



SHENZHEN PROPERTIES & RESOURCES DEVELOPMENT (GROUP) LTD.

SEMIANNUAL FINANCIAL REPORT 2022

August 2022

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	2,063,279.42	-818,697.61

as the parent		
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	-9,501,129.48	-7,749,467.81

interests		
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	1,979,232,911.12	3,254,604,270.37

activities		
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	25,384,592.62	32,652,425.50

rendering of services		
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														
	Equity attributable to owners of the Company as the parent													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserves	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	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

prior year															
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	- 8,17 4,65 3.66	0.00	47,5 74,9 40.1 8	0.00	3,80 0,90 1,41 3.35	4,58 3,26 6,95 9.57	46,8 19,6 13.1 9	4,63 0,08 6,57 2.76	
3. Increase/ decrease in the period ("-" for decrease)					- 66,4 98,1 22.3 2	0.00	2,06 3,27 9.42	0.00	- 17,9 37,3 91.7 1	0.00	- 362, 926, 701. 89	- 445, 298, 936. 50	- 8,24 1,12 9.48	- 453, 540, 065. 98	
3.1 Total comprehen sive income							2,06 3,27 9.42				250, 802, 157. 71	252, 865, 437. 13	- 9,50 1,12 9.48	243, 364, 307. 65	
3.2 Capital increased and reduced by owners					- 66,4 98,1 22.3 2	0.00	0.00	0.00	- 17,9 37,3 91.7 1	0.00	- 208, 463, 077. 04	- 292, 898, 591. 07	1,26 0,00 0.00	291, 638, 591. 07	
3.2.1 Ordinary shares increased by												0.00	1,26 0,00 0.00	1,26 0,00 0.00	

owners																	
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														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
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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 reserves	Surplus reserves	General reserves	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	595,979,092.00				150,272,627.31		-6,749,589.41		37,123,959.44		3,083,472,591.46		3,860,098,683.07	53,204,039.80	3,913,302,722.87	

beginning of the Reporting Period of the year	00				31		9.41		4		8.77		8.11	0	7.91
3. Increase/decrease in the period (“-” for decrease)							- 818, 697. 61				400, 310, 574. 58		399, 491, 876. 97	- 7,60 9,46 7.80	391, 882, 409. 17
3.1 Total comprehensive income							- 818, 697. 61				677, 467, 066. 42		676, 648, 368. 81	- 7,74 9,46 7.80	668, 898, 901. 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 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				150,272,627.31		-7,568,287.02		37,123,959.44		3,483,783,173.35		4,259,590,565.08	45,594,572.00	4,305,185,137.08

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

H1 2022

Unit: RMB

Item	H1 2022												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		-2,574,121.54			29,637,548.47	1,337,497,586.41		2,014,416,485.45
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		-2,574,121.54		29,637,548.47	1,337,497,586.41		2,014,416,485.45
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									- 405,2 65,78 2.56			- 405,2 65,78 2.56
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)												
3.3.3 Other									- 405,2 65,78 2.56			- 405,2 65,78 2.56
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											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surpluses reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
1. Balance as at the end of the Reporting	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

Period of the prior year												
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									- 244,3 51,42 7.72			- 244,3 51,42 7.72
3.3.1 Appropriatio n to surplus reserves												
3.3.2 Appropriatio n to owners (or shareholders)												
3.3.3 Other									- 244,3 51,42 7.72			- 244,3 51,42 7.72
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 comprehen- sive 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	595,9 79,09 2.00				53,87 6,380. 11		- 2,810, 709.6 4		19,20 5,979. 63	1,322, 148,0 93.16		1,988, 398,8 35.26

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 afforestation 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
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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
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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' 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
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 provision separately accrued	150,000.00	100.00%				200,000.00	100.00%			
Of which:										
Of which:										
Total	150,000.	100.00%				200,000.	100.00%			

	00					00			
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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 Company	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and unrecoverable
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
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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

(3) Accounts Receivable Written-off in Current Period

Unit: RMB

Item	Amount verified

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

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 Provision

Applicable 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 Provision

Applicable 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	Verification	Others	

			recovery			
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

4) Particulars of the Actual Verification of Other Receivables during the Reporting Period

Unit: RMB

Item	Amount verified

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

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.,	Intercourse funds	756,526,157.01	2 to 3 years	80.67%	16,695,784.72

Ltd.					
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 Inventory

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*.

