



**Sino Great Wall Co., Ltd.**  
**The Semi-annual Report 2019**

**August 2019**

## I. Important Notice, Table of Contents and Definitions

The Board of Directors and the directors, Supervisory Committee and supervisors and Senior Executives of the Company hereby warrant that at the year , there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

Mr.Chen Lue , The Company leader, Ms.Yang Chunling, Person in charge of accounting and the Ms. Chang Chunling, the person in charge of the accounting department (the person in charge of the accounting )hereby confirm the authenticity and completeness of the financial report enclosed in this semi-annual report.

All the directors attended the board meeting for reviewing the Semi-Annual Report.

Any plans for the future and other forward-looking statements mentioned in this Report shall Not be considered as absolute promises of the Company to investors. Therefore, investors are kindly reminded to pay attention to possible investment risks.

Details of the risk factors and countermeasures of future development have been well-described in this report, please find in Section IV(10) Performance Discussion and Analysis. investors are kindly reminded to pay attention to possible investment risks.

The Company has no plan of cash dividends carried out, bonus issued and capitalizing of common reserves either.

## Table of Contents

Semi-Annual Report 2019

I. Important Notice and Definitions

II. Corporate Profile and Key Financial Indicators

III. Business Profile

IV. Performance Discussion and Analysis

V. Important Events

VI. Change of share capital and shareholding of Principal Shareholders

VII. Situation of the Preferred Shares

VIII. Information about Directors, Supervisors and Senior Executives

IX. Corporate Bonds

X. Financial Report

XI. Documents available for inspection

## Definition

Terms to be defined	Refers to	Definition
Company Law	Refers to	Company Law of the People's Republic of China
Securities Law	Refers to	Securities Law of the People's Republic of China
“CSRC”	Refers to	China Securities Regulatory Commission
Company, The Company, Sino Great Wall	Refers to	Sino Great Wall Co., Ltd.
Sino International	Refers to	Sino Great Wall International Engineering Co., Ltd.
SZSE	Refers to	Shenzhen Stock Exchange
SSRB	Refers to	Shenzhen Securities Regulatory Bureau
Reporting period	Refers to	January 1,2019 to June 30,2019
Wuhan Commercial worker Hospital	Refers to	Wuhan Commercial worker Hospital Co., Ltd.
Union Holdings	Refers to	Union Holdings Co., Ltd.
Rich Crown Investment	Refers to	Rich Crown Investment Co., Ltd.
Baden-Baden Hospital	Refers to	Acura Kliniken Baden-Baden GmbH
Bihui Road & Bridge	Refers to	Xian Bihui Road & Bridge Engineering Co., Ltd.

## II. Corporate Profile and Key Financial Indicators

### I. Company Information

Stock abbreviation	*STSino Great Wall, *ST Sino-B	Stock code	000018、200018
Stock exchange for listing	Shenzhen Stock Exchange		
Name in Chinese	神州长城股份有限公司		
Chinese Abbreviation	神州长城		
English name (If any)	Sino Great Wall Co., Ltd.		
English Abbreviation (If any)	Sino Great Wall Sino-B		
Legal Representative	Chen Lue		

### II. Contact person and contact manner

	Board secretary	Securities affairs Representative
Name	Yang Chunling	Sun Yu
Contact address	Sino Great Wall Building, No.3 Jinxiu Street, Economic Technology Development Zone , Beijing	Sino Great Wall Building, No.3 Jinxiu Street, Economic Technology Development Zone , Beijing
Tel	010-89045855	010-89045855
Fax	010-89045856	010-89045856
E-mail	1208806865@qq.com	000018sz@sina.com

### III. Other information

#### (1) Way to contact the Company

Whether registrations address, offices address and codes as well as website and email of the Company changed in reporting period or not

Applicable  Not Applicable

The registered address, office address and their postal codes, website address and email address of the Company did not change during the reporting period. The said information can be found in the 2018 Annual Report.

#### (2) About information disclosure and where this report is placed

Did any change occur to information disclosure media and where this report is placed during the reporting period?

Applicable  Not applicable

The newspapers designated by the Company for information disclosure, the website designated by CSRC for disclosing this report and the location where this report is placed did not change during the reporting period. The said information can be found in the 2018 Annual Report.

### IV. Summary of Accounting Data and Financial Indicators

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

Yes  No

	Reporting period	Same period of last year	YoY+/- (%)
Operating income (RMB)	256,367,221.67	1,586,971,575.24	-83.85%
Net profit attributable to the shareholders of the listed company (RMB)	-1,416,774,391.50	143,999,455.72	-1,083.87%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	-951,716,601.10	-33,506,685.35	2,740.38%
Cash flow generated by business operation, net (RMB)	-422,152,026.80	1,098,164,365.63	-138.44%
Basic earning per share(RMB/Share)	-0.8343	0.0848	-1,083.84%
Diluted gains per share(RMB/Share)(RMB/Share)	-0.8343	0.0848	-1,083.84%
Weighted average ROE(%)	-298.54%	6.61%	-305.15%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Gross assets (RMB)	7,971,610,486.31	9,603,455,934.89	-16.99%
Shareholders' equity attributable to shareholders of the listed company (RMB)	-1,184,353,287.94	235,202,473.51	-603.55%

## V. The differences between domestic and international accounting standards

1. Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

Applicable  Not applicable

Nil

2. Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards.

Applicable  Not applicable

Nil

## VI. Items and amount of non-current gains and losses

Applicable  Not applicable

In RMB

Items	Amount	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	54,651.22	
Net amount of non-operating income and expense except the aforesaid items	-465,112,441.62	
Total	-465,057,790.40	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable     Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non -recurring gain/loss in the report period.

### III. Business Profile

#### I .Main Business the Company is Engaged in During the Report Period

Whether the company needs to comply with the disclosure requirements of the particular industry

Yes

Civil Engineering Construction

During the reporting period, the company's core businesses were engineering construction and the investment and management of medical and health industries. The construction of the project is mainly international general contracting (EPC) business and domestic professional projects. The investment and management of medical and health industry are mainly medical engineering, hospital investment and old-age care industry investment. At present, the company's business scope has spread to major cities in China and many countries and regions such as Southeast Asia, Middle East, South Asia and Africa.

The main mode of the company's foreign engineering construction is EPC general contracting, that is, through the integration of domestic and foreign high-quality resources, the whole process or several stages of contracting are implemented for the design, procurement, construction and trial operation of construction projects.

The Company business includes the project development, financing, design, procurement and construction, etc. and it will also participate in investment in and provision of operation services for high-quality projects with good development prospect.

#### II .Major Changes in Main Assets Major Changes in Main Assets

##### 1. Major Changes in Main Assets

Main assets	Major changes
Equity assets	No significant change
Fixed assets	No significant change
Intangible assets	No significant change
Construction in process	No significant change

##### 2. Main Conditions of Overseas Assets

Applicable  Not applicable

### III. Analysis On core Competitiveness

Whether the company needs to comply with the disclosure requirements of the particular industry

Yes

Civil Engineering Construction

Sino Great Wall is a leading construction & engineering contractor in China with business covers various types construction & engineering contracting. With leading projects such as PM, EPC, BT, BO and PPP, etc., The



promotion of the national "the belt and road initiative" strategy has provided a good opportunity for the company's overseas business development. The company has continuously increased its efforts to develop overseas markets. Orders and revenues for overseas projects have maintained a fast growth rate every year; After improving relevant construction qualifications, domestic businesses will also embrace better development opportunities as the national PPP project continues to advance. The company's comprehensive strength, overseas influence and market competitiveness will increase year by year.

#### 1. Strategic positioning advantage

The "Construction & Engineering contracting" and "Medical & Health Business" will be the company's two strategic directions for future development. In 2013, the company set up the development goal "Making bigger and stronger overseas business, and to become the world's leading international comprehensive construction & building service provider". In 2016, the company set up the "Medical & Health business" as another essential development direction. All of those are to comprehensively cater the needs of the national strategies of "One Belt, One Road" and "Medical & Health Industry Development". The good prospects of "One Belt, One Road" projects and "Medical & Health Industry" will provide a broad market space for the company's business development. In terms of engineering contracting, the early-development advantage of overseas business enables the company to have rich management experiences and high-quality customers and establish talented teams, thus laid a solid foundation for the company's overseas business development. In terms of the Medical & Health business, the company has set up project teams in many domestic places such as Sichuan, Henan and Hubei, and the company has purchased Wuhan Commercial Worker Hospital and won the bids of many medical PPP project. Also, the company has established cooperative relationships with many hospitals and has recruited many kinds of talents in terms of medical, hospital management, investment and financing etc., thus provided a strong support for the Medical & Health business development.

#### 2. Standardized and high-efficient management system, fully market-oriented operation mechanism

With the increasingly expanding of the company scale and business scope, the management for the company is becoming more complex. However, the company timely set up the sound management system and the authorization system to standardize the approval procedures, reduce the management hierarchy tiers and improve the work efficiency and execution, thus ensured the efficient operation of the company's business operation. For the operation mechanism, the company bravely faces the fierce competition in the market, adheres to the market-oriented development, respects the objective laws of the market and constantly improves its management level, thus to timely response to changes in the market and continuously improve the company's market image, construction quality and profitability.

#### 3. Integrated design and construction advantages

The company has a wide range, high-ranking construction qualifications, and the company has integrated design and construction experiences and good project management capabilities, so the company is able to provide integrated design and construction services in terms of civil engineering, decoration, mechanical and electrical installation and full industry chain of curtain wall, and the company can independently complete the whole process of construction project. The company can form a comprehensive advantage in the field of building engineering, so it can reasonably schedule the procurement, labor use and construction plan, as well as the company can constantly optimize the process to reduce the project costs. The company's excellent design ability, sound construction quality, high-efficient construction planning and the comprehensive high-quality service greatly enhanced the customers' satisfaction.

#### 4. Costs advantages and quality-control advantages

The core management staff of the company all have more than 10 years experiences of building and

engineering construction. Upon the deep understanding of the industry, the company established a relatively perfect material procurement, labor management and quality control system. Through the price ceiling mode for procurement, the company screens the suppliers in the early stage of a project, thus to ensure that the procurement costs of the project materials would be in a reasonable scope. By locking the technical requirements and time requirements of the project, the company can lock the labor costs. The company has set up strict quality-control system for the design drawing, raw material procurement and each aspect of the project construction management, thus to strictly ensure the project construction quality, so the company has won good reputation and got trust and recognition by a great number of customers.

## IV. Performance Discussion and Analysis

### I .General

In the first half of 2019, due to the escalation of trade tensions and the tightening of credit in major economies, the differentiation of major economies in the world has intensified and uncertainty has increased. The world economic situation is facing downward risks. China's overall economic operation is within a reasonable range, continuing the overall steady and steady development trend. Although the company is still affected by last year's national capital management policy and the different degrees of loan collection by financial institutions such as loan withdrawal and loan interruption, the company's operating capital is with difficulty in liquidity, which has triggered a series of chain reactions of operating difficulties. The company's operating income has been greatly reduced. The company has overcome many difficulties and actively responded to them. During the reporting period, the company actively solved the problem of back pay for some employees and increased the dunning effort for accounts receivable, for which the initial results have been achieved currently. In the first half of 2019, the company realized operating income of 256 million yuan, with a year-on-year decrease of 83.85%; Operating profit was -951 million yuan, with a year-on-year decrease of 5583.63%; Net profit attributable to the parent company was -1.417 billion yuan, with a year-on-year decrease of 1083.87%.

In terms of engineering construction, the company overcame difficulties and obstacles, rooted in the existing business area and scale, and continued to steadily expand its business. During the reporting period, the company faced difficulties both domestically and abroad. In terms of foreign business, the company continues to maintain the normal operation of existing projects in Cambodia, Russia, Malaysia and Algeria. It actively promotes the settlement, litigation, accounts receivable recovery and activation of shutdown projects. Meanwhile, it is expected to sign a high-value business contract in 2019 by making use of the good relationship of existing major customers and tracking the target projects in Southeast Asia. In terms of domestic business, the first and second phases of the "Qinyuanli" real estate project in Chengdu, with a total construction area of about 200,000 square meters, have been capped. The Xiangfu District Hospital of Traditional Chinese Medicine in Kaifeng City, Henan Province and the Anyang Second People's Hospital are under active construction. Other large health projects such as medical care and old-age care are also being promoted.

The medical and health industry is an important pillar in the company's transformation and development strategy, and the company focuses on developing its own building capacity and brand in medical engineering construction. Through cooperation with relevant professional organizations, proton hospital projects will be actively promoted to be implemented, the scientific and technological content of the company's medical and health sector will be elevated, and the profitability of the medical and health business will be improved.

In smart housing sector, it will locate the trend and accurately position it, and comprehensively push forward the implementation of strategic development goals. In recent years, the Chinese government has successively issued relevant policies to vigorously promote the transformation of the construction industry to construction industrialization. The company's "Sino Great Wall Smart Housing Co., Ltd." set up in Zhanjiang, Guangdong, produces fabricated supporting products. During the reporting period, due to the financial environment, the production line has not yet been established and put into operation. Meanwhile, the company promoted the rural assembly business and made a preliminary layout in key regions of the country.

Faced with the financial difficulties, the company has made concerted efforts from top to bottom to conquer the difficulties. It has successively carried out a series of reforms and innovations in enterprise management mode,

timely investigated and re-elected board members, integrated the senior management team, re-organized the business sectors, defined the responsibility assessment, strengthened the asset preservation, comprehensively optimized control and other measures to effectively stimulate enterprise development potential in adversity.

## II .Main business analysis

Refer to relevant contents of “1.Summarization” in “Discussion and Analysis of Management”.

Changes in the financial data

In RMB

	Reporting period	Same period of last year	YoY+/- (%)	Reason for change
Operating revenues	256,367,221.67	1,586,971,575.24	-83.85%	
Operating costs	227,646,036.24	1,312,212,102.46	-82.65%	
Selling expense	14,477,142.76	16,521,622.08	-12.37%	
Administrative expense	87,163,665.56	127,907,861.56	-31.85%	
Financial cost	325,054,182.14	145,939,925.19	122.73%	
Income taxes	950,360.90	18,790,236.79	-94.94%	
Net cash generate by operating activities	-422,152,026.80	1,098,164,365.63	-138.44%	
Net cash generated by investing activities		-201,491,732.24	-100.00%	
Net cash generated by financing activities	356,304,797.30	-1,281,374,118.34	-127.81%	
Net increase in cash and cash equivalents	-66,246,078.33	-389,203,669.48	-82.98%	

Major changes to the profit structure or sources of the Company in the reporting period

Applicable  Not applicable

No such cases in the reporting period.

Main business composition

In RMB

	Operating revenue	operating costs	Gross profit rate(%)	Increase/decrease of reverse in the same period of the previous year(%)	Increase/decrease of principal business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
On Industry						

EPC	202,439,147.55	171,982,276.99	15.04%	-84.15%	-83.76%	-2.05%
Decoration work	53,928,074.12	55,663,759.25	-3.22%	-82.60%	-78.04%	-21.44%
<b>On Product</b>						
EPC	202,439,147.55	171,982,276.99	15.04%	-84.15%	-83.76%	-2.05%
Decoration work	53,928,074.12	55,663,759.25	-3.22%	-82.60%	-78.04%	-21.44%
<b>On Area</b>						
Domestic	256,367,221.67	227,646,036.24	11.20%	-71.89%	-72.32%	1.37%
Overseas				-100.00%	-100.00%	-27.43%

### III. Non-core business analysis

Applicable  Not applicable

### IV. Analysis of assets and liabilities

#### 1. Significant changes in asset composition

In RMB

	End of Reporting period		End of same period of last year		Change in percentage(%)	Reason for significant change
	Amount	As a percentage of total assets(%)	Amount	As a percentage of total assets(%)		
Monetary funds	161,407,308.22	2.02%	1,374,597,109.50	12.47%	-10.45%	
Account receivable	3,268,131,916.96	41.00%	5,031,464,951.12	45.63%	-4.63%	
Inventory	997,074,459.45	12.51%	745,455,718.17	6.76%	5.75%	
Long-term Equity Investment	106,837,810.83	1.34%		0.00%	1.34%	
Fixed assets	139,240,017.20	1.75%	331,425,276.47	3.01%	-1.26%	
Construction in process	36,805,894.03	0.46%	707,700.59	0.01%	0.45%	
Short-term loans	3,306,944,094.49	41.48%	2,798,513,481.24	25.38%	16.10%	
Long-term loans	120,000,000.00	1.51%	873,089,164.49	7.92%	-6.41%	

## 2.Asset and Liabilities Measured by Fair Value

Applicable  Not applicable

## 3. Restricted asset rights as of end of the reporting period

Items	Year-end book value	Reason
Monetary funds	101,885,589.67	Margin and frozen funds
Fixed asset	13,740,651.43	Financial lease assets
Total	115,626,241.10	--

**V. Investment situation**

## 1. General

Applicable  Not applicable

Investments made in the reporting period	Investments made in same period of last year	+/- %
0.00	16,000,000.00	-100.00%

## 2.Condition of Acquiring Significant Share Right Investment during the Report Period

Applicable  Not applicable

## 3.Situation of the Significant Non-equity Investment Undergoing in the Report Period

Applicable  Not applicable

## 4.Investment of Financial Asset

## (1) Securities investment

Applicable  Not applicable

The Company had no securities investment in the reporting period.

