to the transaction price apportioned to the residual contract performance obligation:

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB1,444,829,540.64 at the period-end, among which RMB471,847,751.64 was expected to be recognized in 2022, RMB952,981,789.00 in 2023 and RMB20,000,000.00 in 2025.

Other notes:

The Company shall comply with the disclosure requirements for the real estate industry in the *Self-regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange - Industry Information Disclosure*.

The top 5 accounts received with confirmed amount in the Reporting Period:

Unit: RMB

No.	Project	Income balance
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62. Taxes and Surtaxes

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Urban maintenance and construction tax	6,451,246.20	8,905,060.06
Education Surcharge	2,793,502.94	3,855,174.91
Property tax	2,296,167.11	5,009,454.12
Land use tax	0.00	732,830.19
Vehicle and vessel use tax	14,176.80	1,740.00
Stamp duty	1,998,247.74	1,238,857.61
Local education surcharge	1,827,584.76	2,516,481.48
Land appreciation tax	378,694,384.75	792,335,513.52
Other taxes	155,409.51	157,828.24
Total	394,230,719.81	814,752,940.13

Other notes:

63. Selling Expense

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Agency fee	989,571.51	1,623,764.43
Consultancy and sales service charges	2,384,890.28	583,313.72
Advertising expenses	954,193.61	4,348,607.25

Employee remuneration	3,422,942.15	2,806,347.15
Others	3,607,260.96	1,056,072.82
Total	11,358,858.51	10,418,105.37

Other notes:

64. Administrative Expense

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Employee remuneration	107,934,307.26	83,503,736.04
Administrative office cost	13,369,249.80	12,567,205.36
Assets amortization and depreciation expense	12,231,294.86	10,685,564.73
Litigation costs	1,823,824.81	162,113.87
Others	8,342,381.32	12,189,011.52
Total	143,701,058.05	119,107,631.52

Other notes:

65. Development Expense

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Employee remuneration	2,511,310.90	0.00
Office cost	3,395.00	0.00
R&D material expense	25,050.00	0.00
Others	149,969.50	0.00
Total	2,689,725.40	0.00

Other notes:

66. Finance Costs

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Finance costs	36,281,087.17	38,497,917.45
Less: Interest income	9,179,453.97	39,323,534.92
Foreign exchange gains or losses	-1,610,359.72	39,617.59
Others	2,601,004.28	874,996.96
Total	28,092,277.76	-229,075.44

Other notes:

67. Other Income

Unit: RMB

Sources	Amount of the current period	Amount of the previous period
Government grants related to income	3,006,828.76	503,939.38
Commission charges return of deductible income tax	240,710.82	202,533.32
Additional deduction of VAT	3,186,192.45	2,536,373.77
Rebate of VAT	372,713.96	0.00
Total	6,806,445.99	3,242,846.47

68. Investment Income

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Long-term equity investment income accounted by equity method	859,534.38	3,218,483.17
Interest income from holding of other investments in debt obligations	87,379.67	132,081.79
Total	946,914.05	3,350,564.96

Other notes:

69. Net Gain on Exposure Hedges

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Other notes:

70. Gain on Changes in Fair Value

Unit: RMB

Sources	Amount of the current period	Amount of the previous period
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Other notes:

71. Credit Impairment Loss

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Bad debt loss	-14,462,076.54	-6,797,536.40
Total	-14,462,076.54	-6,797,536.40

Other notes:

72. Asset Impairment Loss

Unit: RMB

Item	Amount of the current period	Amount of the previous period
II. Inventory falling price loss and impairment provision for contract performance costs	3,302.47	-33,715.66
Total	3,302.47	-33,715.66

Other notes:

73. Asset Disposal Income

Unit: RMB

Sources	Amount of the current period	Amount of the previous period
Gains on disposal of fixed assets	-41,452.49	0.00

74. Non-operating Income

Unit: RMB

Item	Amount of the current period	Amount of the previous period	Amount recorded in the current non-recurring profit or loss
Gains on exchange of non-monetary assets		7,000.00	
Government subsidies	17,500.00		17,500.00
Confiscated income and default fine	916,961.90	1,746,208.94	916,961.90
Demolition compensation		7,293,820.40	
Failure to pay	874,963.88		874,963.88
Others	736,642.68	1,577,654.80	736,642.68
Total	2,546,068.46	10,624,684.14	

Government grants recorded into current profit or loss

Unit: RMB

Item	Distribution entity	Distribution reason	Nature	Whether influence the profits or losses of the year or not	Special subsidy or not	Reporting Period	Same period of last year	Related to assets/related income
Others		Subsidies	Subsidies obtained from the state by undertaking the sustainability of public utilities, the supply of socially necessary products, or the function of price control	No	No	17,500.00	10,000.00	Related to revenue

Other notes:

75. Non-operating Expense

Unit: RMB

Item	Amount of the current period	Amount of the previous period	Amount recorded in the current non-recurring profit or loss
Donation	19,300.00		19,300.00
Loss from disposal of non-current assets	101,068.85	21,910.65	101,068.85
Litigation expenses		114,571.79	
Penalty and fine for delaying payment	1,050,960.64	1,041,812.71	1,050,960.64
Others	246,257.35	775,300.21	246,257.35
Total	1,417,586.84	1,953,595.36	

Other notes:

76. Income Tax Expense

(1) List of Income Tax Expense

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Current income tax expense	173,064,812.19	420,906,447.59
Deferred income tax expense	-80,409,607.93	-225,504,829.05
Total	92,655,204.26	195,401,618.54

(2) Adjustment Process of Accounting Profit and Income Tax Expense

Unit: RMB

Item	Amount of the current period
Profit before taxation	333,956,232.49
Current income tax expense accounted at statutory/applicable tax rate	83,489,058.12
Influence of applying different tax rates by subsidiaries	-65,915.42
Influence of income tax before adjustment	10,401,555.26
Influence of non-deductible costs, expenses and losses	6,125,489.14
The effect of using deductible losses of deferred income tax assets that have not been recognized in the previous period	-8,316,310.61
Effect of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the period	1,021,327.76
Income tax expenses	92,655,204.26

Other notes:

77. Other Comprehensive Income

Refer to Note VII-57 for details.

78. Cash Flow Statement

(1) Cash Generated from Other Operating Activities

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Large intercourse funds received	376,141,428.59	78,249,073.49
Interest income	8,168,660.77	58,110,890.94
Net margins, security deposit and various special funds received	47,722,607.40	44,352,692.62
Other small receivables	29,754,454.20	44,581,361.27
Total	461,787,150.96	225,294,018.32

Notes:

(2) Cash Used in Other Operating Activities

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Paying administrative expense in cash	24,801,083.99	23,548,819.59

Paying selling expense in cash	9,594,684.62	5,789,812.13
Large current payment	70,071,543.78	70,066,347.10
Other small payments	1,997,036.36	7,552,946.76
Total	106,464,348.75	106,957,925.58

Notes:

(3) Cash Generated from Other Investing Activities

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Notes:

(4) Cash Used in Other Investing Activities

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Notes:

(5) Cash Generated from Other Financing Activities

Unit: RMB

Item	Amount of the current period	Amount of the previous period
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Notes:

(6) Cash Used in Other Financing Activities

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Payment for lease liabilities	12,142,998.09	8,788,006.37
Total	12,142,998.09	8,788,006.37

Notes:

79. Supplemental Information for Cash Flow Statement**(1) Supplemental Information for Cash Flow Statement**

Unit: RMB

Supplemental information	Amount during the Current Period	Same period of last year
1. Reconciliation of net profit to net cash flows generated from operating activities		
Net profit	241,301,028.23	669,717,598.61
Add: Provision for impairment of assets	14,458,774.07	6,831,252.06
Depreciation of fixed assets, oil-gas assets, and productive biological assets	46,813,436.13	24,317,021.35
Depreciation of right-of-use assets	11,367,505.45	6,218,994.79
Amortization of intangible assets	390,983.97	134,639.16
Amortization of long-term prepaid expenses	3,085,317.14	2,303,748.32

Losses from disposal of fixed assets, intangible assets and other long-lived assets (gains: negative)	41,452.49	0.00
Losses from scrap of fixed assets (gains: negative)	101,068.85	21,910.65
Losses from changes in fair value (gains: negative)		
Finance costs (gains: negative)	28,092,277.76	-229,075.44
Investment loss (gains: negative)	-6,806,445.99	-3,242,846.47
Decrease in deferred income tax assets (gains: negative)	-80,319,053.48	-225,566,185.67
Increase in deferred income tax liabilities (“-” means decrease)	-68,469.92	0.00
Decrease in inventory (gains: negative)	-761,934,290.05	22,875,129.38
Decrease in accounts receivable generated from operating activities (gains: negative)	-44,432,489.46	-84,520,841.18
Increase in accounts payable used in operating activities (decrease: negative)	151,914,673.72	722,699,956.36
Others		
Net cash flow from operating activities	-395,994,231.09	1,141,561,301.92
2. Significant investing and financing activities without involvement of cash receipts and payments		
Conversion of debt to capital		
Convertible corporate bonds matured within 1 Year		
Fixed asset under finance lease		
3. Net increase/decrease of cash and cash equivalent:		
Ending balance of cash	1,473,196,246.07	5,125,678,683.28
Less: Opening balance of cash	1,963,988,756.69	4,372,982,079.50
Plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-490,792,510.62	752,696,603.78

(2) Net Cash Paid for Acquisition of Subsidiaries

Unit: RMB

	Amount
Cash or cash equivalents paid in the current period for the business combination occurring in the current period	240,634,030.00
Of which:	
Shenzhen Property Management Co., Ltd.	177,009,030.00
Shenzhen Foreign Trade Property Management Co., Ltd.	20,898,800.00
Shenzhen Shenfubao Property Development Co., Ltd.	29,971,100.00
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	10,864,850.00
Shenzhen Free Trade Zone Security Service Co., Ltd.	1,890,250.00
Of which:	
Of which:	
Net cash paid for acquisition of subsidiaries	240,634,030.00

Other notes:

(3) Net Cash Receive from Disposal of the Subsidiaries

Unit: RMB

	Amount
Of which:	
Of which:	
Of which:	

Other notes:

(4) Cash and Cash Equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	1,473,196,246.07	1,963,988,756.69
Including: Cash on hand	71,615.91	123,973.10
Bank deposits on demand	1,099,423,564.93	5,084,971,676.62
Other monetary assets on demand	373,701,065.23	13,361,971.72
III. Ending balance of cash and cash equivalents	1,473,196,246.07	1,963,988,756.69

Other notes:

80. Notes to Items of the Statements of Changes in Owners' Equity

Notes to the name of "Other" of ending balance of the same period of last year adjusted and the amount adjusted:

81. Assets with Restricted Ownership or Right of Use

Unit: RMB

Item	Ending carrying value	Reason for restriction
Monetary Assets	375,888,953.54	[Note 1] - [Note 9]
Land use right of Fumin New Village, Futian District	542,507,314.43	[Note 10]
Total	918,396,267.97	

Other notes:

Other notes:

[Note 1] In terms of monetary assets with restricted right to use at the period-end, there was a bank guarantee of RMB368,609,058.40 issued by the Company in 2021 for the supervision of the implementation entity of the urban renewal unit project Phase II in Bangling Area, Guanlan Street, Longhua District of Shenzhen Rongyao Real Estate Development Co., Ltd., of which the principal was RMB365,765,440.00 and the interest was RMB2,843,618.40.