Classification by nature:

Unit: RMB

Item	Ending balance	Beginning balance
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	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 funds
Guanlan Bangling project	7 January 2021	31 December 2025	6,941,500,000.00	3,805,312,202.35			115,590,629.32	3,920,902,831.67	175,255,593.56	60,384,910.13	Bank loans
SZPRD - Banshan Yujing	15 March 2019	31 January 2022	235,810,000.00	196,197,525.93	224,790,745.77		28,593,219.84				

Phase II											
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 Qionghan Land				6,648,404.13				6,648,404.13			
Shenhuji Garden				37,002,030.89				37,002,030.89			
Fuyuantai 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 hu 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	Beginning	Increase	Decrease	Ending	Accumulated	Of which:
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	completion	balance			balance	amount of interest capitalization	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 I	1 June 2015	57,356,637.66		273,873.02	57,082,764.64	10,446,911.43	
SZPRD-Songhu Langyuan	1 July 2017	24,505,635.91		135,692.64	24,369,943.27	27,205,315.95	
SZPRD-Hupan Yujing Phase II	1 November 2017	45,306,202.60		14,412,375.18	30,893,827.42	30,539,392.65	
SZPRD-Golden Collar's Resort	1 December 2019	270,245,459.13		106,148,893.90	164,096,565.23	26,385,636.29	
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
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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
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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
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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
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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
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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	Remarks
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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

(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 Internet	6,844,016.25			74,760.52						6,918,776.77	

ional Mansio n Propert y Admini stration Co., Ltd. (Tian'a n Compa ny)											
Subtota l	50,360, 681.37			859,534 .38						51,220, 215.75	
II. Associated enterprises											
Shenzh en Wufang Cerami cs Industri al Co., Ltd.	18,983, 614.14									18,983, 614.14	18,983, 614.14
Shenzh en Kangfu Health Product s Co., Ltd.	165,000 .00									165,000 .00	165,000 .00
Shenzh en Xingha o Imitatio n Porcela in Co., Ltd.	756,670 .68									756,670 .68	756,670 .68
Shenzh en Social	326,693 .24									326,693 .24	326,693 .24

Welfare Compa ny Fuda Electro nics Factory											
Shenzh en Fulong Industr y Develo pment Co., Ltd.	1,684,3 50.00									1,684,3 50.00	1,684,3 50.00
Haonia nhua Hotel	2,733,5 70.05									2,733,5 70.05	2,733,5 70.05
Shenzh en Educati on Fund Longhu a Investm ent	500,000 .00									500,000 .00	500,000 .00
Shenzh en Kangle Sports Club Huangf a Branch	540,060 .00									540,060 .00	540,060 .00
Danken g Village Plants of Fumin in Guanla	1,168,9 73.20									1,168,9 73.20	1,168,9 73.20

n Town, Shenzh en City											
Shenzh en Bull Entertai nment Co., Ltd.	500,000 .00									500,000 .00	500,000 .00
Shenzh en Lianhu a Caitian Propert y Manage ment Co., Ltd.	1,475,4 65.91									1,475,4 65.91	1,475,4 65.91
Shenzh en Yangyu an Industri al Co., Ltd.	1,030,0 00.00									1,030,0 00.00	1,030,0 00.00
Jiakai fe ng Co., Ltd. Bao'an Compa ny	600,000 .00									600,000 .00	600,000 .00
Guiyua n Garage	350,000 .00									350,000 .00	350,000 .00
Shenzh en Wuwei ben Roof Greenin g Co.,	500,000 .00									500,000 .00	500,000 .00

Ltd.											
ShenzhenYuanping 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 Development Co., Ltd.	100,000.00									100,000.00	100,000.00
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	Accumulative gains	Accumulative losses	Amount of other	Reason for assigning to	Reason for other

	recognized			comprehensive income transferred to retained earnings	measure in fair value of which changes included other comprehensive income	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

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				390,983.97	390,983.97

amount of the period					
(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 Community Technology Co., Ltd.	9,446,847.38					9,446,847.38
Total	9,446,847.38					9,446,847.38

(2) Depreciation Reserves of Goodwill

Unit: RMB

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

generating goodwill						
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	
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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 intangible assets	115,779.31		115,779.31	115,779.31		115,779.31
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:		
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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

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

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	337,949.61	11,613,296.10	11,097,952.91	853,292.80

benefits				
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
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(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 Property Administration Co., Ltd.	5,214,345.90	Come-and-go accounts without specific 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