## (2) Investment in Derivatives

Applicable  Not applicable

The Company had no investment in derivatives in the reporting period.

**VI. Sales of major assets and equity**

## 1. Sales of major assets

Applicable  Not applicable

The Company had no sales of major assets in the reporting period.

## 2. Sales of major equity

Applicable  Not applicable

**VII. Analysis of the Main Share Holding Companies and Share Participating Companies**

Applicable  Not applicable

Situation of Main Subsidiaries and the Joint-stock Company with over 10% net profit influencing to the Company

In RMB

Company name	Company type	Main business scope	Registered capital	Total assets	Net assets	Turnover	Operating profit	Net profit
Sino Great Wall International Engineering Co., Ltd.	Subsidiaries	General contracting, subcontracting, engineering survey and design; professional contracting; architectural decoration engineering; architectural curtain wall; project and technology study and experimental development; sell building material, machinery, hardware, plastic articles; technology development,	1,000,000,000	6,645,553,235.97	-234,815,416.20	185,542,158.51	-646,229,605.66	-1,112,908,329.81

		technology consultation, technology service; goods import and export; technology import and export; agent import and export.						
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Subsidiaries obtained or disposed in the reporting period

Applicable Not applicable

Name	Mode	Influence
Sino Great Wall International Engineering Co., Ltd.Chengdu Branch	Written off	Which weight less in the whole company's operation

Notes

Sino Great Wall International Engineering Co., Ltd. is a wholly-owned subsidiary of the company, and is the main subsidiary of the company's business income and profit sources. Its business income and net profit both account for more than 90% of the company's business income and net profit. The ratio of business income and net profit of other holding and participating companies to the company's business income and net profit is less than 10%, which has little impact on the company's overall operation.

### VIII. Structured vehicle controlled by the Company

Applicable  Not applicable

### IX. Prediction of business performance for January -September 2019

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason.

Applicable  Not applicable

### X.Risks facing the Company and countermeasures

#### (1) Influence of Macro Economy and Policy

The company belongs to the construction industry. The change of economic cycle is closely related to the development of construction industry, and factors such as the operation of national economy and the development of urbanization process will directly affect the construction industry. The construction industry and health care industry that the company is engaged in are greatly affected by macro-economy and policies. The uncertainty of international and domestic economic situation and changes in national policies bring potential risks to the



company's market development and operation management.

Solutions: Pay constant attention to the international and domestic economic situation to make reasonable pre-judgement. Make timely adjustment for operating strategy and marketing policy and make pre-arranged planning which copes with market changes to guarantee the smooth realization for business goals in 2019.

### 1. Risks Aggravated by the Market Competition

As to the international market, on the one hand, the combinations among the strong ones of the giant international contractors in Europe, America, Japan and South Korea are increasingly common, which can increasingly strength the aspects including the technology, financing and management; on the other hand, more domestic enterprises have participated in the international market competition of construction & engineering, intensified the overseas construction market competition. In the domestic market, with the continuous rise of the attractiveness of medical engineering projects, many companies have participated in the construction of medical engineering projects. Thus, the medical engineering projects have been more difficult to bid and have fierce competition, which imposes a higher requirement on the Company's market expansion.

Solutions: Strengthen team construction and take first-mover advantage of the Company's overseas business. Draw lessons from the past, improve the capacity of management and control for the Company's own projects to constantly heighten the Company's core competitiveness.

### 2. Management Risks Brought by Constant Business Scope Enlargement

The company's business and scale continue to expand, putting forward higher requirements for the management of the company's management mode, talent reserve, technological innovation and market development.

Solutions: The company will continue to improve the management level, strengthen the talent reserve, adjust and improve the management system, continue to strengthen the information management, and form big data precipitation and analysis of various data in the operation process through advanced technical means, so as to promote the improvement of management efficiency and widen the management coverage.

### 3. Operation-related risks

#### (1) Risks of period in project construction

The engineering construction project may be affected by factors such as changes in project design, delays in the payment of project funds, restrictions on transportation, power supply and water supply, land acquisition and relocation, and bad weather, etc., resulting in the failure to proceed as the project schedule agreed in the contract, the risk of the project not being completed and delivered on schedule, and the impact on the company's operating performance and reputation.

#### (2) Risk of increased material price

The construction industry is mainly about fixed cost contract, so gross profit margin is somehow sensitive to the fluctuation of purchasing price of construction materials. The bulk materials used by the company mainly include concrete and steel. Due to the long construction period in construction projects, the price increase of these bulk materials will directly lead to the increase of construction costs, resulting in the difference between the actual construction costs and the project budget, affecting the company's operating performance.

#### (3) Operational risks of overseas businesses

Although the company's overseas businesses are mainly in Southeast Asia and other regions, the company will face potential economic risks, exchange rate risks, political risks and other risks in the process of overseas business operation. In case of major fluctuations or economic crises in the economic development of the countries or regions where the company's overseas target markets are located, they will adversely affect the company's overseas business and the further development of new markets in the future.

Solutions: For the above risks, the company will integrate internal and external resources, strengthen

technological innovation according to the professional development ideas, seek expansion of business areas and construction qualifications, improve operation quality and benefits, create green and high-quality projects, realize multi-field professional construction operations and enterprise development, and continuously upgrade brand strength.

#### 4. Risk of bad debt caused by accounts receivable

Some countries have entered the debt repayment period, with increased financial pressure, increased risk of debt default, insufficient confidence of investors, and scarce funds for infrastructure construction. The company has a large balance of accounts receivable, and the high proportion of net accounts receivable to total assets is due to the characteristics of the industry. With the expansion of the company's business scale, the balance of the company's accounts receivable is generally on the increase, and the proportion of net accounts receivable to total assets is expected to remain at a relatively high level. The failure to recover the company's accounts receivable in time will affect the company's capital turnover rate and cash flow from operating activities, thus adversely affecting the company's production, operation and performance level.

Solutions : Strengthen fund management, rationally allocate fund structure, and establish assessment mechanism for project fund recovery to resolve and prevent potential fund risks.

#### 5. Risks of debt and stock delisting

Earlier, the company issued multiple announcements on litigation and arbitration matters in the designated information disclosure media. As the overdue debts of the company and its subsidiaries are not paid off and the company is under investigation by the CSRC, the company has been sued by some creditors and some of its bank accounts and company's assets have been frozen. The overdue debts of the company may be subject to payment of relevant liquidated damages, late fees and penalty interests, increasing the company's financial expenses, thus affecting the company's production and business operation, possibly weakening the confidence of other creditors in the company, thus aggravating the company's financial tension and adversely affecting the company's operation. On July 24, 2019, the company received the application for reorganization submitted by the creditor Bihui Road and Bridge served by the court. Bihui Road and Bridge applied to the court for reorganization of the company on the grounds that the company was unable to repay the debts due and obviously lacked solvency. If the court formally accepts the application for reorganization of the company, the company will be declared bankrupt due to the failure of reorganization and the shares will face the risk of delisting.

Solutions: The Company will continue to pay attention to the follow-up progress, fulfill its information disclosure obligations in a timely manner in accordance with relevant regulations, strengthen the management of litigation-related matters, and employ professional lawyers to actively respond to lawsuits so as to protect the legitimate rights and interests of the company. The company is making every effort to raise debt service funds and properly handle the debt crisis. If the court formally accepts the application for reorganization of the company and the company smoothly implements the reorganization and completes the reorganization plan, it will be beneficial to improve the company's asset and liability structure and enhance the company's profitability. Up to now, the company has received a written letter of support for the reorganization of more than half of the amount of creditor's rights. During the period when the court accepts the review case, the company will actively cooperate with the court to study and demonstrate the feasibility of the reorganization of the company. If the court decides that the company has entered the reorganization, the company will actively cooperate with the court and the administrator in the reorganization and perform the debtor's legal obligations according to law.

#### 6. Risk of stock listing suspension

(1) The company is currently being investigated by the China Securities Regulatory Commission because of

suspected illegal information disclosure. According to the relevant provisions of the Shenzhen Stock Exchange Listing Rules (Revised in November 2018), if the company is involved in the illegal material information disclosure and under other forced delisting situations stipulated in Article 13.2.1, the company's shares will be subject to the delisting risk warning. The company's shares will be suspended on the next trading day after the expiration of the 30-trading-day period in the delisting risk warning until the Shenzhen Stock Exchange makes a decision on whether to suspend the listing of the company's shares within 15 trading days after the suspension. If the investigation items that the company is involved in are not found to have any major illegal acts by the CSRC, the company's shares will not be at risk of suspension. (2) Reanda Public Certified Accountants (special general partnership) issued an audit report that could not express its opinions on the company's 2018 financial report. According to the relevant provisions of the Listing Rules of Shenzhen Stock Exchange, the company's stock will be subject to "delisting risk warning" from May 6, 2019. If the company's 2019 financial and accounting report continues to be issued with audit reports that cannot express opinions or negative opinions, the company's stocks will be suspended from the date of disclosure of the 2019 annual report in accordance with the relevant provisions of the Listing Rules of Shenzhen Stock Exchange.

Solutions: (1) The Company will actively cooperate with the CSRC to carry out investigations, and perform its information disclosure obligations according to the relevant provisions of the Listing Rules of Shenzhen Stock Exchange and disclose risk alert announcements at least once a month. (2) According to the reason why the audit report cannot express opinions, the company formulates specific measures to eliminate the matter and its impact, actively coordinates all parties to strengthen self-examination of the internal control system, establishes an internal verification team, coordinates communication between banks and various engineering project parties, actively adopts effective measures, and tries its best to eliminate the matters on which it cannot express opinions.

## V. Important Events

### 1. Annual General Meeting and Extraordinary Shareholders' Meetings in the Reporting Period

#### 1. Annual General Meeting

Meeting	Type	Investor participation ratio	Convened date	Disclosure date	Index to disclosed information
The first provisional shareholders' General meeting in 2019	Provisional shareholders' General Meeting	34.40%	February 13,2019	February 14,2019	The first provisional shareholders' General Meeting in 2019 (No.2019-016) published on Securities Times,Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on
2018 Annual General Meeting	Annual General Meeting	39.62%	May 20,2019	May 21,2019	2018 Annual General Meeting (No.2019-059) published on Securities Times,Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on

#### 2. Request for extraordinary general meeting by preferred stockholders whose voting rights restore

Applicable  Not applicable

**II. Proposal for profit distribution and converting capital Reserve into share atial for the reporting period**

Applicable  Not applicable

For the reporting period, the Company plans not to distribute cash dividends or bonus shares or convert capital reserve into share capital.

**III. The fulfilled commitments in the reporting period and under-fulfillment commitments by the end of the reporting period made by the company, shareholder, actual controller, acquirer, director, supervisor, senior management personnel and other related parities.**

Applicable  Not applicable

Commitment	Comm itment maker	Type	Contents	Time of maki ng com mitm ent	Period of comm itment	Fulfil ment
Commitment on share reform	No	No	No		No	No
Commitment in the acquisition report or the report on equity changes	No	No	No		No	No
Commitments in assets reorganization	Chen Lue	Stock lock	Shares acquired by matching funds raised: "I will not transfer the new shares of Victor Onward Holdings acquired through this issuing by any way, including but not limited to the public transfer through the stock market or by agreement, within 36 months from the date new shares list. If regulation rules or regulators have longer requirements for lock-up periods, it should be executed accordingly.	March 19, 2015	36 months	Strict performing
	Chen Lue	No capital occupation	Up to the issue day of the letter, I and other corporations controlled by me haven't possessed funds of Sino Great Wall; After the transaction is completed, I and other companies controlled by me (if any), except for listed companies and their holding subsidiaries, will not possess the funds of listed companies or Sino Great Wall by any way, including cash in advance, other expenses, direct or indirect loans, assumption, etc. and try our best to	March 19, 2015	Long-term	Strict performing

			avoid fund intercourse with listed companies or Sino Great Wall, which has nothing to do with normal operations. If Sino Great Wall got penalized by government administration departments due to the money lending which was happened before the transaction, I will bear the total compensation for the company's loss resulting from it by cash in order to guarantee Sino Great Wall won't suffer any loss. Meanwhile, I will actively urge Sino Great Wall to establish complete inner control system and funds management system within lawful authority.			
	Chen Lue	Cash compensation	In view of the fact that the houses rented by Sino Great Wall and its son subsidiaries, subsidiaries, haven't rental registration, I promise, if Sino Great Wall and its son subsidiaries, subsidiaries, were penalized by real estate management department or suffered other losses resulting from it, I agree to compensate the loss of the company by cash.	March 19, 2015	Long-term	Strict performing
	Chen Lue	Cash compensation	During the reporting period, the project which Sino Great Wall is involved in is the decoration engineering construction project of Libo Grand Hotel (hereinafter referred to as "Libo project") which the company contracted before the bidding process. Sino Great Wall is not involved in any other projects except for Libo project before bidding process. As to the violating issues existed in the Libo project, I promise as follows: if Sino Great Wall got penalized by government administration departments or suffered any economic loss resulted from it, I will compensate the company by cash; Meanwhile, I, within lawful authority, will also promise to urge the company to undertake related construction projects legally so as to avoid violating issues happened before implementation of bidding process, i.e., at	March 19, 2015	Long-term	Strict performing

			the time for construction again.			
	Chen Lue	Cash compensation	<p>1. On condition that ownership defect exists in the lease of house property of parent-subsidiary companies of Sino Great Wall and its subsidiary corporation, which resulted in inability for parent-subsidiary companies of Sino Great Wall and its subsidiary corporation to continue leasing this house property but having to relocate, or parent-subsidiary companies of Sino Great Wall and its subsidiary corporation can't timely find suitable workplace for lawful operation in related area, I will undertake to compensate by cash for parent-subsidiary companies of Sino Great Wall's losses which are caused by operation and finance due to the above-mentioned matters. 2. I undertake to unconditionally bear the relevant fines by cash for parent-subsidiary companies of Sino Great Wall on condition that the rental house property of parent-subsidiary companies of Sino Great Wall and its subsidiary corporation is in absence of handling procedures for filing house leasing, which resulted in that parent-subsidiary companies of Sino Great Wall and its subsidiary corporation are fined by property administrative department. 3.The commitment letter is irrevocable.</p>	March 19, 2015	Long-term	Strict performing
	Chen Lue	Cash compensation	<p>"In condition that parent-subsidiary companies of Sino Great Wall or its son subsidiary haven't paid social security or housing fund for staff according to law, which resulted in any losses to Sino Great Wall, including the competent authorities' requirement for Sino Great Wall or its subsidiary to make supplementary payment, to be punished and resourced, I will bear by full-amount cash for the fee of supplemental payment and the expense and fee for being punished or resourced, which is to guarantee Sino Great Wall and</p>	March 19, 2015	Long-term	Strict performing

			its subsidiary to avoid suffering from any loss ”.			
	Chen Lue	Cash compensation	<p>“At present, Suzhou Lvbang has possessed one state-own land use right, of which the land certificate is Suzhou Guo Yong(2014) No.Y2014086”, locates in Danan Village, Dadian Town, Yongqiao District, Suzhou City with 32,966 square meters of area and the purpose for industry. Suzhou Lvbang possesses its own factory with 9,843.87 square meters of area above-mentioned, which is the building reserved on the former selling land. Suzhou Lvbang is carrying out refurbishing and reconstruction for this factory and has acquired “License of Construction Land Planning ”with No.2014-08-001 approved and issued by Yongqiao District, Suzhou City’s housing and rural construction bureau, of which other examination and approval procedures of construction are in the process of handling “I undertake to actively supervise and urge Suzhou Lvbang on handling procedures of the approval process involved with factor refurbishing and reconstruction, and which is suffered from administrative punishment by relevant competent authorities in reason of claiming certificate of title, or in which any dispute or controversy exist in construction and ownership, which shall be my responsibility to carry out solution, and I undertake to compensate by cash for Suzhou Lvbang’s losses which are due to this matter, guaranteeing no losses occur to Sino Great Wall and Suzhou Lvbang for this matter.</p>	March 19, 2015	Long-term	Strict performing
	Chen Lue	Cash compensation	<p>“According to the “Agreement of Significant Asset Replacement and Issue of Share to Buy Asset”(hereinafter referred to as “Agreement”) signed among Victor Onward Holdings, all shareholders</p>	March 19, 2015	Long-term	Strict performing



			of Sino Great Wall and Union Development Group Co., Ltd (hereinafter referred to as“ Union Group”) on October 13, 2014, all the creditor’s rights and liabilities related to place-out asset before the delivery date of Victor Onward Holdings shall be Union Group’s responsibility to carry out solution; After the asset delivery date, if any losses occur to Victor Onward Holdings in reason of the liability transfer of asset delivery, personnel placement, unsettled dispute or controversy and other compensation related to place-out asset, payment obligation and punishment, Union Group or the specified third party shall sufficiently compensate all losses for Victor Onward Holdings for the above matters. I undertake, if Union Group and the specified third party refuse to compensate the losses caused by the above mentioned matters for Victor Onward Holdings according to the“ Agreement”, I will compensate by cash for the Victor Onward Company within 5 working day in advance. Meanwhile, I will reserve the resource rights for Union Group and the specified third party “.			
	Chen Lue; He Feiyan	Independent competition	1. This reorganization is planned to place in asset. At present, complete separation has existed between me or other enterprises under my possession (if any) and the listed company in staff, asset, finance, institution and business of Sino Great Wall. Independence exists in both staff, asset, finance, institution and business and no confusion exists. 2. I undertake, after this reorganization, to ensure the continued complete separation between me or other enterprises under my possession(if any) and the listed company in staff, asset, finance, institution and business, sustaining the independence in the listed company’s staff, asset, finance,	September 30, 2015	Long-term	Strict performing