[Note 2] In terms of monetary assets with restricted right to use at the period-end, there was an escrow deposit of RMB44,757.83 in the catering branch of the subsidiary company Shandong Shengguomao Real Estate Management Co., Ltd.

[Note 3] In terms of monetary assets with restricted right to use at the period-end, there was an advance payment guarantee of RMB459,627.50 issued by the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. in December 2021 for the upgrading and reconstruction of the smart park of Shenzhen Bay Science and Technology Ecological Park and the software platform development contract.

[Note 4] In terms of monetary assets with restricted right to use at the period-end, there was RMB3,000,000.00 in the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. blocked by the court due to pre-litigation preservation for contract disputes.

[Note 5] In terms of monetary assets with restricted right to use at the period-end, there was a loan guarantee of RMB1,127,757.03

provided as mortgage guarantees for commercial housing purchasers and paid by the Company as a real estate developer according to real estate business practices.

[Note 6] In terms of monetary assets with restricted right to use at the period-end, there was RMB2,346,666.67 of interest on unexpired term deposits accrued at the period-end.

[Note 7] In terms of monetary assets with restricted right to use at the period-end, there was interest of RMB16,111.20 on large-value certificates of deposit (more than one year).

[Note 8] In terms of monetary assets with restricted right to use at the period-end, there was RMB128,974.91 in the account of the subsidiary company Shenzhen Property Engineering and Construction Supervision Co., Ltd. The account was in a receiving-only status because the legal person change formalities had not been completed by the period-end.

[Note 9] In terms of monetary assets with restricted right to use at the period-end, there was a restricted fund of RMB156,000 in the blocked account of the subsidiary company Shenzhen Huazhengpeng Property Management Co., Ltd.

[Note 10] Due to the needs of daily business activities, the Company applied for a loan from Bank of Communications Co., Ltd. Shenzhen Branch and mortgaged the land use right of Fumin New Village, Futian District. The loan has a duration from 27 November 2020 to 27 November 2023 and applies floating interest rates, with the first execution interest rate being 4.655%.

82. Foreign Currency Monetary Items

(1) Foreign Currency Monetary Items

Unit: RMB

Item	Ending foreign currency balance	Exchange rate	Ending balance converted to RMB
Monetary Assets			56,062,487.14
Of which: USD	120,000.00	6.7114	805,368.00
EUR			
HKD	61,229,104.17	0.8552	52,363,129.89
VND	10,335,675,900.00	0.00028	2,893,989.25
Accounts Receivable			
Of which: USD			
EUR			
HKD			
Long-term borrowings			
Of which: USD			
EUR			
HKD			
Accounts prepaid	8,338.89		7,131.42
Of which: HKD	8,338.89	0.8552	7,131.42
Other payables	4,527,939.28		3,872,293.67
Of which: HKD	4,527,939.28	0.8552	3,872,293.67

Other notes:

(2) Notes to Overseas Entities Including: for Significant Oversea Entities, Main Operating Place, Recording Currency and Selection Basis Shall Be Disclosed; if there Are Changes in Recording Currency, Relevant Reasons Shall Be Disclosed.

Applicable Not applicable

Item	Main operating place	Standard currency for accounting	Basis for choosing
Shum Yip Properties Development Co., Ltd. and its subsidiary	Hong Kong	HKD	Located in HK, settled by HKD

Vietnam Shenguo Mao Property Management Co., Ltd.	Vietnam	VND	Located in Vietnam, settled by VND
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83. Arbitrage

Qualitative and quantitative information of relevant arbitrage instruments, hedged risk in line with the type of arbitrage to disclose:

84. Government Grants

(1) Basic Information on Government Grants

Unit: RMB

Category	Amount	Listed items	Amount recorded in the current profit or loss
Subsidy for stabilizing employment	800,454.00	Other income	800,454.00
Special guidance subsidy for scenic spot service industry	400,000.00	Other income	400,000.00
Training subsidy for staying on the job	365,580.00	Other income	365,580.00
Subsidy for high and new enterprises	180,000.00	Other income	180,000.00
Subsidies for pandemic prevention	100,000.00	Other income	100,000.00
Other subsidies	621,451.25	Other income	621,451.25
Other subsidies	17,500.00	Non-operating income	17,500.00
Total	2,484,985.25		

(2) Return of Government Grants

Applicable Not applicable

Other notes:

85. Other

VIII. Change of Consolidation Scope

1. Business Combination Not under the Same Control

(1) Business Combination Not under the Same Control during the Reporting Period

Unit: RMB

Name of acquiree	Time and place of gaining equity	Cost of gaining the equity	Proportion of equity	Way to gain equity	Purchase date	Recognition basis of purchase date	Income of acquiree from the purchase date to period-end	Net profits of acquiree from the purchase date to period-end
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Other notes:

(2) Combination Cost and Goodwill

Unit: RMB

Combination cost	
--Cash	
--Fair value of non-cash assets	
--Fair value of issued or assumed debts	
--Fair value of issued equity securities	
--Fair value of the contingent consideration	
--Fair value of equity interests held before the acquisition date on the acquisition date	
--Other	
Total combination costs	
Less: share in the fair value of identifiable net assets acquired	
The amount of goodwill/combination cost less than the share in the fair value of identifiable net assets acquired	

Note to determination method of the fair value of the combination cost, consideration and changes:

The main formation reason for the large goodwill:

Other notes:

(3) The Identifiable Assets and Liabilities of Acquiree on Purchase Date

Unit: RMB

	Fair value on purchase date	Carrying value on purchase date
Assets:		
Monetary Assets		
Accounts receivable		
Inventories		
Fixed Assets		
Intangible Assets		
Liabilities:		
Borrowings		
Accounts payable		
Deferred income tax liabilities		
Net assets		
Less: Non-controlling interests		
Net assets acquired		

The determination method of the fair value of identifiable assets and liabilities:

Contingent liability of acquiree undertaken in the business combination:

Other notes:

(4) Gains or losses from Re-measurement of Equity Held before the Purchase Date at Fair Value

Whether there is a transaction that through multiple transaction step by step to realize business combination and gaining the control during the Reporting Period

Yes No

(5) Notes to Reasonable Consideration or Fair Value of Identifiable Assets and Liabilities of the Acquiree that Cannot Be Determined on the Acquisition Date or during the Period-end of the Merger

(6) Other Notes

2. Business Combination under the Same Control

(1) Business Combination under the Same Control during the Reporting Period

Unit: RMB

Combined party	Proportion of the equity	Basis	Combination date	Recognition basis of combination date	Income from the period-begin to the combination date of the acquiree	Net profits from the period-begin to the combination date of the acquiree	Income of the acquiree during the period of comparison	Net profits of the acquiree during the period of comparison
Shenzhen Property Management Co., Ltd.	100.00%	Under the same ultimate control both before and after the combination	31 January 2022	Completion of equity change	9,750,410.15	-1,708,521.80	73,432,723.43	1,833,413.37
Shenzhen Foreign Trade Property Management Co., Ltd.	100.00%	Under the same ultimate control both before and after the combination	28 February 2022	Completion of equity change	4,689,168.06	36,367.85	13,712,751.08	-537,162.63
Shenzhen Shenfubao Property Development Co., Ltd.	100.00%	Under the same ultimate control both before and after the combination	28 February 2022	Completion of equity change	17,410,425.71	-3,185,005.42	55,627,300.88	-183,180.78
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	100.00%	Under the same ultimate control both before and after the combination	28 February 2022	Completion of equity change	7,311,648.87	-1,993,556.10	14,328,940.69	25,947.21
Shenzhen	100.00%	Under the	28	Completion	4,467,813.	-82,885.87	14,304,3	-47,474.50

Free Trade Zone Security Service Co., Ltd.		same ultimate control both before and after the combination	February 2022	on of equity change	55		25.67	
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Other notes:

(2) Combination Cost

Unit: RMB

Combination cost	Shenzhen Property Management Co., Ltd.	Shenzhen Foreign Trade Property Management Co., Ltd.	Shenzhen Shenfubao Property Development Co., Ltd.	Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Shenzhen Free Trade Zone Security Service Co., Ltd.
--Cash	196,676,700.00	20,898,800.00	59,942,200.00	21,729,700.00	3,780,500.00
--Carrying value of non-cash assets					
--Carrying value of issued or assumed debts					
--Carrying value of issued equity securities					
--Contingent consideration					

Contingent liabilities and changes thereof:

Other notes:

(3) The Carrying Value of Assets and Liabilities of the Combined Party on the Combination Date

Unit: RMB

	Shenzhen Property Management Co., Ltd.		Shenzhen Foreign Trade Property Management Co., Ltd.		Shenzhen Shenfubao Property Development Co., Ltd.		Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.		Shenzhen Free Trade Zone Security Service Co., Ltd.	
	Combination date	Period-end of the last period	Combination date	Period-end of the last period	Combination date	Period-end of the last period	Combination date	Period-end of the last period	Combination date	Period-end of the last period
Assets:	91,865,021.54	99,580,061.76	33,169,111.38	36,120,119.27	59,846,059.08	66,091,469.87	32,471,597.50	35,577,360.77	11,970,947.84	14,479,933.02
Monetary assets	55,066,955.43	64,230,462.50	16,986,622.97	20,798,056.00	25,928,156.47	38,465,320.27	23,883,827.80	27,883,172.22	8,452,394.02	12,166,474.46
Receivables	27,028,907.34	25,635,738.11	14,211,330.55	13,250,442.77	28,566,607.47	22,741,046.85	7,765,482.01	6,841,757.47	3,404,745.44	2,208,212.88
Inventories	938,880.58	834,370.65	84,935.19	103,719.68	31,759.42	31,699.42	184,918.86	186,658.86	40,885.60	25,885.60
Fixed assets	2,485,719.57	2,516,947.44	166,673.51	172,534.15	2,678,518.26	2,534,272.41	633,898.40	661,516.56	72,922.78	79,360.08
Intangible assets										