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
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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											

(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 income in the Reporting Period	Amount recorded into other income in the Reporting Period	Amount offset cost in the Reporting Period	Other changes	Ending balance	Related to assets/related income
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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					Attributable to owners of the Company as the parent after tax	Attributable to non-controlling interests after tax	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	Less: recorded in other comprehensive income in prior period and transferred in retained earnings	Less: Income tax expense				

			the Current Period	in the Current Period				
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
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	151,914,673.72	722,699,956.36

used in operating activities (decrease: negative)		
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

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		
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(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

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 Free Trade Zone Security Service Co., Ltd.	100.00%	Under the same ultimate control both before and after the combination	28 February 2022	Completion of equity change	4,467,813.55	-82,885.87	14,304,325.67	-47,474.50

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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 a 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 Shenfang 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 Shenlv Garden Co., Ltd.	Shenzhen	Shenzhen	Public facilities management services	90.00%	Business 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	Shenzhen	Shenzhen	Retail trade	90.00%	Business

Industrial Co., Ltd.		n				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 Shenguomao Industrial City Smart Service Co., Ltd.	Shenzhen	Shenzhen	Service Industry		51.00%	Set-up
Vietnam Shenguomao 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			
	Fair value measurement items at level 1	Fair value measurement items at level 2	Fair value measurement items at level 3	Total
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 Xiangmi 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
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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
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 &	Property service fee	1,884,845.11	

Exhibition Center Management Co., Ltd.			
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)	Property service fee	163,100.40	

Innovation Development Co., Ltd.			
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 Xiangmihu 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 (Group) Co., Ltd.	Property service fee	1,326,301.15	4,269,035.25

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 Shentu Property Development Co., Ltd.	Investment Properties					132,734.00	139,671.30	57,353.26	47,617.16		1,801,300.23
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Investment Properties					54,243.00	0.00	4,765.04	1,011.89		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

The Company was secured party

Unit: RMB

Guarantor:	Amount of guarantee	Start date	End date	Execution accomplished or not

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

(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	86,462,569.52	2,529,166.58	112,281,758.95	3,368,452.77

	Technology Development Co., Ltd.				
	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	800,539.46	24,016.18	395,202.42	11,856.07

	Co., Ltd.				
	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 Development Co., Ltd.	38,331.15	1,149.93	38,331.15	
	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) Co., Ltd.	20,722,314.85		20,722,314.85	
	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	96,702,269.40	96.84%	96,702,269.40	100.00%		96,702,269.40	97.65%	96,702,269.40	100.00%	

le withdra wal of Bad debt provisio n separatel y accrued										
Of which:										
Account s receivab le withdra wal of bad debt provisio n of by group	3,158,54 0.72	3.16%	143,932. 48	4.56%	3,014,60 8.24	2,324,73 5.49	2.35%	100,760. 83	4.33%	2,223,97 4.66
Of which:										
Total	99,860,8 10.12	100.00%	96,846,2 01.88	96.98%	3,014,60 8.24	99,027,0 04.89	100.00%	96,803,0 30.23	97.75%	2,223,97 4.66

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
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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 Provision
 Applicable 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 Provision□Applicable 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 provision withdrawn by portfolio	8,844,588.14	43,181.20				8,887,769.34
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

4) Particulars of the Actual Verification of Other Receivables during the Reporting Period

Unit: RMB

Item	Amount verified

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

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	Ending balance of bad debt provision

				total other receivables%	
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

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	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

subsidiaries						
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.	35,552,671.93					35,552,671.93	
Shenzhen Wuhe Industry Investment Development Co., Ltd.	44,950,000.00					44,950,000.00	
SZPRD Yangzhou Real Estate Development Co., Ltd.	50,000,000.00					50,000,000.00	
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	20,000,000.00					20,000,000.00	
Shenzhen International Trade Center Property Management	195,337,851.23					195,337,851.23	

Co., Ltd.							
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	3,000,000.00					3,000,000.00	
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	
ShenzhenGuangmingWuh		50,000,000.00				50,000,000.00	

e Real Estate Co., Ltd.								
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 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'a	6,844,016.25			74,760.52							6,918,776.77	

n Compa ny)											
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 policies and regulations, or granted continuously according to certain standard quotas or amounts)	1,115,174.40	Mainly subsidies received for staying on the job and epidemic prevention
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	5.40%	0.4208	0.4208

Company			
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