		<p>institution and business, as follows:</p> <p>(1).The Ensurance of Independence for Listed Company's Personnel Ensure that the general manager, the vice-general manager, the chief financial officer, the board secretary and the senior executives of the Company only accept salary in listed company, including no holding of any post except director and supervisor in my enterprise or other enterprises under my possession. 2.Ensure the complete independence exists among the listed company's labor, personnel, and salary management and me. 3. The director, supervisor, general manager and other senior executives recommended by me have all been through the legal procedures, and I will not intervene the company's board and the shareholder's decision for appointing and dismissing personnel by exercising official power. (2)The Insurance of the Asset Independence of Listed Company 1.Ensure that the listed company possesses business system related to operation and the relevant completely-independent asset. 2.Ensure that no occupation of mine exists in capitals and assets of the listed company. 3.The Insurance of the Financial Independence of Listed Company 1.Ensure that the independent finance department and the independent financial calculating system set up by the listed company, which possess normative and independent financial and accounting rules. 2. Ensure that the listed company independently opens a bank account, not sharing the same bank account with me. 3.Ensure that the financial staff of the listed company holds no part-time post in my enterprise and other enterprises under my possession. 4. Ensure that the listed company pays taxes according to law. 5. Ensure that the listed company makes the</p>			
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			<p>financial decision-making independently, I will not intervene the utilization of the listed company's capital. (4)The Insurance of the Institutional Independence of Listed Company 1.Ensure that the listed company sets up perfect governance structure for the share company's legal person, which possesses independent and complete institutional framework 2.Ensure that the shareholder's meeting, the board of director, the independent director, the supervisor and the general managers exercise official powers according to laws, regulations and articles of incorporation</p> <p>(5)The Insurance of the Business Independence of Listed Company 1. Ensure that the listed company possesses the asset, staff, qualification and ability for independently holding business activities, which possesses the independent, autonomous and sustain operation ability catering to the market. 2. Ensure that I will not intervene the listed company's business activities except exercising shareholder's rights. 3.Ensure that I or other enterprises under my possession will avoid working on the listed company's main business which possesses substantial competition. 4. Ensure to reduce the related transaction between me and the listed company or between other enterprises under my possession and the listed company as much as possible; When confirming necessary but unavoidable related transaction, I will ensure the fair operation according to the principle of market culture and the fair price, and fulfill the transaction procedures and the obligation of disclosing information according to relevant laws and regulations and normative document.</p>			
	Chen Lue; He	Related transa	<p>"1.Before this reorganization, the fairness and reasonableness of pricing and the legitimacy and effectiveness of</p>	March 19, 2015	Long term	Strict performing

	Feiya	ctions	<p>decision-making procedure exist in the transaction(if any) between me or the enterprise under my possession(if any) and Sino Great Wall which is planned to place asset in, no related transaction with obvious unfairness exists ; 2.After this reorganization, I or the enterprise under my possession will avoid and reduce the related transaction with listed company as much as possible. As for any unavoidable or reasonable related transaction, I or the enterprise under my possession will sign the agreement according to laws and fulfill the lawful procedure, and fulfill relevant approval procedure for internal decision-making and timely fulfill the obligation of disclosing information according to law, following relevant laws, regulations, other normative documents and articles of listed company, which is to guarantee the fairness and reasonableness in related transaction pricing, to guarantee the fairness of transaction condition and to guarantee not to utilize the related transaction to illegally transfer the capital and profit of listed company, and not to utilize this transaction to engage in any behaviors which will cause any losses to listed company or other shareholder's legitimate rights. Once I violate the above promises and cause losses to the listed company, I will compensate the listed company for the losses caused by the this matter.</p>			
Commitments make in initial public offering or re-financing	No	No	No		No	No
Equity incentive commitment	No	No			No	No
Other commitments for medium and small shareholders	No	No			No	No
Completed on time(Y/N)	Yes					
If the commitments are not fulfilled on time, shall explain the specify reason and the next work plan	Nil					

**IV. Particulars about engagement and disengagement of CPAs firm**

Whether the semi-annual financial report had been audited?

Yes  No

The semi-annual financial report has not been audited.

**V.Explanations given by board of directors and supervisory board regarding “ Modified auditor’s” Issued by CPAs firm for the reporting period**

Applicable  Not applicable

**VI. Explanations given by Board of Directors regarding “ Modified auditor’s Report” Issued for last year**

Applicable  Not applicable

In view of the fact that the company's 2018 financial report was issued by Reanda Public Certified Accountants (special general partnership) with an "audit report" (LADS Zi [2019] No 2333) in which it could not express an opinion, Shenzhen Stock Exchange implemented a "delisting risk warning" for the company's stocks on May 6, 2019 in accordance with relevant regulations such as the Listing Rules of Shenzhen Stock Exchange. The board of directors of the company believes that "matters that lead to the inability to express opinions" fully reveal the risks faced by the company and objectively reflect the actual situation and financial situation of the company. The board of directors of the company agrees to the audit report issued by Reanda Certified Public Accountants (Special General Partnership) for the 2018 financial report of the company that cannot express opinions. The Board of Directors of the Company will take effective measures to eliminate the above risk factors as far as possible.

During the reporting period, the company took the following measures to eliminate non-standard items and their impacts:

1. During the reporting period, the company strengthened self-examination of its internal control system, found problems in internal control in a timely manner, formulated practical and feasible corrective measures and implemented them, and strengthened sorting, revision and training of internal control related systems, which laid a foundation for the company's future standardized operation.
2. It set up an internal verification team to coordinate relevant personnel of all relevant departments to consult, check and sort out the relevant papers and materials of relevant contract documents and financial vouchers in recent years; To check and verify the company's bank deposits and loans, past and present funds, project correspondence, etc., and collect complete financial information. At the same time, it strengthened communication with banks and various engineering project parties to ensure the normal development of audit work.
3. The company actively promoted the construction of projects under construction in combination with the return of company funds and credit improvement. It reached clear opinions with the owner of the suspended project on the follow-up promotion of the project, arranged the finance department and the engineering department to actively and effectively communicate with the relevant engineering parties and suppliers, and checked the relevant capital flow, project progress, inventory, etc., so as to strive for the continuation of the project and reduce the company's losses. For litigation-related cases, the company will continue to pay attention to the follow-up progress, fulfill its information disclosure obligations in a timely manner in accordance with relevant regulations, strengthen the management of litigation-related matters, and employ professional lawyers to actively respond to lawsuits so as to protect the legitimate rights and interests of the company.

4. During the reporting period, the company is making every effort to raise debt service funds and properly handle the debt crisis. The company has carried out all-round work in accounts receivable collection, including but not limited to sending written collection letters, setting up a collection team to collect on-site and investigating the assets of the debt company on site. The company continues to collect evidence and materials, and will further intensify collection efforts, including but not limited to legal means to safeguard the company's creditor's rights. The company will restore and enhance its credibility and strength by seeking the support of strategic investors in terms of capital and resources while taking measures to extricate itself from difficulties and crises; On July 24, 2019, the company received the Application for Reorganization submitted by the applicant Bihui Road and Bridge from Shenzhen Intermediate People's Court (hereinafter referred to as the "court"). The Application for Reorganization stated that Bihui Road and Bridge applied to the court for reorganization of the company on the grounds that the company could not repay the debts due and obviously lacked solvency. No matter whether it enters the reorganization process or not, the company will actively ensure daily operation and management on the existing basis, actively solve the company's current financial difficulties, and promote the company to return to the track of healthy and sustainable development.

5. Since being placed on file for investigation by the China Securities Regulatory Commission, the company has fully cooperated with the investigation work of the China Securities Regulatory Commission, including but not limited to providing relevant information as required and reporting the progress of relevant verification work in a timely manner. The company shall perform its information disclosure obligations in accordance with the relevant provisions of the Listing Rules of Shenzhen Stock Exchange and disclose a risk alert announcement once a month. To sum up, the board of directors of the company will seriously study the countermeasures, actively push forward the related work on improving the company's governance, and solve the current problems of the company as soon as possible. Meanwhile, the board of directors will further urge the company's management to communicate with relevant parties and take active measures to do their best to continuously promote the project construction progress and safeguard the legitimate rights and interests of the company and all shareholders.

## VII. Bankruptcy and restructuring

Applicable  Not applicable

No such cases in the reporting period.

## VIII. Legal matters

Significant lawsuits or arbitrations

Applicable  Not applicable

General information	Involved amount (Ten thousand yuan)	Provision	Progress	Decisions and effects	Execution of decisions	Disclosure date	Index to disclosed information
Loan Contract Dispute Case with Shenzhen Guodingsheng Trading Co., Ltd.	12,811.63	No	Second instance judgment is given and case	—	The Guangdong Shenzhen Intermediate People's Court	August 31, 2018	On August 31, 2018, it was disclosed

			is closed		issued (2019) Y03Z701 enforcement verdict, with a mandatory enforcement of 88,941,110.88 yuan.		in the 2018 Semi-annual Report on Cninf; On September 2018, Announcement on the Company, Its Wholly-owned Subsidiaries and Controlling Shareholders Receiving <Notice of Enforcement> and <Property Report Order>; On October 23, 2018, Announcement on Reply to Inquiry Letter on Semi-annual Report of Shenzhen Stock Exchange
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							(Announcement No.:2018-125) ; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern(Announcement No.:2019-019); Announcement on the Progress of Major Litigation and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036 ); The full text of the 2018 annual report on April 30, 2019
Financial loan contract dispute	4,997.22	No	The judgment	—	During implementation	August 31,2018	On August



case of Zhuhai Branch of Xiamen International Bank Co., Ltd.			of the second instance is closed and is being implemented.		n: The People's Court of Xiangzhou District, Zhuhai City, Guangdong Province made the Execution Order [(2019) Y 0402 Z No. 4280], imposing a total of 48,882,075.8 yuan for the principal and interest of the loan and 116,283 yuan for execution fee	31, 2018, it was disclosed in the 2018 Semi-annual Report on Cninf; On September 2018, Announcement on the Company, Its Wholly-owned Subsidiaries and Controlling Shareholders Receiving <Notice of Enforcement> and <Property Report Order>; On October 23, 2018, Announcement on Reply to Inquiry Letter on Semi-annual Report of
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							<p>Shenzhen Stock Exchange (Announcement No.:2018-125) ; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.::2019-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075</p>
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							);
Loan contract dispute case with Li Qiaoli	16,192.92	No	The judgment is given and the case is closed.	—	Under enforcement On February 2, 2019, Shenzhen Intermediate People's Court issued (2019) Y03Z65 enforcement verdict, with a mandatory enforcement of 177.194128 million yuan	August 31, 2018	On August 31, 2018, it was disclosed in the 2018 Semi-annual Report on Cninf; On September 2018, Announcement on the Company, Its Wholly-owned Subsidiaries and Controlling Shareholders Receiving <Notice of Enforcement> and <Property Report Order>; On October 23, 2018, Announcement on Reply to Inquiry Letter on

							Semi-annual Report of Shenzhen Stock Exchange (Announcement No.:2018-125) ; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.::2019-019); The full text of the 2018 annual report on April 30, 2019
Loan contract dispute case of Shenzhen Branch of Bank of Ningbo	9,523.09	No	The first-instance judgment is closed and an appeal is made	—	—	August 31,2018	On August 31, 2018, it was disclosed in the 2018 Semi-annual Report on Cninf; On September

							r 2018, Announce ment on the Company, Its Wholly-o wned Subsidiari es and Controllin g Sharehold ers Receiving <Notice of Enforcem ent> and < Property Report Order>; On October 23, 2018, Announce ment on Reply to Inquiry Letter on Semi-ann ual Report of Shenzhen Stock Exchange (Announc ement No.:2018- 125) ; On February 20, 2019, Announce
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							ment on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.:2019-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on May ,8, 2019 (Announcement No.: 2019-050 )
Loan contract dispute case of Industrial Bank (China) Shenzhen Houhai Sub-branch	29,137.97	No	The judgment is given and the case is closed.	—	Shenzhen Intermediate People's Court issued (2018) Y03Z2798, with a mandatory enforcement	August 31,2018	On August 31, 2018, it was disclosed in the 2018 Semi-ann

					of 293,399,781 yuan.		ual Report on Cninf; On Septembe r 2018, Announce ment on the Company, Its Wholly-o wned Subsidiari es and Controllin g Sharehold ers Receiving <Notice of Enforcem ent> and < Property Report Order>; On October 23, 2018, Announce ment on Reply to Inquiry Letter on Semi-ann ual Report of Shenzhen Stock Exchange (Announc ement No.:2018-
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							125) ; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019) ; The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on April 19,, 2019 (Announcement No.: 2019-036 )
Enforcement case of Shaanxi International Trust Co., Ltd	11,711.49	No	The (2018) XZZF Zi No. 140 execution	—	Under enforcement	September 14,2018	On September 14,2018, Announce



			<p>certificate issued by Xi'an Notary Office has become legally effective, and Shaanxi International Trust Co., Ltd. applied to Beijing Second Intermediate People's Court for compulsory execution</p>				<p>ment on the Company, Its Wholly-owned Subsidiaries and Controlling Shareholders Receiving &lt;Notice of Enforcement&gt; and &lt;Property Report Order&gt;; On October 23, 2018, Announcement on Reply to Inquiry Letter on Semi-annual Report of Shenzhen Stock Exchange (Announcement No.:2018-125) ; On February 20, 2019, Announcement on Reply to</p>
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							Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019); Announcement on the Progress of Major Litigation and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036 )
Enforcement case of CCB International Asset Management (Shanghai) Co., Ltd	21,111.82	No	The Notice of Enforcement from Beijing Third Intermediate People's Court on the Case of Notarization of Creditor's Rights Documents between	—	Under enforcement	September 18,2018	On September 18, 2018, Announcement on the Company, Its Wholly-owned Subsidiaries and Controlling Shareholders Receiving

			the Company and CCB International Asset Management (Shanghai) Co., Ltd. is received				<Notice of Enforcement> and <Property Report Order>; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019); The full text of the 2018 annual report on April 30, 2019
Loan dispute case with Chen Jiang	4,980	No	The execution has been completed .	—	—	September 18,2018	On September 18, 2018, Announcement on the Company, Its Wholly-owned Subsidiaries and

							Controlling Shareholders Receiving <Notice of Enforcement> and < Property Report Order>; On October 23, 2018, Announcement on Reply to Inquiry Letter on Semi-annual Report of Shenzhen Stock Exchange ; Announcement on Enforcement of Company Shares Held by Directors and Senior Executives on January 5, 2019; On February 20, 2019,
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							Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern(Announcement No.:2019-019); The full text of the 2018 annual report Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075);
Contract dispute case with Gome Cinda Factoring Co., Ltd.	4,285.52	No	The first-instance judgment is closed and an appeal is made	—	—	October 23,2018	On October 23, 2018, Announcement on Reply to Inquiry Letter on Semi-annual

							Report of Shenzhen Stock Exchange ; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.:2019-019); Announcement on the Progress of Major Litigation and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036 ); The full text of the 2018 annual report on April 30, 2019.
Financial loan	36,492.18	No	Waiting	—	—	September	Announce

contract dispute case with Bohai International Trust Co., Ltd.			for the judgment of first instance.			15,2018	ment on Partial Debt Overdue on September 15, 2018; Announcement on Receiving Civil Complaint on October 9, 2018; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019); The full text of the 2018 annual report on April 30, 2019
Financial loan contract dispute case with China Industrial International	10,245.74	No	The first-instance verdict was	—	Not yet applied for execution	Sptember 15,2018	Announcement on Partial Debt Overdue