Liabilities:	58,540,399.31	64,546,917.73	19,857,121.46	22,844,497.20	34,310,070.75	37,370,496.12	12,216,316.90	13,328,524.07	7,828,167.09	10,254,266.40
Loans										
Payables	43,374,263.32	44,788,148.32	12,334,452.60	11,968,901.87	28,334,695.55	26,676,468.66	11,285,594.94	11,250,209.29	4,881,478.21	6,334,037.97
Net assets	33,324,622.23	35,033,144.03	13,311,989.92	13,275,622.07	25,535,980.33	28,720,973.75	20,255,280.60	22,248,836.70	4,142,780.75	4,225,666.62
Less: Non-controlling interests					1,951,481.31	1,839,939.00				
Net assets acquired	33,324,622.23	35,033,144.03	13,311,989.92	13,275,622.07	23,584,499.02	26,881,034.75	20,255,280.60	22,248,836.70	4,142,780.75	4,225,666.62

Contingent liabilities of the combined party undertaken in the business combination:

Other notes:

3. Counter Purchase

Basic information of trading, the basis of transactions constitutes counter purchase, the retain assets, liabilities of the listed companies whether constituted a business and its basis, the determination of the combination costs, the amount and calculation of adjusted rights and interests in accordance with the equity transaction process:

4. Disposal of Subsidiary

Whether there was a single disposal of an investment in a subsidiary that resulted in a loss of control

Yes No

Whether there was a step-by-step disposal of investment in a subsidiary through multiple transactions and loss of control during the period

Yes No

5. Changes in Combination Scope for Other Reasons

Describe other changes in the consolidation scope (e.g., new subsidiaries, liquidation of subsidiaries, etc.) and relevant situations:

Increase in scope of combination

Name of company	Way to gain equity	Time and place of gaining equity	Contribution amount	Contribution proportion
Shenzhen Shenwu Elevator Co., Ltd.	Business combination under the same control	31 January 2022	3,500,000	100%
Shenzhen Shenfeng Real Estate Cleaning Co., Ltd.	Business combination under the same control	31 January 2022		100%
Shenzhen Wuhe Urban Renewal Co., Ltd.	Newly-established subsidiary	25 February 2022	95,000,000	100%
Shenzhen Fubao Urban Resource Management Co., Ltd.	Business combination under the same control	28 February 2022	3,000,000	60%
Yangzhou Wuhe Real Estate Co., Ltd.	Newly-established subsidiary	17 March 2022		67%
Shenzhen Tonglu Wuhe Investment Development Co., Ltd.	Newly-established subsidiary	2 April 2022	10,000,000	100%
Shenzhen Guomao Industrial Space Service Co., Ltd.	Newly-established subsidiary	27 April 2022	1,540,000	55%

6. Other

IX. Equity in Other Entities

1. Equity in Subsidiary

(1) Subsidiaries

Name	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Way of gaining
				Directly	Indirectly	
Shenzhen Huangcheng Real Estate Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Wuhe Industry Investment Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Facility Management Community Technology Co., Ltd.	Shenzhen	Shenzhen	Software and information technology services		35.00%	Business combination not under the same control
Beijing Facility Home Technology Co., Ltd.	Beijing	Beijing	Software and information technology services		17.85%	Business combination not under the same control
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	Xuzhou	Xuzhou	Real estate	100.00%		Set-up
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	Dongguan	Dongguan	Real estate	100.00%		Set-up
SZPRD Yangzhou Real Estate Development Co., Ltd.	Yangzhou	Yangzhou	Real estate	100.00%		Set-up
Shenzhen International Trade Center Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Guomaomei Life Service Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Shandong Shengguomao Real Estate Management Co., Ltd.	Jinan	Jinan	Real estate		100.00%	Set-up
Chongqing Shengguomao Real Estate Management Co., Ltd.	Chongqing City	Chongqing City	Real estate		100.00%	Set-up
Chongqing Aobo Elevator Co., Ltd.	Chongqing City	Chongqing City	Service Industry		100.00%	Set-up
Chongqing Tianque Elevator Technology Co., Ltd.	Shenzhen	Shenzhen	Service Industry		100.00%	Set-up
Shenzhen Guoguan Electromechanical Device Co., Ltd.	Shenzhen	Shenzhen	Service Industry		100.00%	Set-up
Shenzhen Guomao Catering Co., Ltd.	Shenzhen	Shenzhen	Accommodation and catering		100.00%	Set-up
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	Shenzhen	Shenzhen	Service Industry	100.00%		Set-up
SZPRD Commercial Operation Co., Ltd.	Shenzhen	Shenzhen	Service Industry	100.00%		Set-up
Zhanjiang Shenzhen	Zhanjiang	Zhanjiang	Real estate	100.00%		Set-up

Real Estate Development Co., Ltd.	City	g City				
Shum Yip Properties Development Co., Ltd.	Hong Kong	Hong Kong	Real estate	100.00%		Set-up
Wayhang Development Co., Ltd.	Hong Kong	Hong Kong	Real estate		100.00%	Set-up
Chief Link Properties Co., Ltd.	Hong Kong	Hong Kong	Real estate		70.00%	Set-up
Syndis Investment Co., Ltd.	Hong Kong	Hong Kong	Real estate		70.00%	Business combination not under the same control
Yangzhou Shouxihu Jingyue Property Development Co., Ltd.	Yangzhou	Yangzhou	Real estate		51.00%	Set-up
Shandong International Trade Center Hotel Management Co., Ltd.	Jinan	Jinan	Real estate		100.00%	Set-up
Shenzhen Shenshan Special Cooperation Zone Guomao Property Development Co., Ltd.	Shenzhen	Shenzhen	Real estate		65.00%	Set-up
Shenzhen Guomao Tongle Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		51.00%	Set-up
Shenzhen Rongyao Real Estate Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	69.00%		Business combination not under the same control
Shenzhen ITC Technology Park Service Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Julian Human Resources Development Co., Ltd.	Shenzhen	Shenzhen	Service Industry		100.00%	Business combination under the same control
Shenzhen Huazhengpeng Property Management Development Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
SZPRD Urban Renewal Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Penghongyuan Industrial Development Co., Ltd.	Shenzhen	Shenzhen	Accommodation and catering		100.00%	Business combination under the same control
Shenzhen Jinhailian Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Social Welfare Co., Ltd.	Shenzhen	Shenzhen	Sanitation and social work		100.00%	Business combination under the same control
Shenzhen Fuyuanmin Property Management Limited Liability Company	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Meilong Industrial Development Co., Ltd.	Shenzhen	Shenzhen	Service Industry		100.00%	Business combination under the same control
Shenzhen Guomao	Shenzhen	Shenzhen	Public facilities		90.00%	Business

Shenlv Garden Co., Ltd.		n	management services			combination under the same control
Shenzhen Jiayuan Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		54.00%	Business combination under the same control
Shenzhen Helinhua Construction Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		90.00%	Business combination under the same control
Shenzhen Zhongtongda House Xiushan Service Co., Ltd.	Shenzhen	Shenzhen	Construction industry		90.00%	Business combination under the same control
Shenzhen Kangping Industrial Co., Ltd.	Shenzhen	Shenzhen	Retail trade		90.00%	Business combination under the same control
Shenzhen Sports Service Co., Ltd.	Shenzhen	Shenzhen	Manufacturing industry		100.00%	Business combination under the same control
Shenzhen Teacher's Home Training Co., Ltd.	Shenzhen	Shenzhen	Retail trade		100.00%	Business combination under the same control
Shenzhen Education Industrial Co., Ltd.	Shenzhen	Shenzhen	Service Industry		100.00%	Business combination under the same control
Shenzhen Yufa Industrial Co., Ltd.	Shenzhen	Shenzhen	Retail trade		80.95%	Business combination under the same control
SZPRD Fuyuantai Development Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Xiamen Shengguomao Industrial City Smart Service Co., Ltd.	Shenzhen	Shenzhen	Service Industry		51.00%	Set-up
Vietnam Shengguomao Property Management Co., Ltd.	Shenzhen	Shenzhen	Service Industry		100.00%	Set-up
Shenzhen SZPRD Yanzihu Development Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Shenzhen Guangming Wuhe Real Estate Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Dongguan Wuhe Real Estate Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Shenwu Elevator Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Shenfang Property Cleaning Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Foreign Trade Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same

						control
Shenzhen Shenfubao Property Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Fubao Urban Resources Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		60.00%	Business combination under the same control
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Free Trade Zone Security Service Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Wuhe Urban Renewal Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Yangzhou Wuhe Real Estate Co., Ltd.	Yangzhou	Yangzhou	Real estate	67.00%		Set-up
Shenzhen Tonglu Wuhe Investment Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen International Trade Industry Space Service Co., Ltd.	Shenzhen	Shenzhen	Real estate	55.00%		Set-up

Notes to holding proportion in subsidiary different from voting proportion:

In May 2021, Shenzhen Wuhe Industry Investment Development Co., Ltd. (hereinafter referred to as "Wuhe Company"), a subsidiary of the Company, acquired 35% of the equity of Shenzhen Facility Management Community Technology Co., Ltd. (hereinafter referred to as "FMC") through acquisition of equity and directional capital increase. Meanwhile, according to the agreement of the cooperation framework on equity acquisition signed by Wuhe Company and the original shareholders, 16% of the voting rights that the original shareholders hold or actually control in the equity of FMC shall be unconditionally granted to Wuhe Company to exercise after the transaction date. There are no prerequisites for the granting of voting rights, and the term of the voting rights is not stipulated in the contract.

Basis of holding half or less voting rights but still controlling the investee and holding more than half of the voting rights but not controlling the investee:

Significant structural entities and controlling basis in the scope of combination:

Basis of determining whether the Company is the agent or the principal:

Other notes:

(2) Significant Non-wholly-owned Subsidiary

Unit: RMB

Name	Shareholding proportion of non-controlling interests	The profit or loss attributable to the non-controlling interests	Declaring dividends distributed to non-controlling interests	Balance of non-controlling interests at the period-end
Shenzhen Rongyao Real Estate Development Co., Ltd.	31.00%	-7,254,199.09	0.00	17,492,106.42
Yangzhou Wuhe Real Estate Co., Ltd.	33.00%	-156,134.66	0.00	-156,134.66

Holding proportion of non-controlling interests in subsidiary different from voting proportion:

Other notes:

(3) The Main Financial Information of Significant Not Wholly-owned Subsidiary

Unit: RMB

Name	Ending balance						Beginning 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
Shenzhen Rongyao Real Estate Development Co., Ltd.	4,935,109,375.63	144,214,537.03	5,079,323,912.66	1,942,537,430.11	3,000,879,176.39	4,943,416,606.50	4,650,977,976.49	137,576,247.00	4,788,554,223.49	1,730,779,983.83	3,001,348,089.90	4,732,128,073.73
Yangzhou Wuhe Real Estate Co., Ltd.	860,920,253.31	0.00	860,920,253.31	861,393,388.64	0.00	861,393,388.64						

Unit: RMB

Name	Amount of the current period				Amount of the previous period			
	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Rongyao Real Estate Development Co., Ltd.	0.00	-23,400,642.21	-23,400,642.21	-33,317,053.14		-28,597,092.72	-28,597,092.72	-128,433,288.91
Yangzhou Wuhe Real Estate Co., Ltd.	0.00	-473,135.33	-473,135.33	97,048.38				

Other notes:

(4) Significant Restrictions on Using the Assets and Liquidating the Liabilities of the Company**(5) Financial Support or Other Supports Provided to Structural Entities Incorporated into the Scope of Consolidated Financial Statements**

Other notes:

2. The Transaction of the Company with Its Owner's Equity Share Changed but Still Controlling the Subsidiary

(1) Note to the Owner's Equity Share Changed in Subsidiary

(2) The Transaction's Influence on the Equity of Non-controlling Interests and the Owner's Equity Attributable to the Company as the Parent

Unit: RMB

Purchase cost/disposal consideration	
--Cash	
--Fair value of non-cash assets	
Total of purchase cost /disposal consideration	
Less: Subsidiary net assets proportion calculated by share proportion obtained/disposal	
Difference	
Of which: Adjustment of capital reserves	
Surplus reserves adjustments	
Retained profits adjustments	

Other notes:

3. Equity in Joint Ventures or Associated Enterprises

(1) Significant Joint Ventures or Associated Enterprises

Name	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Accounting treatment of the investment to joint venture or associated enterprise
				Directly	Indirectly	
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	Shenzhen	Shenzhen	Warehouse service	50.00%		Equity method
Shenzhen Tian'an International Mansion Property Administration Co., Ltd. (Tian'an Company)	Shenzhen	Shenzhen	Property management	50.00%		Equity method

Notes to holding proportion of joint venture or associated enterprise different from voting proportion:

Basis of holding less than 20% of the voting rights but has a significant impact or holding 20% or more voting rights but does not have a significant impact:

(2) Main Financial Information of Significant Joint Ventures

Unit: RMB

	Closing balance/amount of the current period	Opening balance/amount of the previous period
--	--	---

	Shenzhen Jifa Warehouse Co., Ltd.	Shenzhen Tian'an International Mansion Property Administration Co., Ltd. (Tian'an Company)	Shenzhen Jifa Warehouse Co., Ltd.	Shenzhen Tian'an International Mansion Property Administration Co., Ltd. (Tian'an Company)
Current assets	4,060,875.27	57,800,177.33	9,519,579.27	57,331,775.19
Of which: cash and cash equivalents	2,813,000.49	36,792,663.30	9,519,579.27	36,510,372.60
Non-current assets	86,923,140.50	50,286.77	80,513,120.44	64,052.07
Total assets	90,984,015.77	57,850,464.10	90,032,699.71	57,395,827.26
Current liabilities	2,381,137.83	27,670,957.73	2,999,369.48	27,437,899.29
Non-current liabilities	0.00	16,341,952.82		16,269,895.46
Total liabilities	2,381,137.83	44,012,910.55	2,999,369.48	43,707,794.75
Equity of non-controlling interests				
Equity attributable To shareholders of the Company as the parent	88,602,877.94	13,837,553.55	87,033,330.23	13,688,032.51
Portion of net assets calculated according to proportion of shareholdings	44,301,438.97	6,918,776.78	43,516,665.12	6,844,016.26
Adjusted				
-Goodwill				
-Unrealized profits of internal transactions				
-Others				
Carrying value of equity investment to joint ventures	44,301,438.97	6,918,776.78	43,516,665.12	6,844,016.26
Fair value of equity investments of joint ventures with public offer				
Operating revenue	4,516,455.33	8,483,323.41	11,266,137.60	8,738,744.08
Finance expense	-5,293.01	41,255.86	-268,242.57	-23,928.26
Income tax expense	523,182.56	54,163.40	2,093,155.45	53,570.28
Net profit	1,569,547.71	149,521.04	6,279,466.34	160,430.60
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	1,569,547.71	149,521.04	6,279,466.34	160,430.60
Dividends received from joint ventures in the Reporting Period				

Other notes:

(3) The Main Financial Information of Significant Associated Enterprises

Unit: RMB

	Ending balance/Reporting Period	Beginning balance/The same period of last year
Current assets		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Equity of non-controlling interests		
Equity attributable To shareholders of the Company as the parent		
Portion of net assets calculated according to proportion of shareholdings		
Adjusted		
-Goodwill		
-Unrealized profits of internal transactions		
-Others		
Carrying value of equity investment to associated enterprises		
Fair value of equity investments of associated enterprises with public offer		
Operating revenue		
Net profit		
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income		
Dividends received from associated enterprises in the Reporting Period		

Other notes:

(4) Summary Financial Information of Insignificant Joint Ventures or Associated Enterprises

Unit: RMB

	Closing balance/amount of the current period	Opening balance/amount of the previous period
Joint venture:		
Sum calculated by shareholding ratio of each item		
Associated enterprises:		
Sum calculated by shareholding ratio of each item		

Other notes:

(5) Note to the Significant Restrictions on the Ability of Joint Ventures or Associated Enterprises to Transfer Funds to the Company

(6) The Excess Loss of Joint Ventures or Associated Enterprises

Unit: RMB

Name	The cumulative recognized losses in previous accumulatively derecognized	The derecognized losses (or the share of net profit) in Reporting Period	The accumulative unrecognized losses in Reporting Period
------	--	--	--

Other notes:

(7) The Unrecognized Commitment Related to Investment to Joint Ventures

(8) Contingent Liabilities Related to Investment to Joint Ventures or Associated Enterprises

4. Significant Common Operation

Name	Main operating place	Registration place	Nature of business	Proportion /Share portion	
				Directly	Indirectly

Notes to holding proportion or share portion in common operation different from voting proportion:

For common operation as a single entity, basis of classifying as common operation

Other notes:

5. Equity in the Structured Entity Excluded in the Scope of Consolidated Financial Statements

Notes to the structured entity excluded in the scope of consolidated financial statements:

6. Other

X. Risks Associated with Financial Instruments

The Company is engaged in risk management to achieve balance between risks and returns, minimizing the negative effects of risks on its operation performance and maximizing the interests of its shareholders and other equity investors. Based on that risk management goal, the fundamental strategy of its risk management is to identify and analyze various risks facing the Company, establish an appropriate risk bottom line, carry out risk management and monitor various risks in a timely and reliable manner to control them within a restricted scope.

The Company faces various risks related to financial instruments in its routine activities, mainly including credit risk, liquidity risk market risk. The management has reviewed and approved the policies of managing those risks, which are summarized as follows.

i. Credit risk

Credit risk means the risk of financial losses incurred to the other party when one party of a financial instrument is unable to fulfill its obligations.

1. Credit Risk Management Practice

(1) Credit Risk Evaluation Method

On each balance sheet date, the Company shall evaluate whether the credit risk of relevant financial instruments has increased significantly since the initial recognition. After determining whether the credit risk has increased significantly since the initial

recognition, the Company shall consider obtaining reasonable and reliable information without paying unnecessary extra costs or efforts, including qualitative and quantitative analysis based on historical data, external credit risk rating and forward-looking information. On the basis of the single financial instrument or combination of financial instruments with similar credit risk characteristics, the Company compares the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date to determine the change of default risk of financial instruments during their expected duration.

When one or more of the following quantitative and qualitative criteria prevails, the Company shall believe the credit risk of financial instruments has increased significantly:

- 1) For the quantitative standard, it can be mainly analyzed from the probability of default for the remaining duration on the balance sheet date rises by more than a certain proportion compared with the initial confirmation.
- 2) For the qualitative standard, it can be mainly analyzed from the major adverse changes in the debtor's operation or financial situation, changes in existing or expected technology, market, economy or legal environment which shall have major adverse impacts on the debtor's repayment ability of the Company, etc.
- 3) The upper limit is that the debtor's contract payment (including principal and interest) is overdue for more than 90 days.

(2) Definition of Default and Credit Impairment-Assets

When a financial instrument meets one or more of the following conditions, the Company shall define the financial asset as having defaulted, and its criteria are consistent with the definition of having incurred credit impairment:

1) Quantitative Standard

The debtor fails to make the payment after the contract payment date for more than 90 days;

2) Qualitative criteria

- a) The debtor has major financial difficulties;
- b) The debtor violates the binding provisions on the debtor in the contract;
- c) The debtor is likely to go bankrupt or carry out other financial restructurings;
- d) The creditor shall give the debtor concessions that will not be made in any other circumstances due to the economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of Expected Credit Loss

The key parameters for measuring expected credit loss included default probability, loss given default and exposure at default. The Company considers the quantitative analysis and forward-looking information of historical statistical data (such as counterparty rating, guarantee method, collateral type, repayment method, etc.) to establish exposure models of default probability, loss given default, and default risk.

3. Refer to Note VI-1, VI-2, VI-9 for details of the reconciliation statements of beginning balance and ending balance of financial instrument loss provision.

4. Credit Risk Exposure and Credit Risk Concentration

The Company's credit risk mainly comes from monetary assets and accounts receivable. To control the aforementioned relevant risks, the Company has adopted the following measures.

(1) Monetary assets

The Company places its monetary assets with financial institutions of high credit ratings. Thus, its credit risk is low.

(2) Accounts receivable

The Company conducts credit assessments on the customers trading in the mode of credit on a regular basis. Based on the credit assessment result, the Company chooses to trade with recognized customers with good credit and monitor the balance of the accounts receivable from them to ensure that the Company will not face any significant bad debt risk.

Due to the Company merely trades with the authorized third party with good credit, the guarantee is not required. Credit risk concentration is managed in accordance with the customers. As at 30 June 2022, there were certain credit concentration risks in the Company, and 48.95% of the accounts receivable of the Company (57.71% on 31 December 2021) came from the top 5 customers by balance. The Company hasn't held any guarantee or other credit enhancement for balance of accounts receivable.

The maximum credit risk exposure the Company undertook shall be the carrying value of each financial asset on balance sheet.

ii. Liquidity risk

Liquidity risk refers to the risk of fund shortage occurring when the Company fulfills the settlement obligation in the mode of cash delivery or other financial assets. Liquidity risk may originate from the failure to sell financial assets at fair value as soon as possible; or from the other party's failure to pay off its contractual debts; or from the earlier maturity of debts; or from the failure to generate the expected cash flow.

To control the risk, the Company comprehensively adopts bank loans as financing approach, appropriately combines long-term and short-term financing modes and optimizes the financing structure to maintain the balance between financing sustainability and flexibility. The Company has obtained the line of credit from a number of commercial banks to satisfy its operation fund needs and capital expenditure.