Trust Limited			closed			<p>on  September  r 15,  2018;  Announce  ment on  Receiving  Civil  Complain  t on  October  13, 2018;  On  February  20, 2019,  Announce  ment on  Reply to  Shenzhen  Stock  Exchange  's Letter  of  Concern(  Announce  ment  No.:2019  -019);  Announce  ment on  the  Progress  of Major  Litigation  and  Arbitratio  n Matters  on April  19, 2019  (Announc  ement  No.:  2019-036  );</p>
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							The full text of the 2018 annual report on April 30, 2019
Financial loan contract dispute case with China Industrial International Trust Limited	10,113.78	No	The first-instance verdict was closed	—	Not yet applied for execution	September 15, 2018	Announcement on Partial Debt Overdue on September 15, 2018; Announcement on Receiving Civil Complaint on October 13, 2018; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern(Announcement No.:2019-019); The full text of the 2018 annual

							report on April 30, 2019
Bill dispute case with Jiaozuo Junpeng Coal Co., Ltd.	305	No	The judgment is given and the case is closed.	—	Under enforcement	October 13,2018	Announcement on Receiving Civil Complaint on October 13, 2018; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.::2019-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3,

							2019 (Announcement No.: 2019-083 );
Bill dispute case with Tongchuan New District Hengxin Building Material Co., Ltd.	456	No	The judgment is given and the case is closed.	—	Under enforcement	October 13,2018	Announce ment on Receiving Civil Complain t on October 13, 2018; On February 20, 2019, Announce ment on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announce ment No.:2019 -019)
Bill dispute case with Xian Bihui Road & Bridge Engineering Co., Ltd.	507	No	The judgment is given and the case is closed.	—	Under enforcement	October 13,2018	Announce ment on Receiving Civil Complain t on October 13, 2018; On February 20, 2019, Announce ment on Reply to

							Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083 )
Financial loan contract dispute case with Datong Securities Co., Ltd.	13,801.32	No	The judgment is given and the case is closed.	—	Under enforcement	September 14,2018	Announcement on Early Termination of Collective Funds Trust Plan for Trust Loan on September

							r 14, 2018; Announce ment on Partial Debt Overdue on Septembe r 15, 2018; Announce ment on Receiving Civil Complain t on October 18, 2018(Ann uncemen t No.:2018- 120);On February 20, 2019, Announce ment on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announce ment No.:2019 -019);An nounceme nt on the Progress of Major Litigation
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							and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075).
Financial loan contract dispute case of PingAn International Financial Leasing Co., Ltd.	2,905.1	No	The judgment is given and the case is closed.	—	Not yet applied for execution	October 24, 2018	Announcement on Receiving Civil Complaint on October 24, 2018; Announcement on Receiving

							<p>Notice of Early Maturity of Debt on October 26, 2018; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.:</p>
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							2019-075 ).
Private loan dispute case with Gong Lihong	3,143.18	No	The judgment of first instance is issued and an appeal is made. The plaintiff applied for additional preservati on in the lawsuit.	—	—	October 24,2018	Announce ment on Receiving Civil Complain t on October 24, 2018; On February 20, 2019, Announce ment on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announce ment No.:2019 -019) ; Announce ment on the Progress of Major Litigation and Arbitratio n Matters on April 19, 2019 (Announc ement No.: 2019-036 ); The full text of the 2018



							annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on May 8, 2019 (Announcement No.: 2019-050).
Right of recourse dispute case with Shenzhen Yi'an Factoring Co., Ltd.	1,056.34	No	The first-instance judgment is closed and an appeal is made	—	—	October 24, 2018	Announcement on Receiving Civil Complaint on October 24, 2018; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.::2019-019);

							The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075).
Loan contract dispute case with Zhongjian International Trust Co., Ltd.	32,738.68	No	The judgment is given and the case is closed.	—	Under enforcement	September 29, 2018	Announcement on Receiving Notice of Early Maturity of Debt on September 29, 2018 ; Announcement on Receiving Civil Complaint on November 10, 2018; On February

							20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019) ; The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075 ).
Loan dispute case with China Railway Trust Co., Ltd.	2,140.87	No	The enforcement verdict has been received.	—	In commission	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice

							of Advance Mediation > on February 13, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.::2019-019) ;The full text of the 2018 annual report on April 30, 2019
Financial loan contract dispute case with Shenzhen Branch of Shanghai Pudong Development Co., Ltd.	7,017.76	No		—	Under enforcement	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice of Advance Mediation > on February 13, 2019; On February

							20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075 )
Financial loan contract dispute case of Shenzhen Branch of China Minsheng Bank	10,164.09	No	No court session has been held yet	—	—	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice

							of Advance Mediation > on February 13, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.::2019-019)
Enforcement case with Beijing Zhongguancun Sci-tech Financing Guaranty Co., Ltd.	736.1	No	Enforcement.	—	In commission	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice of Advance Mediation > on February 13, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange

							's Letter of Concern(Announcement No.::2019-019)
Sales contract dispute case with Jieyang Fangyuan Stone Co., Ltd.	489.33	No	Awaiting judgment	—	—	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice of Advance Mediation > on February 13, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange 's Letter of Concern(Announcement No.::2019-019)
Installation contract dispute case with lvmeiyi Environmental Construction Group Co., Ltd.	1,412.36	No	Awaiting judgment	—	—	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice of

							Advance Mediation > on February 13, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.::2019-019); The full text of the 2018 annual report on April 30, 2019
Contract of hired work dispute case with Shanghai Disheng Wood Co., Ltd.	219.97	No	Waiting for the judgment of first instance	—	Under enforcement	February 13,2019	Announcement on Receiving <Civil Complaint> and <Notice of Advance Mediation > on February 13, 2019; On February 20, 2019,



							<p>Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019);</p> <p>Announcement on the Progress of Major Litigation and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036 );</p> <p>The full text of the 2018 annual report on April 30, 2019;</p> <p>Announcement on the Progress of Major Litigation and Arbitration</p>
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							n Matters on July 22, 2019 (Announcement No.: 2019-091 )
Loan dispute case with Henan No.1 Thermal Power Construction Co., Ltd.	4,717.75	No	The first-instance verdict was closed	—	Under enforcement	February 19,2019	Announcement on Receiving <Civil Complaint>, <Arbitration Notice> and <Notice of Enforcement> on February 19, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.:2019-019) ; Announcement on the Progress

							of Major Litigation and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.: 2019-075);
Contract dispute case with Gome Cinda Factoring Co., Ltd.	4,163.7	No	The case is closed through mediation	—	Under enforcement	February 19,2019	Announcement on Receiving <Civil Complaint>, <Arbitration Notice>

							<p>and                  &lt;Notice                  of                  Enforcem                  ent&gt; on                  February                  19, 2019;                  On                  February                  20, 2019,                  Announce                  ment on                  Reply to                  Shenzhen                  Stock                  Exchange                  's Letter                  of                  Concern(                  Announce                  ment                  No.:2019                  -019);                  The full                  text of the                  2018                  annual                  report on                  April 30,                  2019;                  Announce                  ment on                  the                  Progress                  of Major                  Litigation                  and                  Arbitratio                  n Matters                  on July                  22, 2019                  (Announc                  ement                  No.:</p>
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							2019-091 )
Loan contract dispute case with Li Shao xiong	5,860.92	No	The verdict is closed	—	—	February 19,2019	Announce ment on Receiving <Civil Complain t>, <Arbitrati on Notice> and <Notice of Enforcem ent> on February 19, 2019; On February 20, 2019, Announce ment on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announce ment No.:2019 -019); The full text of the 2018 annual report on April 30, 2019; Announce ment on the

							Progress of Major Litigation and Arbitration Matters on May 8, 2019 (Announcement No.: 2019-050)
Enforcement case with Bairui Trust Co., Ltd.	30,736.58	No	The enforcement verdict has been received.	—	Under enforcement	February 19, 2019	Announcement on Receiving <Civil Complaint>, <Arbitration Notice> and <Notice of Enforcement> on February 19, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern (Announcement No.: 2019

							-019); The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announcement No.: 2019-091)
Dispute case over Lease Agreement of construction equipment with Zhejiang Huatie Construction Support Technology Co., Ltd.	979.05	No	The first-instance judgment is closed and an appeal is made	—	—	February 19, 2019	Announcement on Receiving <Civil Complaint>, <Arbitration Notice> and <Notice of Enforcement> on February 19, 2019; On February 20, 2019, Announce

							ment on Reply to Shenzhen Stock Exchange 's Letter of Concern( Announcement No.::2019-019); The full text of the 2018 annual report on April 30, 2019
Construction contract dispute case with Wang Kaixiang	304.41	No	Waiting for the judgment of first instance	—	—	February 19,2019	Announcement on Receiving <Civil Complaint>, <Arbitration Notice> and <Notice of Enforcement> on February 19, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange



							<p>'s Letter of Concern(Announcement No.:2019-019); Announcement on the Progress of Major Litigation and Arbitration Matters on April 19, 2019 (Announcement No.: 2019-036 );</p> <p>The full text of the 2018 annual report on April 30, 2019;</p> <p>Announcement on the Progress of Major Litigation and Arbitration Matters on June 14, 2019 (Announcement No.:</p>
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							2019-075 )
Labor subcontract dispute case with Hunan Zhongjian Construction Labor Co., Ltd.	251.57	No	An award is issued upon arbitration and the case is closed.	—	—	February 19,2019	Announcement on Receiving <Civil Complaint>, <Arbitration Notice> and <Notice of Enforcement> on February 19, 2019; On February 20, 2019, Announcement on Reply to Shenzhen Stock Exchange's Letter of Concern( Announcement No.:2019-019);Announcement on the Progress of Major Litigation and Arbitration Matters on April 19, 2019

							(Announcement No.: 2019-036); The full text of the 2018 annual report on April 30, 2019
Financial loan contract case with SPD Bank .Beijing Branch	7,977.89	No	Waiting for the judgment of first instance	—	—	March 1, 2019	The full text of the 2018 annual report on April 30, 2019; Announcement on Receiving <Civil Complaint> on March 1, 2019
Financial loan contract case with Shanghai Bank .Beijing Branch	27,411.99	No	Nolle prosequi and case closed	—	—	March 1, 2019	Announcement on Receiving <Civil Complaint> on March 1, 2019; The full text of the 2018 annual report on April 30, 2019; Announcement on

							the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083).
Financial loan contract case with Bank of China.Shenzhen Futian	7,934.39	No	Awaiting judgment	—	—	March 1,2019	Announcement on Receiving <Civil Complaint> on March 1, 2019; The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083

							).
Financial loan contract case with Zhejiang Commerce Bank .Shenzhen Branch	20,000	No	The case is closed through mediation	—	Under enforcement	March 1,2019	Announcement on Receiving <Civil Complaint> on March 1, 2019; The full text of the 2018 annual report on April 30, 2019; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083 ); Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announc

							ement No.: 2019-083 )
Financial loan contract case with Hengfeng Bank .Fuzhou Branch	10,024.5	No	Awaiting judgment	—	—	April 8,2019	Announce ment on Receiving <Civil Complain t> and <Applicat ion for Arbitratio n> on April 8, 2019; The full text of the 2018 annual report on April 30, 2019; Announce ment on the Progress of Major Litigation and Arbitratio n Matters on July 3, 2019 (Announc ement No.: 2019-083 )
Financial loan contract case with SPD Bank Beijing Branch	6,100	No	Awaiting judgment	—	—	April 8,2019	Announce ment on Receiving <Civil Complain

							t> and <Applicat ion for Arbitratio n> on April 8, 2019; The full text of the 2018 annual report on April 30, 2019
Financial loan contract case with Hunan Jinjude Construction Investment Co., Ltd.	502	No	In the first instance trial	—	—	April 8,2019	Announce ment on Receiving <Civil Complain t> and <Applicat ion for Arbitratio n> on April 8, 2019; The full text of the 2018 annual report on April 30, 2019
Dispute case over decoration and renovation contract with Xu Zhigui	104.07	No	In the first instance trial	—	—	April 8,2019	Announce ment on Receiving <Civil Complain t> and <Applicat ion for Arbitratio n> on April 8,

							2019; The full text of the 2018 annual report on April 30, 2019
Financial loan contract case with Jiujiang Bank .Guangzhou Haizhu Branch	10,223.39	No	Awaiting judgment	—	—	April 8,2019	Announcement on Receiving <Civil Complaint> and <Application for Arbitration> on April 8, 2019; The full text of the 2018 annual report on April 30, 2019 ; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083 )



Financial loan contract case with Baoshang Bank.Shenzhen Branch	20,451.46	No	The first-instance judgment is closed and an appeal is made	—	—	April 13,2019	Announcement on Receiving <Civil Complaint> plication > on April 13, 2019; The full text of the 2018 annual report on April 30, 2019 ; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083 )
Enterprise borrowing case with Zhejiang Changxing Jinkong Holding Co., Ltd.	10,000	No	No court session has been held yet	—	—	May 11,2019	Announcement on Receiving <Civil Complaint> plication > on May 11, 2019(Ann

							ouncement t No.2019- 054)
Financial loan contract case with Shenzhen Rural Commercial Bank .Futian Branch	4,522.8	No	No court session has been held yet	—	—	May 21,2019	Announce ment on Receiving <Civil Complain t> plication > on May 21, 2019(Ann ouncemen t No.2019- 061)
Notarized creditor's rights documen case with Beijing Culture and Technology financing guarantee Co., Ltd.	15,843.37	No	Under enforcem ent	—	Under enforcement	June 14,2019	Announce ment on Receiving < Notice of execution > plication > on June 14, 2019(Ann ouncemen t No.2019- 076)
Lease contract dispute case with China Seventeenth Metallurgical Group Co., Ltd.	3,442.86	No	No court session has been held yet	—	—	August 3,2019	Announce ment on Receiving <Civil Complain t> plication > on August 3, 2019(Ann

							ouncement t No.2019- 096)
Financial loan contract case with Zhuhai Huarun Bank .Shenzhen Branch	10,355.44	No	No court session has been held yet	—	—	August 3,2019	Announce ment on Receiving <Civil Complain t> plication > on August 3, 2019(Ann ouncemen t No.2019- 096)
Right of recourse dispute case with Shenzhen Yi'an Factoring Co., Ltd.	1,048.45	No	Waiting for the judgment of first instance	—	—	May 8,2019	Announce ment on Receiving <Civil Complain t> plication > on May 8, 2019(Ann ouncemen t No.2019- 051)
Case of Dispute over Construction Contract of Sino Great Wall International Engineering Co., Ltd. v. Nanchang Wanda City Investment Co., Ltd.	646.76	No	Nolle prosequi and case closed	—	—	May 8,2019	Announce ment on Receiving <Civil Complain t> plication > on May 8, 2019(Ann ouncemen

							t No.2019- 051)
Case of Dispute over Construction Contract of Sino Great Wall International Engineering Co., Ltd. v. Zhuhai Cuilin Decoration engineering co., Ltd. , Guangzhou Zhujiang Qiaodu Real Estate Co., Ltd.and Shenzhen Haibai Decoration Engineering Co., Ltd.	567.19	No	The case is closed through mediation	—	—	May 8,2019	Announce ment on Receiving <Civil Complain t> plication > on May 8, 2019(Ann ouncemen t No.2019- 051)
Creditor's Subrogation Dispute with Xinbang Construction Group Co., Ltd.	397.62	No	Awaiting judgment	—	—	May 8,2019	Announce ment on Receiving <Civil Complain t> plication > on May 8, 2019(Ann ouncemen t No.2019- 051)
Dispute case of contract of sale and purchase with Shenzhen Dingcheng Construction	263.56	No	The verdict is closed	—	Under enforcement	May 8,2019	Announce ment on Receiving <Civil Complain t>

Material Co., Ltd.							plication > on May 8, 2019(Announcement No.2019-051)
Case of contract dispute over Decoration with Sino,Great Wall International Engineering Co., Ltd.	233.71	No	The verdict is closed	—	—	May 8,2019	Announcement on Receiving <Civil Complaint> plication > on May 8, 2019(Announcement No.2019-051)
Construction Contract Subcontract Dispute Case With Shandong GRAD Group Co. Ltd.	185.97	No	Awaiting judgment	—	—	May 8,2019	Announcement on Receiving <Civil Complaint> plication > on May 8, 2019(Announcement No.2019-051)
Contract Dispute Case with Dongguan Yangcheng Stainless steel Product Co., Ltd.	178.81	No	Awaiting judgment	—	—	May 8,2019	Announcement on Receiving <Civil Complaint> plication