Financial liabilities classified by remaining maturity

Item	Ending balance				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Banking borrowings	3,779,015,668.00	4,281,391,684.07	263,567,311.21	3,846,019,192.43	171,805,180.43
Accounts payable	299,749,726.45	299,749,726.45	299,749,726.45		
Other payables	1,834,012,894.06	1,834,012,894.06	1,821,810,218.02		12,202,676.04
Current portion of other non-current liabilities	90,188,631.18	90,188,631.18	90,188,631.18		
Total	6,002,966,919.69	6,505,342,935.76	2,475,315,886.86	3,846,019,192.43	184,007,856.47

(Continued)

Item	Beginning balance				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Banking borrowings	3,524,500,000.00	4,061,471,066.60	181,841,910.20	3,473,322,700.29	406,306,456.11
Accounts payable	351,831,212.23	351,831,212.23	351,831,212.23		
Other payables	1,027,613,690.94	1,027,613,690.94	1,015,411,014.90		12,202,676.04
Current portion of other non-current liabilities	83,924,701.83	83,924,701.83	83,924,701.83		
Total	4,987,869,605.00	5,524,840,671.60	1,633,008,839.16	3,473,322,700.29	418,509,132.15

iii. Market risk

Market risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in market prices. Market risk mainly includes interest rate risk and foreign exchange risk.

1. 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. Interest-bearing financial instruments with fixed interest rates may bring the fair value interest rate risk to the Company, while those with floating interest rate may bring the cash flow interest rate risk to the Company. The Company will determine the proportion between the financial instruments with fixed interest rate and those with floating interest rate in combination with market environment, and maintain an appropriate portfolio of financial instruments through regular review and

monitoring. The interest rate risk of cash flows facing the Company is mainly related to the bank loans calculated by floating interest rate of the Company.

As at 30 June 2022, under the assumption of other fixed variables with 50 basis points changed in interest rate, the bank loan of RMB3,843,732,330.00 (RMB3,587,800,000.00 on 31 December 2021) calculated at floating rate would not result in significant influence on total profit and shareholders' equity of the Company.

2. Foreign exchange risk

Foreign exchange risk refers to the risk that may lead to the changes of fair value of financial instruments or future cash flows due to fluctuation in exchange rate. The risk of changes of exchange rate facing the Company is mainly related to foreign currency monetary assets and liabilities of the Company. The Company operates in mainland China, and the main activities are recorded by RMB. Thus, the foreign exchange market risk undertaken is insignificant for the Company.

XI. Disclosure of Fair Value

1. Ending Fair Value of Assets and Liabilities at Fair Value

Unit: RMB

Item	Ending fair value			Total
	Fair value measurement items at level 1	Fair value measurement items at level 2	Fair value measurement items at level 3	
I. Consistent fair value measurement	--	--	--	--
(III) Other equity instrument investment	914,972.72			914,972.72
II. Inconsistent fair value measurement	--	--	--	--

2. Basis for determining the market price of continuous and non-continuous Level 1 fair value measurement items

Other equity instruments held by the Company belong to stocks of listed company, of which the closing price of stock exchange on 30 June 2022 shall be regarded as the fair value.

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 carrying value, and sensitivity analysis of unobservable parameters

6. Explain the Reason for Conversion and the Governing Policy when the Conversion Happens if Conversion Happens among Consistent Fair Value Measurement Items at Different Levels

7. Changes in the Valuation Technique in the Current Period and the Reason for Such Changes

8. The fair value of financial assets and financial liabilities not measured at fair value

9. Others

XII. Related Party and Related-party Transactions

1. Information Related to the Company as the Parent of the Company

Name	Registration place	Nature of business	Registered capital	Proportion of share held by the Company as the parent against the Company (%)	Proportion of voting rights owned by the Company as the parent against the Company (%)
Shenzhen Investment Holdings Co., Ltd.	Shenzhen	Limited liability company (solely-owned by the state)	RMB28,009 million	56.96%	56.96%

Notes: information on the Company as the parent

(1) The parent company of the Company is Shenzhen Investment Holdings Co., Ltd. (hereinafter referred to as "SIHC"), a newly-established and organized state-owned capital investment company based on the original three state-owned assets management companies in October 2004, and its main function is to manage the partial municipal state-owned companies according to the authorization of Municipal SASAC. As a government department, Shenzhen State-owned Assets Supervision and Administration Bureau manages Shenzhen Investment Holdings Co., Ltd. on behalf of People's Government of Shenzhen Municipality.

(2) In 2021, SIHC, the controlling shareholder of the Company, transferred 38,037,890 common shares of the Company in unlimited circulation (representing 6.382% of the total share capital of the Company) held by SIHC to Shenzhen State-owned Equity Management Co., Ltd. for free to replenish the social security funds. Shenzhen State-owned Equity Management Co., Ltd. is a newly-established wholly-owned subsidiary of SIHC to manage the transferred state-owned equity in a special account. After the registration of the free transfer, SIHC held 301,414,637 shares of the Company, accounting for 50.575% of the total share capital of the Company, and Shenzhen State-owned Equity Management Co., Ltd. held 38,037,890 shares of the Company, accounting for 6.382% of the total share capital of the Company.

The final controller of the Company is Shenzhen State-owned Assets Supervision and Administration Committee of Shenzhen Government.

Other notes:

2. Subsidiaries of the Company

Refer to Note IX-1.

3. Information on the Joint Ventures and Associated Enterprises of the Company

Refer to Note IX-3.

Information on other joint venture or associated enterprise of occurring related-party transactions with the Company in Reporting Period, or forming balance due to related-party transactions made in previous period:

Name	Relationship with the Company
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Other notes:

4. Information on Other Related Parties

Name	Relationship with the Company
Shenzhen Xinhai Holding Co., Ltd.	The Company as the parent of Xinhai Rongyao of subsidiary Rongyao Real Estate by non-controlling interests
Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	Subsidiary Rongyao Real Estate by non-controlling interests
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Infinova Limited	Subsidiary of the Company as the parent of the Company
Shenzhen Bay Area International Hotel Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Wholly-owned parent company's grandson company
Hebei Shenbao Investment Development Co., Ltd.	Parent company's grandson company
Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Shenfubao (Group) Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Business Apartment of Shenzhen Shenfubao (Group) Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Total Logistics Service Co., Ltd.	Parent company's grandson company
Shenzhen Convention & Exhibition Center Management Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Shentou Property Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Branch of GUOREN PROPERTY AND CASUALTY INSURANCE CO., LTD.	Parent company's grandson company

Shenzhen CGC Small Loan Co., Ltd.	Parent company's grandson company
Shenzhen Guarantee Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	Subsidiary of the Company as the parent of the Company
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Free Trade Zone Life Service Co., Ltd.	Parent company's grandson company
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenyue United Investment Co., Ltd.	Wholly-owned parent company's grandson company
Shenzhen Tianjun Industrial Co., Ltd.	Parent company's grandson company

Other notes:

5. List of Related-party Transactions

(1) Information on Acquisition of Goods and Reception of Labor Service

Information on acquisition of goods and reception of labor service

Unit: RMB

Related party	Content	Amount of the current period	The approval trade credit	Whether exceed trade credit or not	Amount of the previous period
Shenzhen Bay Technology Development Co., Ltd.	Management service fee	43,219,580.55	81,000,000.00	No	36,898,826.16
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Project architectural design plan				2,951,039.53
Shenzhen Infinova Limited	Intelligent engineering expense				611,563.48
GUOREN PROPERTY AND CASUALTY INSURANCE CO., LTD.	Insurance	909,945.52	2,178,700.00	No	112,834.59
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	Guarantee fee	1,061,950.00			
Shenzhen Credit Guarantee Group Co., Ltd.	Guarantee fee	13,656.60			
Business Apartment of Shenzhen Shenfubao (Group) Co., Ltd.	Service fee	26,911.00			

Information of sales of goods and provision of labor service

Unit: RMB

Related party	Content	Amount of the current period	Amount of the previous period
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Hebei Shenbao Investment Development Co., Ltd.	Property service fee	4,607,506.85	2,805,356.45
Hebei Shenbao Investment Development Co., Ltd.	Water and electricity project fund	6,583,247.61	
Shenyue United Investment Co., Ltd.	Property service fee	241,740.58	3,126,797.59
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Property service fee	875,587.86	741,984.34
Shenzhen Convention & Exhibition Center Management Co., Ltd.	Property service fee	1,884,845.11	
Shenzhen Total Logistics Service Co., Ltd.	Property service fee	1,530,379.26	
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Property service fee	516,023.58	
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Property service fee	36,227.22	
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Water and electricity project fund	1,359,633.03	
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Property service fee	41,148.39	
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Water and electricity project fund	87,654.97	
Shenzhen Shenfubao (Group) Co., Ltd.	Property service fee	2,957,378.73	
Shenzhen Shenfubao (Group) Co., Ltd.	Water and electricity project fund	1,064,220.19	
Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	Property service fee	3,529,946.35	2,730,655.98
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Property service fee	38,550.76	
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Water and electricity project fund	53,761.47	
Shenzhen Investment Holdings Co., Ltd.	Property service fee	7,169,148.87	
Shenzhen Bay Area International Hotel Co., Ltd.	Property service fee	14,100,000.00	
Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	Property service fee	163,100.40	
Shenzhen Bay Technology Development Co., Ltd.	Property service fee	19,066,931.69	28,502,992.03
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Property service fee	1,323,523.65	986,445.32
Shenzhen Xiangmiyu International Exchange Center Development Co., Ltd.	Property service fee	1,211,630.16	
Shenzhen Infinova Limited	Property service fee	117,241.67	
Guosen Securities Co., Ltd.	Property service fee	0.00	766,960.89
ShenZhen Special Economic Zone Real Estate & Properties	Property service fee	1,326,301.15	4,269,035.25

(Group) Co., Ltd.			
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Notes on acquisition of goods and provision/reception of labor service

(2) Information on Related-party Trusteeship/Contract

Lists of trusteeship/contract:

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Income recognized in this Reporting Period
Shenzhen Shentou Property Development Co., Ltd.	ShenZhen Properties & Resources Development (Group) Ltd.	Investment Properties	6 November 2019	5 November 2025	Market pricing	28,011,961.98

Notes:

Lists of entrust/contractee

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Charge recognized in this Reporting Period
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Notes:

(3) Information on Related-party Lease

The Company was lessor:

Unit: RMB

Name of lessee	Category of leased assets	The lease income confirmed in the Reporting Period	The lease income confirmed in the same period of last year
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Investment Properties	693,203.39	0.00
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Investment Properties	957,280.87	0.00

The Company was lessee:

Unit: RMB

Name of lessor	Type of assets leased	Rental expenses of short-term lease simplified treated and low-value asset lease (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Paid rent		Income expense of lease liabilities undertaken		Increased right-of-use assets	
		Reporting Period	The same period of last year	Reporting Period	The same period of last year	Reporting Period	The same period of last year	Reporting Period	The same period of last year	Reporting Period	The same period of last year
Shenzhen Shentou Property	Investment Properties					132,734.00	139,671.30	57,353.26	47,617.16		1,801,300.23

u Propert y Develo pment Co., Ltd.	es										
Shenzh en Hi- tech Zone Develo pment Constru ction Co., Ltd.	Investm ent Properti es					54,243. 00	0.00	4,765.0 4	1,011.8 9		295,875 .35

Notes:

(4) Information on Related-party Guarantee

The Company was guarantor:

Unit: RMB

Secured party	Amount of guarantee	Start date	End date	Execution accomplished or not
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The Company was secured party

Unit: RMB

Guarantor:	Amount of guarantee	Start date	End date	Execution accomplished or not
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Notes:

(5) Information on Inter-bank Lending of Capital of Related Parties

Unit: RMB

Related party	Amount	Start date	Maturity date	Note
Borrowing				
Lending				

(6) Information on Assets Transfer and Debt Restructuring by Related Party

Unit: RMB

Related party	Content	Amount of the current period	Amount of the previous period
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(7) Information on Remuneration for Key Management Personnel

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Remuneration for key management personnel	5,059,171.07	5,087,564.50

(8) Other Related-party Transactions**6. Accounts Receivable and Payable of Related Party****(1) Accounts Receivable**

Unit: RMB

Project	Related party	Ending balance		Beginning balance	
		Carrying balance	Bad debt provision	Carrying balance	Bad debt provision
Accounts Receivable	Shenzhen Bay Technology Development Co., Ltd.	86,462,569.52	2,529,166.58	112,281,758.95	3,368,452.77
	Hebei Shenbao Investment Development Co., Ltd.	3,059,281.37	91,778.44	2,221,584.63	66,647.54
	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	2,220,270.98	81,367.65	2,038,315.65	75,908.99
	Shenzhen Investment Holdings Co., Ltd.	47,832,951.11	1,422,392.91	494,774.12	20,087.62
	Shenzhen Shentou Property Development Co., Ltd.			3,618,388.27	108,551.65
	Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	28,814.40	846.43	28,814.40	864.43
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.			90,000.00	2,700.00
	Shenzhen Convention & Exhibition Center Management Co., Ltd.	1,281,690.86	38,021.73	1,170,565.00	48,987.95
	Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.			101,072.00	3,032.16
	Shenzhen Total Logistics Service Co., Ltd.	800,539.46	24,016.18	395,202.42	11,856.07
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	52,000.00	41,600.00	52,000.00	
	Shenzhen Shenfubao (Group) Tianjin Industrial	38,331.15	1,149.93	38,331.15	

	Development Co., Ltd.				
	Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	8,450,758.68	253,522.76	4,700,758.68	
	Shenzhen Shenfubao (Group) Co., Ltd.	2,696,163.04	58,852.89	2,458,264.34	
	Shenzhen Bay Area International Hotel Co., Ltd.	14,946,000.00	448,380.00		
	Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	230,167.20	6,905.02		
	Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	166,672.80	5,000.18		
Total		168,266,210.57	5,003,000.70	129,689,829.61	3,707,089.18
Prepayments	Shenzhen Shenfubao (Group) Co., Ltd.			42,726,200.00	
Total				42,726,200.00	
Other Receivables	Shenzhen Xinhai Holding Co., Ltd.	401,499,990.18	6,044,999.71	401,499,990.18	6,044,999.71
	Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	355,026,166.83	10,650,785.01	355,026,166.83	10,650,785.01
	Shenzhen Wufang Ceramics Industrial Co., Ltd.	1,747,264.25	1,747,264.25	1,747,264.25	1,747,264.25
	Shenzhen Bay Technology Development Co., Ltd.	11,809,060.35	419,496.75	11,809,060.35	419,496.75
	Shenzhen Qianhai Advanced Information Service Co., Ltd.	10,720,575.27	321,617.26	8,430,575.27	252,917.26
	Shenzhen Tianjun Industrial Co., Ltd.	10,000,000.00		10,000,000.00	
	Shenzhen Investment Holdings Co., Ltd.	685,740.90	94,936.15	109,148.44	46,829.92
	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	20,420.00	612.60	20,420.00	612.60
	Shenzhen Shentou Property Development Co., Ltd.	81,233.00	81,233.00	81,233.00	81,233.00
	ShenZhen Special Economic Zone Real Estate & Properties (Group)	20,722,314.85		20,722,314.85	

	Co., Ltd.				
	Shenzhen Shenfubao (Group) Co., Ltd.	8,345,544.85	75,477.88	33,568,863.10	
	China Shenzhen Foreign Trade (Group) Co., Ltd.	1,609,160.24		1,410,306.11	
Total		822,267,470.72	19,436,422.61	844,425,342.38	19,244,138.50

(2) Accounts Payable

Unit: RMB

Project	Related party	Closing book balance	Beginning carrying amount
Accounts payable	Shenzhen Shentou Property Development Co., Ltd.	715,243.51	887,042.50
	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	202,720.85	252,198.81
	Shenzhen General Institute of Architectural Design and Research Co., Ltd.		1,138,999.82
Total		917,964.36	2,278,241.13
Other payables	Shenzhen Shentou Property Development Co., Ltd.	6,118,414.61	10,874,467.40
	Shenzhen Bay Technology Development Co., Ltd.	111,815,469.83	90,354,189.38
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.	360,752.18	360,752.18
	Shenzhen Real Estate Jifa Warehousing Co., Ltd.	42,296,665.14	38,796,665.14
	Shenzhen Tian'an International Mansion Property Administration Co., Ltd. (Tian'an Company)	5,214,345.90	5,214,345.90
	Shenzhen Investment Holdings Co., Ltd.		769,277.91
	Shenzhen Infinova Limited	144,219.02	144,219.02
	Guosen Securities Co., Ltd.		228,813.86
	Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	535,734.00	535,734.00
	Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	654,786.00	654,786.00
	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	19,667,670.00	
	Shenzhen Free Trade Zone Life Service Co., Ltd.	4,850.00	4,850.00
	ShenZhen FuBao Industrial Park Operation Co., Ltd.	248,682.00	192,080.00
	Shenzhen Shenfubao (Group) Co., Ltd.	689,058.24	146,410.00
Total		187,750,646.92	148,276,590.79

7. Commitments of Related Party**8. Other****XIII. Stock Payment****1. The overall situation of share-based payments**

Applicable Not applicable

2. Equity-settled share-based payments

Applicable Not applicable

3. Cash-settled share-based payments

Applicable Not applicable

4. Modification and termination of share-based payments**5. Others****XIV. Commitments and Contingency****1. Significant Commitments**

Significant commitments on balance sheet date

Item	Reporting period	Same period of last year
Large amount contract signed but hasn't been recognized in financial statements	1,034,954,205.35	204,632,733.45

2. Contingency**(1) Significant Contingency on Balance Sheet Date**

① The action about transferring Jiabin Building contentious matter

In 1993, the Company signed *Right of Development Transfer Contract of Jiabin Building* with Shenzhen Jiyong Property Development Co., Ltd. (hereinafter referred to as "Jiyong Company"). Since the contract was not effectively executed, the Company subsequently filed a series of lawsuits against the parties involved in the project, but the outcome was not favorable to the Company. Therefore, the Company calculated and withdrew bad-debt provisions for accounts receivable from Jiyong Company in full in past years for the transfer of Jiabin Building. On 31 October 2018, Shenzhen Intermediate People's Court made a civil award and ruled that the Company's application for the bankruptcy of Jiyong Company would not be accepted. The Company appealed against the ruling. On 29 April 2019, the Guangdong Provincial Higher People's Court ruled to reject the Company's appeal and maintain the original ruling. As of the issuance date of the report, there is no new progress in the case.

② The contentious matters involved with all renovations, decorations, equipment and facilities in the floors 5-8 of Haiwai Lianyi

Building

In 2008, Shenzhen Hailian Guest House, a subsidiary of the Company, signed the *Internal Contract of Hailian Guest House, House Leasing Contract* with Cai Baolin, obtained the use right of the rooms on the floors 5-8 of Haiwai Lianyi Building accordingly and further established Shenzhen Hailian Hotel Co., Ltd. for business operation of the rooms. For the above-mentioned contracts were terminated, Cai Baolin brought a civil lawsuit against Shenzhen Hailian Guest House, Shenzhen Jinhailian Property Management Co., Ltd. ("Jinhailian") on all of the renovation, decoration, equipment and facilities made and installed in the rooms. The People's Court at Luohu District, Shenzhen City issued the civil judgment (2019) Yue 0303 Min Chu 4458 on 26 December 2019 and ordered Jinhailian to accept the renovation, decoration, equipment and facilities remaining on the floors 5-8 of Haiwai Lianyi Building by the plaintiff Cai Baolin within ten days after the judgment became effective, and Jinhailian should pay the residual value RMB2,396,947.00 and Cai Baolin had no right to the above assets. In the execution stage, the court held that the both parties were obligated to pay each other and, upon deduction of the objects of the two cases, Jinhailian would still need to pay Cai Baolin RMB393,672.31 together with execution fees amounting to RMB16,890.

③ The arbitration case of property contract dispute of Software Park Phase I between the Fourth Owners' Committee of Shenzhen Nanshan District Software Park (Applicant) and Shenzhen ITC Technology Park Service Co., Ltd. (Respondent 1, hereinafter referred to as the "ITC Technology Park Company"), plus the High-tech Zone Branch of Shenzhen ITC Technology Park Service Co., Ltd. (Respondent 2, hereinafter referred to as the "High-tech Zone Branch").

In February and March 2021, the High-tech Zone Branch and the ITC Technology Park Company received arbitration notices respectively of the case [2021] Shengguozhongshou No. 541 and [2021] Shengguozhongshou No. 1063. The Fourth Owners' Committee of Shenzhen Nanshan District Software Park applied for the following award: Respondent 1 shall return RMB9,893,677.82 and fund occupation fee of RMB3,272,665.99 (temporarily calculated from 1 July 2012 to 31 January 2021), totaling RMB13,166,343.81; respondent 1 shall bear the attorney's fee of RMB30,000.00; respondent 2 shall return RMB31,077,017.59 and RMB635,929.44 of fund occupation fee (temporarily calculated from 1 July 2020 to 31 January 2021), totaling RMB30,000.00; respondent 2 shall bear the attorney's fee of RMB30,000.00. The total amount of the above is RMB45,209,290.84.