							> on May 8, 2019(Announcement No.2019-051)
Bai Shuogang Labor Dispute Case	153.98	No	The verdict is closed	—	Execution completed	May 8,2019	Announcement on Receiving <Civil Complaint> > on May 8, 2019(Announcement No.2019-051)
Labor Dispute between Feng Guoqiang, Jin Xin, Wang Jianbo, Wang Yong, Cai Changming, Wang Zhiquan, Wang Li, Fang Yan, Yang Ting, Dong Qing, Shang Xiaojuan, Du Yanli, Li Hongyan, Li Qian, Zhang Weixuan, Niu and Niu Youmiao	145.45	No	Mediation is closed and Wang Jianbo withdraws the lawsuit	—	Under implementation, and part of the implementation has been completed	May 8,2019	Announcement on Receiving <Civil Complaint> > on May 8, 2019(Announcement No.2019-051)
Labor and Personnel Dispute of Guo Xiaoli, Li	131.37	No	The case is closed through mediation	—	—	May 8,2019	Announcement on Receiving <Civil

Hongshan, Feng Mingzeng, Li Guangyu, Liu Haixiang, Chen Honghua, Peng Junxiang, Dong Jihong, Wang Fengjun, Zhang Haichao, Xu Jiao, Xia Guohong and and Xiao Meiling							Complain > plication > on May 8, 2019(Ann ouncemen t No.2019- 051)
Housing lease contract dispute case with Sino,Great Wall International Engineering Co., Ltd.	120	No	Sino,Grea t Wall Internatio nal Engineeri ng Co., Ltd.	—	—	May 8,2019	Announce ment on Receiving <Civil Complain > plication > on May 8, 2019(Ann ouncemen t No.2019- 051)
Dispute over contract of sale and purchase case with Zhejiang Jianlifang Woods Co., Ltd.	116.25	No	The verdict is closed	—	Under enforcement	May 8,2019	Announce ment on Receiving <Civil Complain > plication > on May 8, 2019(Ann ouncemen t No.2019- 051)
Contract Dispute with Jinhai	112.18	No	The judgment	—	—	May 8,2019	Announce ment on

Xinyuan Electric Jiangsu Co., Ltd.			is closed and China Construction appealed				Receiving <Civil Complaint> plication > on May 8, 2019(Announcement No.2019-051); Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083 )
Labor and Personnel Dispute with Xing Changkun, Yang Yi, Guo Shasha, Luan Qinghai, Gao Mingsheng, Li Daqiang, Wang Yanfei, Zhang Weina, Li Lianjun, Ma Zhesong, Wang Zhiqi, Qu Yanhua, Dong Deguo and Pan	109.4	No	The case is closed through mediation	—	—	May 8,2019	Announcement on Receiving <Civil Complaint> plication > on May 8, 2019(Announcement No.2019-051)



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Dispute over contract of sale and purchase case with Fujian Nanan Feiwang Stone handicrafts co., Ltd.	106.73	No	Awaiting judgment	—	—	May 8,2019	Announcement on Receiving <Civil Complaint> plication > on May 8, 2019(Announcement No.2019-051)
Dispute over the right of claim for the return of Bill interests with Sino,Great Wall International Engineering Co., Ltd.	100	No	The case is closed through mediation	—	—	May 8,2019	Announcement on Receiving <Civil Complaint> plication > on May 8, 2019(Announcement No.2019-051)
Construction Contract Dispute Case with Beijing Beipao Light steel building materials co., Ltd.	857.73	No	No court session has been held yet	—	—	May 11,2019	Announcement on Receiving <Civil Complaint> plication > on May 11, 2019(Announcement No.2019-054)

Contract Dispute Case with Jiangsu Huaiyin Construction Engineering Group Co., Ltd.	130.49	No	The verdict is closed	—	—	May 11,2019	Announcement on Receiving <Civil Complaint> plication > on May 11, 2019(Announcement No.2019-054) ; Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083 )
Contract dispute case with Dongguan Kema Decorative furniture co., Ltd.	86.63	No	Under enforcement	—	Under enforcement	May 11,2019	Announcement on Receiving <Civil Complaint> plication > on May 11, 2019(Announcement No.2019-054)

Lei Hongxiang construction project contract dispute case.	81.87	No	Waiting for the judgment of first instance	—	—	May 11, 2019	Announcement on Receiving <Civil Complaint> plication > on May 11, 2019(Announcement No.2019-054)
Procurement contract dispute case with Guangdong New Mingzhu Ceramic Group Co. Ltd.	79.45	No	Nolle prosequi and case closed	—	—	May 21, 2019	Announcement on Receiving <Civil Complaint> plication > on May 21, 2019(Announcement No.2019-061) ; Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announcement No.: 2019-091)

Procurement contract dispute case with Beijing Jingsheng Taihua Metal Structure Co., Ltd.	72.57	No	The verdict is closed	—	Not yet applied for execution	May 21,2019	Announcement on Receiving <Civil Complaint> application > on May 21, 2019(Announcement No.2019-061)
Contract dispute case with Guangdong Chuanghong Furniture Co., Ltd.	364.57	No	Awaiting judgment	—	—	June 13,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on June 13, 2019 (Announcement No.: 2019-075);
Contract dispute case with Luode Environmental protection Technology Co., Ltd.	163.72	No	No court session has been held yet	—	—	June 13,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on June 13, 2019 (Announcement

							No.: 2019-075 );
Contract dispute case with Quanzhou Fengze District Yumin Trade Co., Ltd.	149.02	No	No court session has been held yet	—	—	June 13,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on June 13, 2019 (Announcement No.: 2019-075 );
Contract dispute case with Leihe Ouya Construction Labor subcontract co., Ltd.	3,336.66	No		—	—	June 27,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on June 27, 2019 (Announcement No.: 2019-080 )
Purchase and sale contract dispute case with Beijing Zhongxing Guoji Trade Co., Ltd.	152.66	No	No court session has been held yet	—	—	June 27,2019	Announcement on the Progress of Major Litigation and Arbitration

							n Matters on June 27, 2019 (Announcement No.: 2019-080 )
Right of recourse dispute case with Guan Haihang Trade Center	100	No	No court session has been held yet	—	—	June 27,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on June 27, 2019 (Announcement No.: 2019-080 )
Right of recourse dispute case with Guan Haihang Trade Center	100	No	No court session has been held yet	—	—	June 27,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on June 27, 2019 (Announcement No.: 2019-080 )
Processing contract dispute case with Beijing	106.32	No	No court session has been	—	—	June 27,2019	Announcement on the

Gelin Yisen Trade Co., Ltd.			held yet				Progress of Major Litigation and Arbitration Matters on June 27, 2019 (Announcement No.: 2019-080)
Contract dispute case of Construction Engineering Design with Guangdong Xinchangan Construction Designing Institute Co., Ltd.	379.62	No	No court session has been held yet	—	—	July 3,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on July 3, 2019 (Announcement No.: 2019-083)
Dispute case of contract of sale and purchase with Beijing Zhongxing Guoji Trade Co., Ltd.	134.15	No	The verdict is closed	—	Not yet applied for execution	July 22,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announcement No.: 2019-091)

							)
Dispute case of contract of sale and purchase with Guangdong New Mingzhu Ceramic Group Co. Ltd.	82.57	No	No court session has been held yet	—	—	July 22,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announcement No.: 2019-091)
Wang Hong construction engineering subcontracting Dispute	232.96	No	No court session has been held yet	—	—	July 22,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announcement No.: 2019-091)
Dispute case of contract of sale and purchase with Quanzhou Fengze Yumin Trade Co., Ltd.	209.6	No	No court session has been held yet	—	—	July 22,2019	Announcement on the Progress of Major Litigation and Arbitration Matters on July



							22, 2019 (Announcement No.: 2019-091)
Sun shuhui construction project subcontract dispute	170.51	No	Awaiting judgment	—	—	July 22, 2019	Announcement on the Progress of Major Litigation and Arbitration Matters on July 22, 2019 (Announcement No.: 2019-091)
Construction contract dispute case with Haikou Xingxin Stone co., Ltd.	179.64	No	No court session has been held yet	—	—	August 3, 2019	Announcement on the Progress of Major Litigation and Arbitration Matters on August 3, 2019 (Announcement No.: 2019-096)
Dispute case of contract of sale and purchase with Foshan Longmeida	345.71	No	No court session has been held yet	—	—	August 3, 2019	Announcement on the Progress of Major

Stone industry co., Ltd.							Litigation and Arbitration Matters on August 3, 2019 (Announcement No.: 2019-096)
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Other legal matters

√ Applicable □ Not applicable

General information	Involved amount (Ten thousand yuan)	Provision	Progress	Decisions and effects	Execution of decisions	Disclosure date	Index to disclosed information
Other small litigations (Among them, the amount involved by the company as the prosecutor is RMB 0)	2,146.18	No	—	—	—	April 30, 2019	The full text of the 2018 annual report on April 30, 2019

**IX. Punishments and rectifications**

√ Applicable □ Not applicable

Name	Type	Reasons	Type of Punishment	Conclusion (if any)	Disclosure date	Disclosure index
Sino Great Wall Co., Ltd	Other	As the company is suspected of violating laws and regulations in information disclosure, according to the relevant provisions of the Securities	An investigation is filed or an administrative punishment is imposed by the China Securities Regulatory Commission	As of the disclosure date of this announcement, the company has not yet received the China Securities Regulatory Commission's	October 19, 2018	(www.cninfo.com.cn) (Announcement No.: 2018-121)

		Law of the People's Republic of China, the CSRC has decided to initiate an investigation in the company.		concluding comments or decisions on relevant investigation matters.		
Sino Great Wall Co., Ltd	Other	The Shenzhen Supervision Bureau of China Securities Regulatory Commission will conduct on-site inspections of the company from May 2018 onwards	Be investigated by a competent authority	Decision on Administrative Supervision Measures of Shenzhen Supervision Bureau of China Securities Regulatory Commission ([2019] No.11)	March 7,2019	(www.cninfo.com.cn) (Announcement No.:2019-022)
Chen Lue, Tian Wei, Tang Xianyong, Cui Hongli, Yang Chunling	Senior executives	The Shenzhen Supervision Bureau of China Securities Regulatory Commission will conduct on-site inspections of the company from May 2018 onwards	Be investigated by a competent authority	Decision on Administrative Supervision Measures of Shenzhen Supervision Bureau of China Securities Regulatory Commission [2019] No.12 [2019]No.13 [2019]No.14 [2019]No.15 and [2019]No.16	March 7,2019	(www.cninfo.com.cn) (Announcement No.:2019-022)
Chen Lue	Director	The Shenzhen Supervision Bureau of China	Be investigated by a competent authority	Decision on Administrative Supervision Measures of	March 7,2019	(www.cninfo.com.cn) (Announcement

		Securities Regulatory Commission will conduct on-site inspections of the company from May 2018 onwards		Shenzhen Supervision Bureau of China Securities Regulatory Commission ([2019] No.12)		No.:2019-022)
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Explanation on Rectification

√Applicable □Not applicable

On October 18, 2018, the company received the notice of investigation issued by the China Securities Regulatory Commission (No: JDC Zi No. 18041). As the company is suspected of violating laws and regulations in information disclosure, according to the relevant provisions of the Securities Law of the People's Republic of China, the CSRC has decided to initiate an investigation in the company. On March 6, 2019, the company received the Shenzhen Securities Regulatory Bureau's Decision on Administrative Supervision Measures (No 2019] 11, No. [2019] 12 , No. [2019] 13 ,No. [2019] 14 , No. [2019] 15, and No. [2019] 16) showing that the Shenzhen Securities Regulatory Bureau had carried out on-site inspection of the company since May 2018, and the Shenzhen Securities Regulatory Bureau had filed a case for investigation on the illegal disclosure of relevant information found in the inspection; In addition, through inspection, it is also found that the company had the following problems "I. The income cost accounting is not standardized, and expenses are charged through out-of-account fund accounts; II. It did not disclose the changes in major items in a timely manner, the preparation of performance forecasts and performance report is not prudent; III. It has capital exchanges of no real business foundation with a number of companies, and illegal foreign financial assistance; IV. The relevant management system for raising funds is not perfect; V. Registration management for information insider is not standardized". The Shenzhen Securities Regulatory Bureau decided to take corrective measures against the company, the company's relevant directors, senior management personnel, and issue warning letters to Mr. Chen Lue, Mr. Tian Wei, Mr. Tang Xianyong, Ms. Cui Hongli, Ms. Yang Chunling (see Announcements No. 2018-121, and 2019-022

In response to the relevant problems found during the inspection against the company, the company has made serious rectification in accordance with the matters involved in the Decision on Taking Corrective Measures against Sino Great Wall Co., Ltd. ([2019] No.11). Please refer to the company's Rectification Report on Issues Related to the Decision on Administrative Supervision Measures of Shenzhen Securities Regulatory Bureau (Announcement No.: 2019-031) published on Cninf (www.cninfo.com.cn) on April 11, 2019 for details concerning the person responsible for rectification, rectification period, rectification measures, etc.

In addition to the above matters, Shenzhen Securities Regulatory Bureau requires the company to employ a third party independent agency to conduct special inspections on the problems of NPP-0057 in Xingang, Qatar, Cambodia Refinery and NAGA Casino Phase II project in Cambodia. The company has engaged a third-party independent organization, Asia Pacific (Group) Certified Public Accountants (Special General Partnership), to carry out verification of the above-mentioned projects and issue an independent verification report [YK A ZS Zi (2019) No. 0057]. For details, please refer to the Independent Verification Report of Sino Great Wall Co., Ltd. published by the company on the same day on Juchao Information Network (www.cninfo.com.cn).

As of the disclosure date of this announcement, the company has not yet received the China Securities Regulatory Commission's concluding comments or decisions on relevant investigation matters. The company shall perform its

information disclosure obligations in accordance with the relevant provisions of the Listing Rules of Shenzhen Stock Exchange and disclose a risk alert announcement once a month.

## X. Credit conditions of the Company as well as its Controlling shareholder and actual Controller

Applicable  Not applicable

### (I) The integrity of the company and its subsidiaries

1. The company and its wholly-owned subsidiary Sino International Engineering Co., Ltd. were incorporated into the list of defaulters due to breach by the Beijing Second Intermediate People's Court due to the dispute with Shaanxi International Trust Company Limited over financial loan contract. Currently, the case is in enforcement.
2. Due to a dispute with CCB International Asset Management (Shanghai) Co., Ltd over financial loan contract, the company and its wholly-owned subsidiary Sino International Engineering Co., Ltd. were incorporated into the list of defaulters by the Beijing Third Intermediate People's Court. Currently, the case is in enforcement.
3. The company was incorporated into the list of defaulters by Beijing Third Intermediate People's Court due to the dispute with Bairui Trust Co., Ltd. over financial loan contract. Currently, the case is in enforcement.
4. Due to a dispute with China Railway Trust Co., Ltd. over financial loan contract, the company and its wholly-owned subsidiary Sino International Engineering Co., Ltd. were incorporated into the list of defaulters by the Chengdu Intermediate People's Court. Currently, the case is in enforcement.
5. The company and its wholly-owned subsidiary Sino International Engineering Co., Ltd. were incorporated into the list by the Haidian District People's Court of Beijing for notarizing the enforcement of creditor's rights documents with Beijing Zhongguancun Sci-tech Financing Guaranty Co., Ltd. Currently, the case is under trial. For details of the above cases, please refer to the company's announcements 2018-107, 2018-125, 2018-109, 2019-018, 2019-019, 2019-015 published on Cninf (www.cninfo.com.cn) on September 14, 2018, October 23, 2018, September 18, 2018, February 19, 2019, February 20, 2019 and February 13, 2019.

6. The company was incorporated by the People's Court of Changning District of Shanghai into the list of defaulters due to a dispute over the internet service contract with Shanghai Ctrip Hongrui International Travel Service Co., Ltd. and Shanghai Huacheng Southwest International Travel Service Co., Ltd. Currently, the case is in enforcement.

7. 2. Due to disputes over bills with Tongchuan New District Hengxin Building Materials Co., Ltd., Xi'an Bihui Road and Bridge Engineering Co., Ltd. and Jiaozuo Junpeng Coal Co., Ltd., the company was incorporated by Shenzhen Longgang District People's Court into the list of defaulters. At present, the above cases are all in the process of implementation.

### (II) Integrity of controlling shareholders and actual controllers

1. Chen Lue, the controlling shareholder and actual controller of the company, has been incorporated into the list of defaulters, due to his failure to perform the obligations specified in the effective legal documents, including:
  - 1) In the dispute between the company and Shanxi International Trust Co., Ltd. over financial loan contract, Chen Lue, as the guarantor and counter-guarantor, assumed joint and several guarantee liability for the above debts and was incorporated into the list of defaulters by the Beijing Second Intermediate People's Court. Currently, the case is in enforcement.
  - 2) In the dispute between the company and China Railway Trust Co., Ltd. over financial loan contract, Chen Lue, as the guarantor of the counter-guarantor, assumed joint guarantee liability for the debt and was incorporated into the list of defaulters by the Chengdu Intermediate People's Court. Currently, the case is in enforcement.

3) Chen Lue was incorporated into the list of defaulters by Tongzhou District People's Court of Beijing for a dispute over private lending with Xia Honggan. Currently, the case is in the process of enforcement.