The first session of the arbitration has been concluded, and the parties to the arbitration have disputed the number of amounts involved and have applied for an audit by a third-party auditor. The audit has now been completed and feedback has been sought from both parties to the dispute, and the final audit report will be issued shortly. As at the issuance date of the Report, the auditors have not issued the formal report.

④ The contentious matters concerning the dispute between Shenzhen Rongyao Real Estate Development Co., Ltd. (plaintiff) and Shenzhen Herunxiang Trade Co., Ltd. (defendant) over the compensation contract of property demolition and relocation

On 31 December 2019, for the implementation of the urban renewal project of Bangling Area on Guanlan Street in Shenzhen Longhua District, Shenzhen Rongyao Real Estate Development Co., Ltd. (hereinafter referred to as "Rongyao Real Estate") and Shenzhen Herunxiang Trade Co., Ltd. (hereinafter referred to as "Herunxiang") signed the *Agreement of Relocation Compensation on the Urban Renewal Project of Bangling Area from Guanlan Office of Shenzhen Longhua District*. Up to now, Herunxiang has not fulfilled the *Agreement* and cooperated with Rongyao Real Estate in handling the cancellation procedures for the certificate of real estate ownership of the relocated property, which has seriously damaged the legitimate rights and interests of Rongyao Real Estate. Therefore, Rongyao Real Estate has filed a lawsuit with the court, and required Herunxiang to cooperate in handling the cancellation procedures involving the Wanfa Furniture Town located in Guihua Village, Guanlan Street, Longhua District, Shenzhen, which includes the house property of the 1 and 2/F in Building 1, the 1, 2 and 3/F in Building 2, the 1, 2, 3 and 4/F in Building 3, and bearing the relevant taxes.

Shenzhen Rongyao Real Estate Development Co., Ltd. has taken property preservation measures against Shenzhen Herunxiang Trade Co., Ltd.

(Note: According to the *Agreement of Relocation Compensation on the Urban Renewal Project of Bangling Area from Guanlan Office of Shenzhen Longhua District* signed by Rongyao Real Estate and Herunxiang, the gross price of the aforementioned relocated properties is RMB200 million)

⑤ The case of execution objection of Shenzhen Rongyao Real Estate Development Co., Ltd.

In handling the case of private loan dispute (involving an amount of about RMB19 million) between the plaintiff Zhou Guohan and defendants Zhang Zhulin, Chen Saifeng and Shenfat Arts Crafts Rosewood(Shenzhen) Joint Stock Limited Company (hereinafter referred to as "Shenfat Rosewood"), the Qianhai Court issued the *Notice of Property Sequestration* ([2021] Yue 0391 Zhibao No. 238-1) on 5 June 2021, in which the Shenfat Rosewood's land and plants located in Tonggudi, Bangling Villager Group, Guihua Village, Guanlan Street, Bao'an District, Shenzhen (i.e. 192 Guihua Road, Guanlan Street) would be sealed up for three years from March 12, 2021, together with the rights and interests during the residual useful life of the land and the ownership of the buildings and appurtenances on the land (the illegal buildings' code are 508-0405-11220-B, 508-0405-11007-B, 508-0405-11013-B, 508-0405-11008-B and 508-0405-11010-B respectively).

On July 16, 2021 (according to the case filing time), Herunxiang filed an execution objection to the Qianhai Court on the property sequestration. The Qianhai Court, on 30 September 2021, issued the *Application for Execution* ([2021] Yue 0391 Zhiyi No. 228), rejecting the execution objection of Herunxiang. Herunxiang refused to accept the ruling and filed a lawsuit of the execution objection with the Qianhai Court on 3 November 2021 (according to the case filing time), which has been accepted by the Qianhai Court.

Early in September 2021, Rongyao Real Estate formally filed an objection against the sequestration execution with the Qianhai Court (the case was filed on 13 September). The Qianhai Court issued the *Application for Execution* ([2021] Yue 0391 Zhiyi No. 289) on 9 December 2021, ruling to "suspend the execution of property preservation already carried out by the Qianhai Court". Zhou Guohan refused to accept the ruling and filed a lawsuit of the execution objection with the Qianhai Court on 29 December 2021. The case will be heard at 14:30 PM on 25 April 2022.

Later, as the court failed to serve documents to Zhang Zhulin and Chen Saifeng, the court session was rescheduled from the original date in late April to 9:30 a.m. on 31 August.

⑥ Others

As a real estate developer, the Company provides mortgage loan guarantees and pays loan deposits for commercial housing purchasers according to the operation practice of the real estate industry. By 30 June 2022, the balance of the deposit not discharged with guarantee was RMB64,997,757.03, which would be discharged when the mortgage loans are paid off.

(2) Explanation shall be given even if there is no significant contingency for the Company to disclose

There was no significant contingency in the Company to disclose.

3. Others

XV. Events after Balance Sheet Date

1. Significant non-adjustment matters

Unit: RMB

Item	Contents	Influence number to the financial position and operating results	Reason of inability to estimate influence number

2. Distribution of Profit

Unit: RMB

3. Sales Return**4. Notes to Other Events after Balance Sheet Date****XVI. Other Significant Events****1. The Accounting Errors Correction in Previous Period****(1) Retrospective Restatement**

Unit: RMB

Content	Processing program	Name of the influenced report items during comparison period	Accumulative impact
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(2) Prospective Application

Content	Processing program	Reason for adopting prospective application
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2. Debt Restructuring**3. Assets Replacement****(1) Non-monetary Assets Exchange****(2) Other Assets Replacement****4. Pension Plans****5. Discontinued Operations**

Unit: RMB

Item	Revenue	Costs	Profit before taxation	Income tax expenses	Net profit	Profit from discontinued operations attributable to owners of the Company as the parent
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Other notes:

6. Segment Information**(1) Determination Basis and Accounting Policies of Reportable Segment**

In accordance with the internal organization structure, management requirements and internal report system, the Company identifies

the reportable segment based on the business segment, and assesses the operational performance of real estate sales, property management and catering service. The assets and liabilities sharing with other segments shall be proportionally distributed among segments by scales.

(2) The Financial Information of Reportable Segment

Unit: RMB

Item	Real estate	Property management	Leasing business	Offset among segment	Total
Revenue	1,156,147,570.46	778,342,112.81	53,810,156.97		1,988,299,840.24
Operating cost	334,703,848.75	674,642,686.47	59,306,048.10		1,068,652,583.32
Total assets	12,697,711,749.98	1,609,237,951.57	859,361,089.26		15,166,310,790.81
Total liabilities	9,398,253,414.85	1,299,419,757.57	292,091,111.61		10,989,764,284.03

(3) If There Was No Reportable Segment, or the Total Amount of Assets and Liabilities of Each Reportable Segment Could Not Be Reported, Relevant Reasons Shall Be Clearly Stated

(4) Other notes

7. Other Significant Transactions and Events with Influence on Investors' Decision-making

8. Other

XVII. Notes of Main Items in the Financial Statements of the Company as the Parent

1. Accounts Receivable

(1) Listed by Category

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying balance		Bad debt provision		Carrying value	Carrying balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawal of Bad debt provision separately accrued	96,702,269.40	96.84%	96,702,269.40	100.00%		96,702,269.40	97.65%	96,702,269.40	100.00%	
Of which:										
Accounts receivable	3,158,540.72	3.16%	143,932.48	4.56%	3,014,608.24	2,324,735.49	2.35%	100,760.83	4.33%	2,223,974.66

le withdrawal of bad debt provision of by group										
Of which:										
Total	99,860,810.12	100.00%	96,846,201.88	96.98%	3,014,608.24	99,027,004.89	100.00%	96,803,030.23	97.75%	2,223,974.66

Bad debt provision separately accrued: RMB96,702,269.40

Unit: RMB

Name	Ending balance			
	Carrying balance	Bad debt provision	Withdrawal proportion	Withdrawal reason
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and with no executable property
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2,836,561.00	100.00%	Long aging and expected unrecoverable
Luohu District Economic Development Company	54,380.35	54,380.35	100.00%	Long aging and expected unrecoverable
Total	96,702,269.40	96,702,269.40		

Withdrawal of bad debt provision by group: RMB143,932.48

Unit: RMB

Name	Ending balance		
	Carrying balance	Bad debt provision	Withdrawal proportion
Within 1 year (including 1 year)	2,756,828.14	79,339.03	3.00%
1-2 years (including 2 years)	279,601.63	27,960.16	10.00%
2-3 years (including 3 years)	122,110.95	36,633.29	30.00%
Total	3,158,540.72	143,932.48	

Notes to the determination basis for the group:

Refer to Part X Financial Statements for details

Please refer to the relevant information of disclosure of bad debt provision of other accounts receivable if adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable.

Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Carrying balance
Within 1 year (including 1 year)	2,756,828.14
1 to 2 years	279,601.63
2 to 3 years	122,110.95
Over 3 years	96,702,269.40
Over 5 years	96,702,269.40
Total	99,860,810.12

(2) Bad Debt Provision Withdrawal, Reversed or Recovered in the Reporting Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Verification	Others	
Bad debt provision withdrawn separately	96,702,269.40					96,702,269.40
Bad debt provision withdrawn by portfolio	100,760.83	43,171.65				143,932.48
Total	96,803,030.23	43,171.65				96,846,201.88

Of which significant amount of reversed or recovered bad debt provision:

Unit: RMB

Name of entity	Amount reversed or recovered	Way of recovery
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(3) Accounts Receivable Written-off in Current Period

Unit: RMB

Item	Amount verified
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Of which the verification of significant accounts receivable:

Unit: RMB

Name of entity	Nature	Amount verified	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes to verification of accounts receivable:

(4) Top 5 of the Ending Balance of the Accounts Receivable Collected according to Arrears Party

Unit: RMB

Name of entity	Ending balance	Proportion to total ending balance of accounts receivable	Ending balance of bad debt provision
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93.94%	93,811,328.05
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2.84%	2,836,561.00
China Pacific Property Insurance Co., Ltd.	1,305,420.00	1.31%	39,162.60
Shenzhen Feihuang Industrial Co., Ltd.	769,919.05	0.77%	23,097.57
Shenzhen Lehui Party Catering Management Co., Ltd.	583,269.40	0.58%	55,463.73
Total	99,306,497.50	99.44%	

(5) Accounts Receivable Derecognized due to the Transfer of Financial Assets**(6) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Accounts Receivable**

Other notes:

2. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Interests receivable	385,423,194.45	0.00
Dividends receivable	0.00	0.00
Other Receivables	4,778,856,969.07	2,412,506,681.28
Total	5,164,280,163.52	2,412,506,681.28

(1) Interest Receivable**1) Category of Interest Receivable**

Unit: RMB

Item	Ending balance	Beginning balance
Entrust loans	385,423,194.45	
Total	385,423,194.45	0.00

2) Significant Overdue Interest

Unit: RMB

Entity	Ending balance	Overdue time	Overdue reason	Whether occurred impairment and its judgment basis

Other notes:

3) Information of Withdrawal of Bad Debt ProvisionApplicable Not applicable**(2) Dividend Receivable****1) Dividend receivable classification**

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
Total	0.00	0.00

2) Significant Dividends Receivable Aging over 1 Year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason	Whether occurred impairment and its judgment basis

3) Information of Withdrawal of Bad Debt ProvisionApplicable Not applicable

Other notes:

(3) Other Receivables**1) Other Receivables Classified by Account Nature**

Unit: RMB

Nature	Closing book balance	Beginning carrying amount
Guarantee deposit	2,240,927.00	2,328,581.00
External intercourse funds	23,216,234.57	56,305,486.73
Internal intercourse funds	4,785,968,996.64	2,386,210,528.77
Total	4,811,426,158.21	2,444,844,596.50

2) Withdrawal of Bad Debt Provision

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss of the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected credit losses for the entire duration (with credit impairment)	
Balance as at 1 January 2022	8,844,588.14		23,493,327.08	32,337,915.22
Balance of 1 January 2022 in the Current Period				
Withdrawal of the Current Period	43,181.20		188,092.72	231,273.92
Balance as at 30 June 2022	8,887,769.34		23,681,419.80	32,569,189.14

Changes of carrying amount with significant amount changed of loss provision in the Current Period

 Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Ending balance
Within 1 year (including 1 year)	4,231.63
1 to 2 years	3,880.01
2 to 3 years	20,880.00
Over 3 years	32,540,197.50
4 to 5 years	40,000.00
Over 5 years	32,500,197.50
Total	32,569,189.14

3) Bad Debt Provision Withdrawn, Reversed or Recovered in the Reporting Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Verification	Others	
Bad debt provision withdrawn separately	23,493,327.08	188,092.72				23,681,419.80
Bad debt	8,844,588.14	43,181.20				8,887,769.34

provision withdrawn by portfolio						
Total	32,337,915.22	231,273.92				32,569,189.14

Of which the bad debt provision reversed or recovered with significant amount during the Reporting Period:

Unit: RMB

Name of entity	Amount reversed or recovered	Way of recovery
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4) Particulars of the Actual Verification of Other Receivables during the Reporting Period

Unit: RMB

Item	Amount verified
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Of which the verification of significant other receivables:

Unit: RMB

Name of entity	Nature	Amount verified	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes to the verification of other receivables:

5) Top 5 of the Ending Balance of Other Receivables Collected according to the Arrears Party

Unit: RMB

Name of entity	Nature	Ending balance	Aging	Proportion to ending balance of total other receivables%	Ending balance of bad debt provision
Dongguan Wuhe Real Estate Co., Ltd.	Intercourse funds to subsidiary	2,113,760,170.00	Within 1 year (including 1 year)	43.93%	
Shenzhen Guangming Wuhe Real Estate Co., Ltd.	Intercourse funds to subsidiary	1,621,000,000.00	Within 1 year (including 1 year)	33.69%	
Yangzhou Wuhe Real Estate Co., Ltd.	Intercourse funds to subsidiary	576,893,203.49	Within 1 year (including 1 year)	11.99%	
Shum Yip Properties Development Co., Ltd.	Intercourse funds to subsidiary	105,126,625.45	Over 5 years	2.18%	7,199,477.67
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	Intercourse funds to subsidiary	37,888,221.89	Within 1 year (including 1 year)	0.79%	
Total		4,454,668,220.83		92.58%	7,199,477.67

6) Accounts Receivable Involving Government Subsidies

Unit: RMB

Name of entity	Project of government subsidies	Ending balance	Ending aging	Estimated recovering time, amount and basis
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7) Derecognition of Other Receivables due to the Transfer of Financial Assets

8) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Other Receivables

Other notes:

3. Long-term Equity Investment

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying balance	Impairment provision	Carrying value	Carrying balance	Impairment provision	Carrying value
Investment to subsidiaries	1,402,829,880. 39	68,364,000.00	1,334,465,880. 39	1,127,829,880. 39	68,364,000.00	1,059,465,880. 39
Investment to joint ventures and associated enterprises	70,203,829.89	18,983,614.14	51,220,215.75	69,344,295.51	18,983,614.14	50,360,681.37
Total	1,473,033,710. 28	87,347,614.14	1,385,686,096. 14	1,197,174,175. 90	87,347,614.14	1,109,826,561. 76

(1) Investment to Subsidiaries

Unit: RMB

Investee	Beginning balance (carrying value)	Increase/decrease				Ending balance (carrying value)	Ending balance of depreciation reserve
		Additional investment	Investment reduced	Withdrawal of impairment provision	Others		
Shenzhen Huangcheng Real Estate Co., Ltd.	35,552,671.9 3					35,552,671.9 3	
Shenzhen Wuhe Industry Investment Development Co., Ltd.	44,950,000.0 0					44,950,000.0 0	
SZPRD Yangzhou Real Estate Development Co., Ltd.	50,000,000.0 0					50,000,000.0 0	
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	20,000,000.0 0					20,000,000.0 0	
Shenzhen International Trade Center Property Management Co., Ltd.	195,337,851. 23					195,337,851. 23	
Shenzhen Property Engineering	3,000,000.00					3,000,000.00	

and Construction Supervision Co., Ltd.								
SZPRD Commercial Operation Co., Ltd.	63,509,120.32						63,509,120.32	
Zhanjiang Shenzhen Real Estate Development Co., Ltd.								2,530,000.00
Shum Yip Properties Development Co., Ltd.								15,834,000.00
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.								50,000,000.00
Shenzhen Rongyao Real Estate Development Co., Ltd.	508,000,000.00						508,000,000.00	
SZPRD Urban Renewal Co., Ltd.	119,116,236.91			41,641,757.62			77,474,479.29	
Dongguan Wuhe Real Estate Co., Ltd.	20,000,000.00	30,000,000.00					50,000,000.00	
Shenzhen Guangming Wuhe Real Estate Co., Ltd.		50,000,000.00					50,000,000.00	
Shenzhen Wuhe Urban Renewal Co., Ltd.		236,641,757.62					236,641,757.62	
Total	1,059,465,880.39	316,641,757.62		41,641,757.62			1,334,465,880.39	68,364,000.00

(2) Investment to Joint Ventures and Associated Enterprises

Unit: RMB

Investee	Beginning balance (carrying value)	Increase/decrease								Ending balance (carrying value)	Ending balance of depreciation reserve
		Additional investment	Investment reduced	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Others		
I. Joint ventures											
Shenzhen Real	43,516,			784,773						44,301,	

Estate Jifa Warehousing Co., Ltd.	665.12			.86						438.98	
Shenzhen Tian'an International Mansion Property Administration Co., Ltd. (Tian'an Company)	6,844,016.25			74,760.52						6,918,776.77	
Subtotal	50,360,681.37			859,534.38						51,220,215.75	
II. Associated enterprises											
Shenzhen Wufang Ceramics Industrial Co., Ltd.											18,983,614.14
Subtotal											18,983,614.14
Total	50,360,681.37									51,220,215.75	18,983,614.14

(3) Other Notes**4. Operating Revenue and Cost of Sales**

Unit: RMB

Item	Amount of the current period		Amount of the previous period	
	Revenue	Cost	Revenue	Cost
Main business	23,251,320.73	16,550,326.74	31,762,623.21	17,990,848.30
Others	8,338,349.86	659,988.00	10,538,272.14	659,988.00
Total	31,589,670.59	17,210,314.74	42,300,895.35	18,650,836.30

Relevant information of revenue:

Unit: RMB

Category of contracts	Segment 1	Segment 2	Total
Product categories			
Of which:			
House leasing business	31,589,670.59		31,589,670.59
Classified by operating region			
Of which:			

Shenzhen	31,589,670.59			31,589,670.59
By types of market or customers				
Of which:				
Types of contracts				
Of which:				
By the time of transferring goods				
Of which:				
By contract term				
Of which:				
By marketing channel				
Of which:				
Total	31,589,670.59			31,589,670.59

Information about performance obligations:

The income of the parent company in this period was all income from leasing business.

Information in relation to the transaction price apportioned to the residual contract performance obligation:

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB0.00 at the period-end, among which RMBXXX was expected to be recognized in the year, RMBXXX in the year and RMBXXX in the year.

Other notes:

5. Investment Income

Unit: RMB

Item	Amount of the current period	Amount of the previous period
Long-term equity investment income accounted by equity method	859,534.38	3,218,483.17
Interest income from entrusted loans	76,724,135.18	59,818,841.72
Total	77,583,669.56	63,037,324.89

6. Other

XVIII. Supplementary Materials

1. Items and Amounts of Non-recurring Profit or Loss

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gains/losses from the disposal of non-current assets	-41,452.49	
Government grants recorded in the current profit or loss (except for those acquired in the ordinary course of company's business, in line with national	1,115,174.40	Mainly subsidies received for staying on the job and epidemic prevention

policies and regulations, or granted continuously according to certain standard quotas or amounts)		
Capital occupation charges on non-financial enterprises that are charged to current profit or loss	-100,594.95	
Current profit or loss on subsidiaries obtained in business combinations involving enterprises under common control from the period-beginning to combination dates, net	-6,933,601.34	
Other non-operating income and expense other than the above	1,128,481.62	Mainly confiscated income and default fine
Less: Income tax effects	554,987.92	
Non-controlling interests effects	461,472.66	
Total	-5,848,453.34	--

Others that meets the definition of non-recurring gain/loss:

Applicable Not applicable

No such cases in the Reporting Period.

Explain the reasons if the Company classifies any extraordinary gain/loss item mentioned in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-recurring Gains and Losses as a recurrent gain/loss item

Applicable Not applicable

2. Return on Equity and Earnings Per Share

Profit as of Reporting Period	Weighted average ROE (%)	EPS	
		EPS-basic	EPS-diluted
Net profit attributable to ordinary shareholders of the Company	5.40%	0.4208	0.4208
Net profit attributable to ordinary shareholders of the Company after deduction of non-recurring profit or loss	5.53%	0.4306	0.4306

3. Differences between Accounting Data under Domestic and Overseas Accounting Standards

(1) Differences of Net Profit and Net Assets Disclosed in Financial Reports Prepared under International and Chinese Accounting Standards

Applicable Not applicable

(2) Differences of Net profit and Net assets Disclosed in Financial Reports Prepared under Overseas and Chinese Accounting Standards

Applicable Not applicable

(3) Explain Reasons for the Differences between Accounting Data under Domestic and Overseas Accounting Standards; for any Adjustment Made to the Difference Existing in the Data Audited by the Foreign Auditing Agent, Such Foreign Auditing Agent's Name Shall Be Clearly Stated

4. Other