4) In the case of notarization of creditor's rights documents between the company and Beijing Zhongguancun Sci-tech Financing Guaranty Co., Ltd., Chen Lue, as the guarantor and counter-guarantor, assumed joint and several guarantee liabilities for the debts and was incorporated into the list of defaulters by the Haidian District People's Court of Beijing. Currently, the case is under trial.

5) In the dispute between the company and Bairui Trust Co., Ltd. over financial loan contract, Chen Lue, as the guarantor and counter-guarantor, assumed joint guarantee liability for the debt and was incorporated into the list of defaulters by the Beijing Third Intermediate People's Court. Currently, the case is in enforcement.

6) In the case of dispute over the financial loan contract between the Company and CCB International Asset Management (Shanghai) Co., Ltd., Chen Lue as the counter guarantor assumed a joint surety bond liability for the debt and was incorporated by Beijing Third Intermediate People's Court into the list of defaulters. Currently, the case is in enforcement.

Regarding particulars of the preceding case, please refer to Announcement 2018-107, 2018-125, 2019-015, 2019-019, 2019-018, and 2018-109 published by the Company at Cninf (www.cninfo.com.cn) on September 14, 2018, October 23, 2018, February 13, 2019, February 20, 2019, February 19, 2019 and September 18, 2018 respectively.

7) In the dispute over private loans between Chen Changfeng, Sheng Xiaomei and Zhao Jirong, Chen Lv and Sino Great Wall Investment (Beijing) Co., Ltd., as guarantors, were jointly and severally liable for the debts, and were listed by the Tongzhou District People's Court of Beijing into the list of defaulters. At present, the case ends this execution.

8) In the dispute over private loans between Shi Jiajian, Hong Qilan and Zhao Jirong, Chen Lv, as guarantors, were jointly and severally liable for the debts, and were listed by the Tongzhou District People's Court of Beijing into the list of defaulters. At present, the case ends this execution.

9) Chen Lue was incorporated into the list of defaulters by Tongzhou District People's Court of Beijing for a dispute over private lending with Xia Honggan. Currently, the case is in the process of enforcement.

2. The Company's holding shareholder and actual controller Chen Lue held 583,454,556 shares of the Company, accounting for 34.36% of its total capital stock. In the report period, all the shares held by Mr. Chen Lue were frozen and waited for being frozen, attributable to a property preservation caused by his assumption of personal joint guarantee for a subsidiary to carry out business financing.

For more information, please refer to Announcement on Waiting to Freeze Shares of the Holding Shareholder 2018-112, 2018-124, 2018-139, 2018-143, 2018-145, 2018-150, 2018-153, 2018-155, 2019-017, 2019-025, 2019-049, 2019-073, 2019-082, 2019-086 and 2019-097 published by the Company at Cninf (www.cninfo.com.cn) on September 22, 2018, October 23, 2018, November 2, 2018, November 14, 2018, November 15, 2018, November 20, 2018, November 28, 2018, December 22, 2018, February 6, 2019 and March 27, 2019, May 7, 2019, June 12, 2019, June 28, 2019, July 9, 2019 and August 7, 2019 respectively.

## **XI. Equity incentive plans, employee stock ownership plans or other incentive measures for employees**

√ Applicable  Not applicable

The second meeting of the seventh board of directors, the second meeting of the seventh board of supervisors and the 2015 third extraordinary general shareholder meeting were respectively convened by the company on Nov 5, 2015 and Nov 23, 2015, at which the Proposal on the First Phase of Employee Stock Ownership Plan (draft) of

Shenzhen Victor Onward Textile Industrial Co., Ltd was examined and approved.

Please refer to the published on November 7, 2015 and November 24, 2015 ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on the relevant announcement.

On December 24, 2015, the company as the asset trustor of the ESOP asset management plan, together with the asset manager- Xingzheng Securities Asset Management Co.,Ltd and the asset trustee- China Everbright Bank Co.,Ltd signed the contract of No.57 Xing Zheng Zi Guan Xin Zhong Assets Management Contract of the Collection Assets Management Plan which concretely explained and stipulated the information included the basic information of the collection plan, participating in and withdrawal of the collection plan, guarantee, classification of the collection plan, the management methods and the management rights of the customer assets in the collection plan, the establishment of the collection plan, the expenses of the collection plan, the proceeds and its distribution of the collection plan, investment philosophy and investment strategy, investment decision-making and risk control, restrictions and prohibited behaviors of investment, information disclosure of the collection plan, transfer of the share of the collection plan, non-transaction transfer ownership and freezing and so on.

Please refer to the published on December 29, 2015 ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on the relevant announcement.

As of January 7, 2016, the company's first phase of the employee stock ownership plan has completed the share-purchasing by means of buying in the secondary security market, of which the average position price is RMB44.7578 per share, the total purchase quantity is 833,187 shares which account for 0.1864% of the company's total share capital, and the total turnover is RMB37,291,630. The lock-up period of the shares purchased under the plan is 12 months commenced from the date of this announcement. Please refer to the published on January 8, 2016 ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on the relevant announcement.

On November 20, 2017, with the consent of more than two-thirds of the holders presented at the holders' meeting, the "Proposal on the one-year extension of the company's first phase ESOP" was passed. On November 21, 2017, the company held the twenty-sixth meeting of the seventh board of directors, which reviewed and adopted the "Proposal on the one-year extension of the company's first phase ESOP", and according to the voting result of the holders' meeting, the board agreed to extend the duration of the company's first phase ESOP by one year, meaning that the ESOP can sell shares within the afore-said extension of one year (until November 23, 2018). If the shares are not sold before the expiration of the extended one year, a further meeting of the holders and the meeting of the board of directors can be convened two months before the expiration to consider the follow-up matters. Please refer to the published on November 22, 2017 ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on the relevant announcement.

On November 20, 2018, attendees of the holders' meeting with 2/3 of shares agreed and adopted the Proposal on Extending the Company's First Staff Shareholding Plan for One Year. On November 21, 2018, the Company convened the second meeting of the eighth Board of Directors, deliberating and adopting the Proposal on Extending the Company's First Staff Shareholding Plan for One Year. According to voting results at the holders' meeting, the Board of Directors agreed to extend the Company's first staff shareholding plan for one year, i.e., the former expiry date was extended to one year later--November 23, 2019. In the duration, once the Company's shares held in the staff shareholding plan are sold out, the staff shareholding plan may be terminated beforehand. If shares are not sold upon the expiry of the extended period, a holders' meeting and meeting of Board of Directors may be convened 2 months before the expiration to deliberate relevant following matters. Please refer to the published on November 22, 2018 ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on the relevant announcement.

## **XII. Material related transactions**

### 1. Related transactions in connection with daily operation

Applicable  Not applicable

No such cases in the reporting period.

### 2. Related-party transactions arising from asset acquisition or sold

Applicable  Not applicable

No such cases in the reporting period.

### 3. Related-party transactions with joint investments

Applicable  Not applicable

No such cases in the reporting period.

### 4. Credits and liabilities with related parties

Applicable  Not applicable

No such cases in the reporting period.

### 5. Other significant related-party transactions

Applicable  Not applicable

No such cases in the reporting period.

## **XIII. Particulars about the non-operating occupation of funds by the Controlling shareholder and other related parties of the Company**

Applicable  Not applicable

The company was not involved in the non-operating occupation of funds by the controlling shareholder and other related parties during the reporting period.

## **XIV. Significant contracts and execution**

### 1. Entrustments, contracting and leasing

#### (1) Entrustment

Applicable  Not applicable

No such cases in the reporting period.



## (2) Contracting

Applicable  Not applicable

No such cases in the reporting period.

## (3) Leasing

Applicable  Not applicable

Notes

During the reporting period, the company's leasing expenses were mainly the company's office space and staff quarters' capital expenditures.

The company's profit and loss has reached more than 10% of the company's total profit during the reporting period

Applicable  Not applicable

Nil

## 2. Guarantees

Applicable  Not applicable

## (1) Guarantees

Ten thousand yuan

External Guarantee (Exclude controlled subsidiaries)								
Name of the Company	Relevant disclosure date/No. of the guarantee amount	Amount of Guarantee	Date of happening (Date of signing agreement)	Actual amount of guarantee	Guarantee type	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)
Guarantee of the company for its subsidiaries								
Guarantee provided to	Amount of guarantee and date of disclosure	Amount of the guarantee	Actual date of occurring (signing date of agreements)	Actual amount of guarantee	Type of guarantee	Term	Completed or not	Related guarantee
Sino International	May 28, 2019	27,196.18	May 10, 2019	27,196.18	The joint liability	1 year	No	Yes

					guaranty			
Sino International	May 20,2017	12,000	February 12,2018	12,000	The joint liability guaranty	1 year	No	Yes
Sino International	April 4,2019	7,000	March 31,2019	7,000	The joint liability guaranty	1 year	Yes	Yes
Sino International	March 29,2018	11,990	August 22,2018	11,990	The joint liability guaranty	1 year	No	Yes
Sino International	May 20,2017	40,000	July 25,2017	40,000	The joint liability guaranty	1 year	No	Yes
Sino International	May 20,2017	22,000	June 30,2017	22,000	The joint liability guaranty	1 year	No	Yes
Sino International	May 20,2017	20,000	October 18,2017	20,000	The joint liability guaranty	1 year	No	Yes
Sino International	May 20,2017	10,000	November 22,2017	10,000	The joint liability guaranty	1 year	No	Yes
Sino International	May 20,2017	10,000	November 30,2017	10,000	The joint liability guaranty	1 year	No	Yes
Sino International	March 31,2016	8,400	March 31,2017	8,400	The joint liability guaranty	30 months	No	Yes
Sino International	May 20,2017	8,000	February 13,2018	8,000	The joint liability guaranty	1 year	No	Yes
Sino International	May 20,2017	20,000	December 28,2017	20,000	The joint liability guaranty	1 year	No	Yes
Sino International	June 21,2019	8,000	May 29,2019	8,000	The joint liability guaranty	1 year	No	Yes
Wuhan Commercial Worker Hospital	March 31,2016	10,889.81	January 18,2017	10,889.81	The joint liability guaranty	3 years	No	Yes

Sino Great Wall Jianye	March 29,2018	3,500	September 30,2018	3,500	The joint liability guaranty	1 year	No	Yes	
Sino Great Wall Medical Investment Management Co., Ltd.	April 4,2019	3,200	December 21,2018	3,200	The joint liability guaranty	1 year	No	Yes	
Sino Great Wall Medical Investment Management Co., Ltd.	April 4,2019	3,400	March 11,2019	3,400	The joint liability guaranty	1 year	No	Yes	
Total of guarantee for subsidiaries approved in the Period (B1)			800,000	Total of actual guarantee for subsidiaries in the Period (B2)				225,575.99	
Total of guarantee for subsidiaries approved at Period-end (B3)			800,000	Total of actual guarantee for subsidiaries at Period-end (B4)				225,575.99	
Guarantee of the subsidiaries for the controlling subsidiaries									
Name of the Company guaranteed	Relevant disclosure date/No. of the guaranteed amount	Amount of guarantee	Date of happening (Date of signing agreement)	Actual amount of guarantee	Guarantee type	Guarantee term	Complete implementation or not	Guarantee for associated parties (Yes or no)	
Total of Company's guarantee (namely total of the large three aforementioned)									
Total of guarantee in the Period (A1+B1+C1)			800,000	Total of actual guarantee in the Period (A2+B2+C2)				225,575.99	
Total of guarantee at Period-end (A3+B3+C3)			800,000	Total of actual guarantee at Period-end (A4+B4+C4)				225,575.99	
The proportion of the total amount of actually guarantee in the net assets of the company (A4+B4+C4)									-190.46%
Including:									

Amount of guarantee for shareholders, actual controller and its associated parties (D)	0
The debts guarantee amount provided for the Guaranteed parties whose assets-liability ratio exceed 70% directly or indirectly (E)	225,575.99
Amount of guarantee exceeds 50% of net capital (F)	141,196.18
Total Amount (D+E+F)	366,772.17
Explanations on possibly bearing joint and several liquidating responsibilities for undue guarantees (If any)	Nil
Explanations on external guarantee against regulated procedures (If any)	Nil

Description of the guarantee with complex method

(2) Illegal providing of external guarantees

Applicable  Not applicable

No illegal providing of external guarantees in the report period.

3. Other significant contracts

Applicable  Not applicable

Nil

## **XV.Social responsibilities**

1.Major environmental protection

The Listed Company and its subsidiary whether belongs to the key sewage units released from environmental protection department

No

Listed companies and their subsidiaries are not key pollutant discharging units announced by environmental protection authorities

2. Precise poverty alleviation social responsibility

(1) Targeted poverty alleviation program

There is no precise poverty alleviation carried out in the period and no follow plan either.

(2) Annual precision poverty alleviation

(3) Accuracy of poverty alleviation

Index	Measurement unit	Quantity / Status
I. General situation	---	---
II. Breakdown Input	---	---
1. Poverty alleviation by industrial development	---	---
2. Poverty alleviation by transfer employment	---	---
3. Poverty alleviation by relocation	---	---
4. Educational poverty alleviation	---	---
5. Health poverty alleviation	---	---
6. Ecological protection poverty alleviation	---	---
7. Guarantee of all the details	---	---
8. Social poverty alleviation	---	---
9. Other projects	---	---
III. Awards (Content and level)	---	---

(4) Subsequent targeted poverty alleviation program

## XVI. Other material events

√ Applicable □ Not applicable

1. On February 12, 2018, the Company convened the twenty-ninth meeting of the seventh Board of Directors, deliberating and adopting a Proposal on Acquisition of Shares of UPL Laos Co., Ltd., according to which, UPL (MALAYSIA) SDN. BHD. (hereinafter referred to as UPL Malaysia) transferred 30% of shares of UPL Laos Co., Ltd. (hereinafter referred to as UPL Laos) to the Company by signing an Agreement of Equity Cooperation on Laos Vientiane Dongphosy Special Economic Zone Project, UPL Laos entered into a franchise agreement for 50+40 years with Laos Government by cash contribution of USD 10 million and advance payment of USD 20 million for project construction put together as the consideration of acquisition and took full charge of matters of development of Dongphosy as the franchisee to Dongphosy Special Economic Zone (refer to the Company's Announcement 2018-020 and 021). On June 12, 2018, the Company agreed with UPL Malaysia on transfer of 10% of shares, hence the Company's shareholding ratio rose to 40%. Whereas the Company is experiencing a financial difficulty at the moment and has failed to perform duties of advance payment and construction in the equity agreement and duties in the loan agreement, the Malaysian shareholder UPL Malaysia sent a letter in request for a return of equity and filed an arbitration to Hong Kong International Arbitration Centre on the dispute of equity in March 2019. Right now, the Company has hired an arbitrator duly in response to the suit.

2. On February 23, 2018, the Company received the "Mekong River Villa Project Bid-Winning Notice" issued by OXLEYEMERALD (CAMBODIA) CO., LTD, and Sino International won the bid for the "Mekong River Villa Project" in Cambodia, with the bid amount of USD 46.5 million (equivalent to RMB 295 million) (See the

2018-035 announcement of the Company for details). As of the end of the reporting period, most of the on-site piling construction work has been completed, and the relevant civil work has been in progress. As of the disclosure date of this report, both parties have agreed to terminate the contract and the project is in the process of settlement.

3. The Company convened the thirty-seventh meeting of the seventh Board of Directors on September 2, 2018, planned to invest and found "Yinglonghu Development Co., Ltd." (hereinafter referred to as the Project Company, whose final name is subject to the name approved in industrial and commercial registration) with Chongqing Circum-Yinglonghu Industrial Co., Ltd. (hereinafter referred to as Party A) and 7 village committees concerned at the project location (hereinafter referred to as Party C). The registered capital of the Project Company was RMB 125 million, wherein Party A subscribed capital by earlier input of physical assets worth RMB 23.75 million (subject to the audited amount) in the Yinglong Project, accounting for 19% of the registered capital; Sino Great Wall contributed RMB 100 million by currency, accounting for 80% of the registered capital; Party C subscribed RMB 1.25 million by currency or contribution in kind, accounting for 1% of the registered capital (refer to the Company's Announcement 2018-104 and 105). At the moment, the Project Company has been registered and project planning and design are underway.

4. The company held the sixth meeting of the eighth Board of Directors on April 12, 2019, deliberated and passed the Proposal on Adjusting the Company's Organizational Structure and agreed to adjust the operating organization and business structure of the company's headquarters. The company will implement a division system by sections and set up four operating organizations, including the domestic traditional construction business sector (division), infrastructure business sector (division), overseas business sector (division), smart housing and medical care business sector (division). After this adjustment, the organizational structure of the company's headquarters is as follows: eight functional departments and offices, including the comprehensive office, the finance department and the human resources department, as well as the above-mentioned four operating institutions (see the company's announcement No 2019-028 for details).

5. In May 2019, the company received a notice from Mr. Chen Lv, the actual controller and controlling shareholder, that Mr. Chen Lv intended to introduce the reorganizing party Chongqing Nanbu Xincheng Industrial Investment Group Co., Ltd. (hereinafter referred to as "Nanbu Xincheng Group"), and signed a Letter of Intent for Cooperation on the judicial reorganization to be carried out by the company. Nanbu Xincheng Group has reached a preliminary intention to participate as the reorganizing party and promote the reorganization process of the company. If the judicial reorganization can be successfully completed, Nanbu Xincheng Group will become the controlling shareholder of the company, and Mr. Chen Lv will become the second largest shareholder of the company (see Announcement No. 2019-064 of the company for details). As of the disclosure date of the report, Nanbu Xincheng has organized professional intermediaries such as securities dealers, accountants and lawyers to formally carry out due diligence. Nanbu Xincheng Group will decide whether to further promote cooperation based on the results of due diligence.

6. On July 24, 2019, the company received the application for reorganization submitted by the creditor Bihui Road and Bridge served by the court. Bihui Road and Bridge applied to the court for reorganization of the company on the grounds that the company was unable to repay the debts due and obviously lacked solvency. As of the disclosure date of this report, the company has not received the court's ruling on Bihui Road and Bridge's application for reorganization of the company. Whether the application of creditor Bihui Road and Bridge can be accepted by the court and whether the company will enter the reorganization process are still with major uncertainty (see Announcement No 2019-092 of the company for details).

**XVII. Material events of subsidiaries**

Applicable  Not applicable

## VI. Change of share capital and shareholding of Principal Shareholders

### I.Changes in share capital

#### 1. Changes in share capital

In shares

	Before the change		Increase/decrease (+, -)					After the Change	
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of common reserve fund	Other	Subtotal	Quantity	Proportion
I. Share with conditional subscription	438,857,067	25.84%				-304,969	-304,969	438,552,098	25.82%
3.Other domestic shares	438,857,067	25.84%				-304,969	-304,969	438,552,098	25.82%
Domestic natural person shares	438,857,067	25.84%				-304,969	-304,969	438,552,098	25.82%
II. Shares with unconditional subscription	1,259,387,944	74.16%				304,969	304,969	1,259,692,913	74.18%
1.Common shares in RMB	995,584,713	58.62%				304,969	304,969	995,889,682	58.64%
2.Foreign shares in domestic market	263,803,231	15.53%				0	0	263,803,231	15.53%
III. Total of capital shares	1,698,245,011	100.00%				0	0	1,698,245,011	100.00%

Reasons for share changed

 Applicable  Not applicable

Approval of Change of Shares

 Applicable  Not applicable

Ownership transfer of share changes

 Applicable  Not applicable

Progress on any share repurchase:

 Applicable  Not applicable

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

 Applicable  Not applicable



Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

Applicable  Not applicable

Other information necessary to disclose for the company or need to disclosed under requirement from security regulators

Applicable  Not applicable

## 2. Change of shares with limited sales condition

Applicable  Not applicable

In shares

Shareholder Name	Initial Restricted Shares	Number of Unrestricted Shares This Term	Number of Increased Restricted Shares This Term	Restricted Shares in the End of the Term	Reason for Restricted Shares	Date of Restriction Removal
Chen Lue	55,995,934	0	0	55,995,934	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	--
Chen Lue	381,594,983	0	0	381,594,983	Executive locking stock	Not applicable
Li Erlong	619,050	154,725	0	464,325	Executive locking stock	Not applicable
Yang Chunling	46,125	0	0	46,125	Executive locking stock	Not applicable
Liang Rong	600,975	150,244	0	450,731	Executive locking stock	Not applicable
Total	438,857,067	304,969	0	438,552,098	--	--

## II. Issuing and listing

Applicable  Not applicable

## III. Shareholders and shareholding

In Shares

Total number of common	69,421	Total number of preferred	0
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shareholders at the end of the reporting period							shareholders that had restored the voting right at the end of the reporting period (if any) (note 8)			
Shareholding of shareholders holding more than 5% shares										
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period-end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen		State of share	Amount
Chen Lue	Domestic Natural person	34.36%	583,454,556	0	437,590,917	145,863,639	Pledge		Freeze	583,454,462
										583,454,556
STYLE-SUCCESS LIMITED	Foreign legal person	5.47%	92,970,910	0	0	92,970,910				
Union Holdings Co., Ltd.	Domestic Non-State-owned legal person	5.18%	87,935,921	0	0	87,935,921				
He Feiyan	Domestic Natural person	3.23%	54,800,458	0	0	54,800,458		Freeze		54,800,458
Jiutai Fund—Bank of Communications — Jiutai Huitong No.2 specific customer asset management plan	Other	2.40%	40,696,772	0	0	40,696,772				
Rich Crown Investment Co., Ltd.	Foreign legal person	1.37%	23,235,313	0	0	23,235,313				
Lei Shizhang	Domestic Natural person	0.88%	15,000,000	10,555,000	0	15,000,000				
Qinghai Heyi Industry Development Co., Ltd.	Domestic Non-State-owned legal person	0.79%	13,357,084	0	0	13,357,084		Pledge		13,357,084
Huang	Domestic	0.68%	11,480,000	-820,000	0	11,480,000				

Huaian	Natural person		000			0		
Liu Yong	Domestic Natural person	0.41%	7,044,352	4,745,500	0	7,044,352		
Strategy investors or general legal person becomes top 10 shareholders due to rights issued (if applicable)See Notes 3 )	Not applicable							
Explanation on associated relationship among the aforesaid shareholders	The largest shareholder of Mr. Chen Lue and the Fourth largest shareholder of Ms. He Feiyan aforesaid are persons acting in concerted; The controlling shareholder of the above-mentioned third shareholder Shenzhen Union Holdings Co.,Ltd. And Sixth shareholder Rich Crown Investment Co., Ltd.. Is Union Development Group Ltd.; It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.							
Shareholding of top 10 shareholders of unrestricted shares								
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type						
		Share type	Quantity					
Che Lue	145,863,639	RMB Common shares	145,863,639					
STYLE-SUCCESS LIMITED	92,970,910	Foreign shares placed in domestic exchange	92,970,910					
Union Holdings Co., Ltd.	87,935,921	RMB Common shares	87,935,921					
He Feiyan	54,800,458	RMB Common shares	54,800,458					
Jiutai Fund – Bank of Communications – Jiutai Huitong No.2 specific customer asset management plan	40,696,772	RMB Common shares	40,696,772					
Rich Crown Investment Co., Ltd.	23,235,313	Foreign shares placed in domestic exchange	23,235,313					
Lei Shizhang	15,000,000	RMB Common shares	15,000,000					
Qinghai Heyi Industry Development Co., Ltd.	13,357,084	RMB Common shares	13,357,084					
Huang Huaian	11,480,000	Foreign shares	11,480,000					

		placed in domestic exchange	
Liu Yong	7,044,352	RMB Common shares	7,044,352
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted negotiable shares and top 10 shareholders	Mr. Chen Lue and Ms. He Feiyan are the unanimous persons; Union Development Group Co., Ltd. is the controlling shareholder of the Above –mentioned shareholder Union Holdings Co., Ltd. And Rich Grown Investment Co., Ltd., It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.		
Notes to the shareholders involved in financing securities (if any) (See Notes 4)	Not applicable		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

Yes  No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy –back agreement dealing in reporting period.

#### IV. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable  Not Applicable

There was no any change of the controlling shareholder of the Company in the reporting period.

Change of the actual controller in the reporting period

Applicable  Not applicable

There was no any change of the actual controller of the Company in the reporting period.

## VII. Situation of the Preferred Shares

Applicable Not applicable

The Company had no preferred shares in the reporting period

**VIII. Information about Directors, Supervisors and Senior Executives****I. Change in shares held by directors, supervisors and senior executives**

Applicable Not applicable

There was no change in shareholding of directors, supervisors and senior management staffs, for the specific information please refer to the 2018 Annual Report.

**II. Changes in directors, supervisors and senior management staffs**

Applicable  Not applicable

Name	Title	Type	Date	Reason
Cui Hongli	Deputy General Manager	Dismissal	July 29,2019	Resigned due to personal reasons

### **IX. Corporate Bond**

Whether the company has corporate bonds that have been publicly issued and listed on the stock exchange, and not yet due or due but not fully cashed on the approval date of annual report

No

## X. Financial Report

### I. Audit report

Has this semi-annual report been audited?

Yes  No

The semi-annual financial report has not been audited.

### II. Financial statements

Currency unit for the statements in the notes to these financial statements: RMB

#### 1. Consolidated Balance sheet

Prepared by : Sino Great Wall Co., Ltd.

In RMB

Items	June 30,2019	December 31,2018
Current asset :		
Monetary fund	161,407,308.22	658,714,886.48
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable	44,816,417.70	1,518,790.00
Account receivable	3,268,131,916.96	4,202,594,258.24
Financing of receivables		
Prepayments	326,344,231.02	220,261,619.13
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	1,609,942,861.49	2,186,223,361.40
Including: Interest receivable		



Dividend receivable		
Repurchasing of financial assets		
Inventories	997,074,459.45	717,531,578.23
Contract assets		
Assets held for sales	105,075,792.00	105,075,792.00
Non-current asset due within 1 year		
Other current asset	3,975,630.09	5,795,797.44
Total of current assets	6,516,768,616.93	8,097,716,082.92
Non-current assets :		
Loans and payment on other's behalf disbursed		
Debt investment		
Available for sale of financial assets		10,338,500.00
Other investment on bonds		
Expired investment in possess		
Long-term receivable	16,708,613.19	16,708,613.19
Long term share equity investment	106,837,810.83	106,837,810.83
Other equity instruments investment		
Other non-current financial assets		
Property investment		
Fixed assets	139,240,017.20	158,746,947.91
Construction in progress	36,805,894.03	36,697,284.04
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	91,036,651.07	99,921,251.67
Development expenses		
Goodwill	27,268,234.53	27,268,234.53
Long-germ expenses to be amortized	3,038,767.30	6,727,688.90
Deferred income tax asset	117,317,681.38	117,983,727.91
Other non-current asset	916,588,199.85	924,509,792.99
Total of non-current assets	1,454,841,869.38	1,505,739,851.97
Total of assets	7,971,610,486.31	9,603,455,934.89
Current liabilities		

Short-term loans	3,306,944,094.49	2,862,584,629.01
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable	396,643,774.40	1,034,087,499.72
Account payable	833,996,925.55	892,155,630.43
Advance receipts	521,531,072.64	478,101,743.92
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	75,011,224.23	86,414,858.86
Tax payable	384,786,118.81	393,957,887.52
Other account payable	2,217,993,070.71	2,212,412,970.43
Including: Interest payable	505,034,931.59	280,806,670.49
Dividend payable	8,392,335.45	8,541,818.64
Fees and commissions payable		
Reinsurance fee payable		
Contract Liabilities		
Liabilities held for sales		
Non-current liability due within 1 year	975,719,981.55	975,719,981.55
Other current liability		
Total of current liability	8,712,626,262.38	8,935,435,201.44
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	120,000,000.00	120,000,000.00
Bond payable	266,242,374.52	254,801,342.47
Including: preferred stock		

Sustainable debt		
Lease liability		
Long-term payable	276,923.55	322,990.35
Long-term remuneration payable to staff		
Expected liabilities	2,958,723.15	2,958,723.15
Deferred income		
Deferred income tax liability	23,509,703.41	24,369,456.18
Other non-current liabilities		
Total non-current liabilities	412,987,724.63	402,452,512.15
Total of liability	9,125,613,987.01	9,337,887,713.59
Owners' equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	-1,298,846,540.07	-1,298,846,540.07
Less: Shares in stock		
Other comprehensive income	-56,089.18	-50,380.95
Special reserve	18,250,420.71	21,026,082.43
Surplus reserves	84,394,441.23	84,394,441.23
Common risk provision		
Retained profit	-1,686,340,531.63	-269,566,140.13
Total of owner's equity belong to the parent company	-1,184,353,287.94	235,202,473.51
Minority shareholders' equity	30,349,787.24	30,365,747.79
Total of owners' equity	-1,154,003,500.70	265,568,221.30
Total of liabilities and owners' equity	7,971,610,486.31	9,603,455,934.89

Legal Representative: Chen Lue

Person in charge of accounting: Yang Chunling

Accounting Dept Leader: Yang Chunling

## 2. Balance sheet of Parent Company

In RMB

Items	June 30,2019	December 31, 2018
Current asset :		
Monetary fund	46,772,355.36	46,778,625.47
Transactional financial assets		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable		
Account receivable		
Financing of receivables		
Prepayments		
Other account receivable	2,815,822,695.73	2,986,852,664.14
Including: Interest receivable		
Dividend receivable	100,000,000.00	100,000,000.00
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		2,604,075.38
Total of current assets	2,862,595,051.09	3,036,235,364.99
Non-current assets:		
Debt investment		
Available for sale of financial assets		
Other investment on bonds		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	3,323,211,536.66	3,323,211,536.66
Other equity instruments investment		
Other non-current financial assets		
Property investment		
Fixed assets	32,550.42	36,371.12

Construction in progress		
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets		
Development expenses		
Goodwill		
Long-germ expenses to be amortized		1,074,666.67
Deferred income tax asset		
Other non-current asset	728,328,020.00	728,328,020.00
Total of non-current assets	4,051,572,107.08	4,052,650,594.45
Total of assets	6,914,167,158.17	7,088,885,959.44
Current liabilities		
Short-term loans	2,192,097,807.25	2,189,866,602.21
Transactional financial liabilities		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable	28,900,000.00	29,000,000.00
Account payable	66,000,000.00	66,000,000.00
Advance receipts		
Contract Liabilities		
Employees' wage payable	22,743,594.86	15,016,143.39
Tax payable	94,679,025.47	97,149,029.10
Other account payable	1,455,190,996.16	1,347,473,661.05
Including: Interest payable	421,338,124.12	243,458,030.15
Dividend payable	8,392,335.45	8,541,818.64
Liabilities held for sales		
Non-current liability due within 1 year	866,250,000.00	866,250,000.00
Other current liability		
Total of current liability	4,725,861,423.74	4,610,755,435.75
Non-current liabilities:		
Long-term loan		

Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities		
Total of liability	4,725,861,423.74	4,610,755,435.75
Owners' equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,237,956,472.37	1,237,956,472.37
Less: Shares in stock		
Other comprehensive income		
Special reserve		
Surplus reserves	26,309,287.00	26,309,287.00
Retained profit	-774,205,035.94	-484,380,246.68
Total of owners' equity	2,188,305,734.43	2,478,130,523.69
Total of liabilities and owners' equity	6,914,167,158.17	7,088,885,959.44

### 3. Consolidated Income Statement

In RMB

Items	Semi-annual of 2019	Semi-annual of 2018
I. Income from the key business	256,367,221.67	1,586,971,575.24
Incl: Business income	256,367,221.67	1,586,971,575.24
Interest income		
Insurance fee earned		

Fee and commission received		
II. Total business cost	656,035,917.57	1,604,688,029.35
Incl: Business cost	227,646,036.24	1,312,212,102.46
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	1,694,890.87	2,106,518.05
Sales expense	14,477,142.76	16,521,622.08
Administrative expense	87,163,665.56	127,907,861.56
R & D expense		
Financial expenses	325,054,182.14	145,939,925.19
Including: Interest expense	326,584,927.26	
Interest income	2,650,575.42	
Add: Other income		
Investment gain (“-”for loss)	6,596,880.93	5,171,892.51
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange	5,694,081.87	
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets	-563,404,467.65	-4,183,874.66
Assets disposal income		
III. Operational profit (“-”for loss)	-950,782,200.75	-16,728,436.26
Add : Non-operational income	71,623.22	179,220,495.20
Less: Non-operating expense	465,129,413.62	636,300.61
IV. Total profit (“-”for loss)	-1,415,839,991.15	161,855,758.33
Less: Income tax expenses	950,360.90	18,790,236.79

V. Net profit	-1,416,790,352.05	143,065,521.54
(I) Classification by business continuity		
1. Net continuing operating profit	-1,416,790,352.05	143,065,521.54
2. Termination of operating net profit		
(II) Classification by ownership		
1. Net profit attributable to the owners of parent company	-1,416,774,391.50	143,999,455.72
2. Minority shareholders' equity	-15,960.55	-933,934.18
VI. Net after-tax of other comprehensive income	-5,708.23	-263,008.36
Net of profit of other comprehensive income attributable to owners of the parent company.	-5,708.23	-263,008.36
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss.	-5,708.23	-263,008.36
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		



3.Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets		
5.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8.Translation differences in currency financial statements	-5,708.23	-263,008.36
9.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	-1,416,796,060.28	142,802,513.18
Total comprehensive income attributable to the owner of the parent company	-1,416,780,099.73	143,736,447.36
Total comprehensive income attributable minority shareholders	-15,960.55	-933,934.18
VIII. Earnings per share		
( I ) Basic earnings per share	-0.8343	0.0848
(II)Diluted earnings per share	-0.8343	0.0848

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0 last period the combined party realized RMB 0

Legal Representative: Chen Lue

Person in charge of accounting: Yang Chunling

Accounting Dept Leader: Yang Chunling

#### 4. Income statement of the Parent Company

In RMB

Items	Semi-annual of 2019	Semi-annual of 2018
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I. Income from the key business	0.00	117,362.07
Incl: Business cost	0.00	0.00
Business tax and surcharge		
Sales expense	49,276.69	994,445.50
Administrative expense	19,086,870.66	17,904,118.30
R & D expense		
Financial expenses	255,746,111.00	81,405,456.80
Including: Interest expenses	255,844,130.73	
Interest income	24,977.21	
Add: Other income		
Investment gain (“-”for loss )		
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets	14,942,530.91	8,438,499.87
Assets disposal income		
II. Operational profit (“-”for loss )	-289,824,789.26	-108,625,158.40
Add : Non-operational income		100,000,000.00
Less: Non -operational expenses		
III. Total profit (“-”for loss)	-289,824,789.26	-8,625,158.40
Less: Income tax expenses		
IV. Net profit	-289,824,789.26	-8,625,158.40
1. Net continuing operating profit	-289,824,789.26	-8,625,158.40
2. Termination of operating net profit		
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1. Re-measurement of defined benefit		

plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets		
5. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements		
9. Other		
VI. Total comprehensive income	-289,824,789.26	-8,625,158.40
VII. Earnings per share		

( I ) Basic earnings per share		
(II)Diluted earnings per share		

## 5. Consolidated Cash flow statement

In RMB

Items	Semi-annual of 2019	Semi-annual of 2018
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	572,525,325.64	2,448,493,180.76
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	968,575.59	3,369,607.31
Other cash received from business operation	212,666,069.55	3,596,297,555.25
Sub-total of cash inflow	786,159,970.78	6,048,160,343.32
Cash paid for purchasing of merchandise and services	449,528,268.83	2,123,943,719.36
Net increase of client trade and advance		

Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase in financial assets held for trading purposes		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	110,097,634.29	172,389,891.23
Taxes paid	22,079,749.38	75,707,443.61
Other cash paid for business activities	626,606,345.08	2,577,954,923.49
Sub-total of cash outflow from business activities	1,208,311,997.58	4,949,995,977.69
Net cash generated from /used in operating activities	-422,152,026.80	1,098,164,365.63
<b>II. Cash flow generated by investing</b>		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		432,865.55
Net cash received from disposal of subsidiaries or other operational units		1,062,398.45
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		1,495,264.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets		12,179,377.50
Cash paid as investment		226,429,730.78
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		-35,622,112.04
Other cash paid for investment		

activities		
Sub-total of cash outflow due to investment activities		202,986,996.24
Net cash flow generated by investment		-201,491,732.24
III.Cash flow generated by financing		
Cash received as investment		490,000.00
Including: Cash received as investment from minor shareholders		
Cash received as loans	379,941,841.39	1,170,509,245.00
Cash received from bond placing		
Other financing –related cash received	6,362,955.91	
Sub-total of cash inflow from financing activities	386,304,797.30	1,170,999,245.00
Cash to repay debts	30,000,000.00	2,282,455,158.52
Cash paid as dividend, profit, or interests		169,918,204.82
Including: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	30,000,000.00	2,452,373,363.34
Net cash flow generated by financing	356,304,797.30	-1,281,374,118.34
IV. Influence of exchange rate alternation on cash and cash equivalents	-398,848.83	-4,502,184.53
V.Net increase of cash and cash equivalents	-66,246,078.33	-389,203,669.48
Add: balance of cash and cash equivalents at the beginning of term	125,767,796.88	647,222,590.49
VI ..Balance of cash and cash equivalents at the end of term	59,521,718.55	258,018,921.01

## 6. Cash flow statement of the Parent Company

In RMB

Items	Semi-annual of 2019	Semi-annual of 2018
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services		
Tax returned		
Other cash received from business operation	3,014,684.54	3,329,634,571.90
Sub-total of cash inflow	3,014,684.54	3,329,634,571.90
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs		626,668.10
Taxes paid		1,012,217.08
Other cash paid for business activities	26,695,809.22	2,256,119,534.57
Sub-total of cash outflow from business activities	26,695,809.22	2,257,758,419.75
Net cash generated from /used in operating activities	-23,681,124.68	1,071,876,152.15
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment		13,000,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment		

activities		
Sub-total of cash outflow due to investment activities		13,000,000.00
Net cash flow generated by investment		-13,000,000.00
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		755,650,000.00
Cash received from bond placing		
Other financing-related cash received		
Sub-total of cash inflow from financing activities		755,650,000.00
Cash to repay debts		1,783,743,643.54
Cash paid as dividend, profit, or interests		91,415,896.63
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities		1,875,159,540.17
Net cash flow generated by financing		-1,119,509,540.17
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	-23,681,124.68	-60,633,388.02
Add: balance of cash and cash equivalents at the beginning of term	23,708,889.90	99,547,899.86
VI. Balance of cash and cash equivalents at the end of term	27,765.22	38,914,511.84

## 7. Consolidated Statement on Change in Owners' Equity

Amount in this period

In RMB

Items	Semi-annual of 2019													Min or shar	Total of own
	Owner's equity Attributable to the Parent Company														
	share	Other Equity instrument			Capital	Less	Other	Specializ	Surplus	Common	Retained	Other	Subtotal		
	pre		Ot		:	r									



	Ca pita	fer red sto ck	Su stai na ble de bt	her	reser ves	Shar es in stoc k	Com preh ensi ve Inco me	ed reser ve	reser ves	risk prov ision	profi t			ehol ders' equit y	ers' equit y	
I.Balance at the end of last year	1,698,245,011.00				-1,298,846,540.07		-50,380.95	21,026,082.43	84,394,441.23		-269,566,140.13			235,202,473.51	30,365,747.79	265,568,221.30
Add: Change of accounting policy															0.00	
Correcting of previous errors															0.00	
Merger of entities under common control															0.00	
Other															0.00	
II.Balance at the beginning of current year	1,698,245,011.00				-1,298,846,540.07		-50,380.95	21,026,082.43	84,394,441.23		-269,566,140.13			235,202,473.51	30,365,747.79	265,568,221.30
III.Changed in the current year							-5,708.23	-2,775,661.72			-1,416,774,391.50			-1,419,555,614.05	-15,960,550	-1,419,571,722.00
(1) Total comprehensive income							-5,708.23				-1,416,774,391.50			-1,416,780,099.73	-15,960,550	-1,416,760,228
(II) Investment or																0.00

decreasing of capital by owners															
1. Ordinary Shares invested by shareholders															0.00
2. Holders of other equity instruments in vested capital															0.00
3. Amount of shares paid and accounted as owners' equity															0.00
4. Other															0.00
(III) Profit allotment															0.00
1. Providing of surplus reserves															0.00
2. Providing of common risk provisions															0.00
3. Allotment to the owners (or shareholders)															0.00
4. Other															0.00
(IV) Internal transferring of owners' equity															0.00
1. Capitalizing of capital reserves (or to capital shares)															0.00
2.															0.00

Capitalizing of surplus reserves (or to capital shares)														
3. Making up losses by surplus reserves.														0.00
4. Change amount of defined benefit plans that carry forward Retained earnings														0.00
5. Other comprehensive income carry-over retained earnings														0.00
6. Other														0.00
(V). Special reserves							-2,775,661.72						-2,775,661.72	-2,775,661.72
1. Provided this year														0.00
2. Used this term							2,775,661.72						2,775,661.72	2,775,661.72
(VI) Other														
IV. Balance at the end of this term	1,698,245,011.00			-1,298,846,540.07		-56,089.18	18,250,420.71	84,394,441.23		-1,686,340,531.63		-1,184,353,287.94	30,349,787.24	-1,154,003.50

Amount in last year

In RMB

Items	Semi-annual of 2018													Minor share holders' equity	Total of owners' equity
	Owner's equity Attributable to the Parent Company														
	share Capital	Other Equity instrument			Capital reserves	Less : Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Retained profit	Other	Subtotal		
preferred stock		Sustainable debt	Other												
I. Balance at the end of last year	1,698,245,011.00				-1,299,349,701.74		858,242,131.078	164,231,078.18	84,394,441.23		1,503,103,396.72	2,151,482,467.52	108,684,402.89	2,260,166,870.41	
Add: Change of accounting policy														0.00	
Correcting of previous errors														0.00	
Merger of entities under common control														0.00	
Other														0.00	
II. Balance at the beginning of current year	1,698,245,011.00				-1,299,349,701.74		858,242,131.078	164,231,078.18	84,394,441.23		1,503,103,396.72	2,151,482,467.52	108,684,402.89	2,260,166,870.41	
III. Changed in the current year							-263,008.36	-93,691,786.53			148,062,848.03	54,108,053.14	7,014,321.82	61,122,374.96	

(I) Total comprehensive income							-263,008.36					143,999,455.72		143,736,447.36	-933,934.18	142,802,513.18
(II) Investment or decreasing of capital by owners												4,063,392.31		4,063,392.31	7,948,256.00	12,011,648.31
1. Ordinary Shares invested by shareholders																0.00
2. Holders of other equity instruments invested capital																0.00
3. Amount of shares paid and accounted as owners' equity																0.00
4. Other												4,063,392.31		4,063,392.31	7,948,256.00	12,011,648.31
(III) Profit allotment																0.00
1. Providing of surplus reserves																0.00
2. Providing of common risk provisions																0.00
3. Allotment to the owners (or shareholders)																0.00
4. Other																0.00

(IV) Internal transferring of owners' equity														0.00
1. Capitalizing of capital reserves (or to capital shares)														0.00
2. Capitalizing of surplus reserves (or to capital shares)														0.00
3. Making up losses by surplus reserves.														0.00
4. Change amount of defined benefit plans that carry forward Retained earnings														0.00
5. Other comprehensive income carry-over retained earnings														0.00
6. Other														0.00
(V). Special reserves								-93,691,786.53					-93,691,786.53	-93,691,786.53
1. Provided this year								7,271,059.70					7,271,059.70	7,271,059.70

2. Used this term								-100,962,846.23							-100,962,846.23		-100,962,846.23
(VI) Other																	0.00
IV. Balance at the end of this term	1,698,245.01	0.00	0.00	0.00	-1,299,349,701.74	0.00	595,233.77	70,539,291.65	84,394,441.23	0.00	1,651,166,244.75	0.00	2,205,590.52	115,698,724.71	2,321,289,245.37		

## 8. Statement of change in owner's Equity of the Parent Company

Amount in this period

In RMB

Items	Semi-annual of 2019												Total of owners' equity
	Share capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surpluses reserves	Retained profit	Other		
		preferred stock	Sustainable debt	Other									
I. Balance at the end of last year	1,698,245,011.00				1,237,956,472.37					26,309,287.00	-484,380,246.68		2,478,130,523.69
Add: Change of accounting policy													0.00
Correcting of previous errors													0.00
Other													0.00
II. Balance at the beginning of current year	1,698,245,011.00				1,237,956,472.37					26,309,287.00	-484,380,246.68		2,478,130,523.69
III. Changed in											-289,		-289,824

the current year										824,789.26		,789.26
(I) Total comprehensive income										-289,824,789.26		-289,824,789.26
(II) Investment or decreasing of capital by owners												0.00
1. Ordinary Shares invested by shareholders												0.00
2. Holders of other equity instruments invested capital												0.00
3. Amount of shares paid and accounted as owners' equity												0.00
4. Other												0.00
(III) Profit allotment												0.00
1. Providing of surplus reserves												0.00
2. Allotment to the owners (or shareholders)												0.00
3. Other												0.00
(IV) Internal transferring of owners' equity												0.00
1. Capitalizing of capital reserves (or to												0.00



capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												0.00
3. Making up losses by surplus reserves.												0.00
4. Change amount of defined benefit plans that carry forward Retained earnings												0.00
5. Other comprehensive income carry-over retained earnings												0.00
6. Other												0.00
(V) Special reserves												0.00
1. Provided this year												0.00
2. Used this term												0.00
(VI) Other												0.00
IV. Balance at the end of this term	1,698,245,011.00				1,237,956,472.37				26,309,287.00	-774,205,035.94	0.00	2,188,305,734.43

Amount in last year

In RMB

Items	Semi-annual of 2018											
	Share	Other Equity instrument	Capital	Less: Share	Other Comp	Special ized	Surpl us	Retaine d profit	Other	Total of owners'		

	Capital	preferred stock	Sustainable debt	Other	reserves	stock	rehearsive Income	reserve	reserves			equity
I. Balance at the end of last year	1,698,245,011.00				1,237,956,472.37				26,309,287.00	88,188,591.10		3,050,699,361.47
Add: Change of accounting policy												
Correcting of previous errors												
Other												
II. Balance at the beginning of current year	1,698,245,011.00				1,237,956,472.37				26,309,287.00	88,188,591.10		3,050,699,361.47
III. Changed in the current year										-8,625,158.40		-8,625,158.40
(I) Total comprehensive income										-8,625,158.40		-8,625,158.40
(II) Investment or decreasing of capital by owners												
1. Ordinary Shares invested by shareholders												
2. Holders of other equity instruments invested capital												

al												
3.Amount of shares paid and accounted as owners' equity												
4. Other												
( III ) Profit allotment												
1.Providing of surplus reserves												
2. Allotment to the owners (or shareholders)												
3. Other												
(IV) Internal transferring of owners' equity												
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												
3. Making up losses by surplus reserves.												
4.Change amount of defined												

benefit plans that carry forward Retained earnings												
5. Other comprehensive income carry-over retained earnings												
6. Other												
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other												
IV. Balance at the end of this term	1,69 8,24 5,01 1.00				1,237, 956.4 72.37				26,30 9,287 .00	79,563, 432.70		3,042,07 4,203.07

### III. Basic Information of the Company

Sino Great Wall Co., Ltd. (hereinafter referred to as "Company" or the "Company") is a limited liability company restructured by Shenzhen Victor Onward Textile Printing Co., Ltd. and altered its name to Shenzhen Victor Onward Textile Industrial Co., Ltd. upon the approval of the People's Government of Shenzhen Municipality on November 19, 1991. The Company's enterprise uniform social credit code: 91440300618801483A. It was listed on the Shenzhen Stock Exchange in 1992.

On July 23, 2015, the Chinese Securities Regulatory Commission approved the "Approval on Shenzhen Victor Onward Textile Industrial Co., Ltd.'s Material Assets Reorganization, Issuance of Stock Shares to Chen Lve and Others, Asset Purchase, and Raising of Supporting Fund" ([2015] No. 1774). The company issued 251,849,593 shares to 17 shareholders of Sino Great Wall Co., Ltd. including Chen Lve to purchase a 100% stake in Sino Great Wall International Engineering Co., Ltd. Meanwhile, it also issued 25,914,633 shares in a non-public manner to the 17 shareholders and raised a total of RMB 254,999,988.72.

On July 29, 2015, the listed company received the total newly added capital of RMB 251,849,593 contributed by all shareholders of Sino Great Wall Co., Ltd. On July 30, 2015, Ruihua Certified Public Accountants (Special General Partnership) verified the numbers and issued the "Capital Verification Report" (Ruihua Yanzi [2015] No. 48250011). After the change, the registered capital became RMB 420,991,949 with capital stock of RMB 420,991,949. On December 4, 2015, the company changed its name to Sino Great Wall Co.,

Ltd.

On May 6, 2016, the general meeting of stockholders reviewed and approved the 2015 plan of converting capital reserve into share capital. The specific plan was: Based on the total capital stock of 446,906,582 shares issued as of December 31, 2015, all shareholders would receive 28 shares for every 10 shares, with the total amount of converted capital stock reaching 1,251,338,429 shares. After the transfer, the total capital stock would be increased to 1,698,245,011 shares. As of December 31 2016, the Company's total capital stock was 1,698,245,011 shares, of which 1,434,441,780 were outstanding A shares, and 263,803,231 were outstanding B shares. Chen Lve held 582,944,556 A shares, accounting for 34.33% of the total. He was the controlling shareholder and actual controller of the Company.

The industries involved are the architectural decoration industry and other construction industries. As of December 31, 2018, the Company has issued capital stock of RMB 169,824,500 shares in total with the registered capital of RMB 169,824,500; the registration address is located at No. 26, Kuipeng Road, Baishigang, Kuichong Subdistrict, Dapeng New District, Shenzhen City and the headquarter address is: Sino Great Wall Tower, No. 3, Jinxu Road, Beijing Economic-Technological Development Area.

The operating activities of the Company include: production and operation of textile goods and the needed raw materials, accessories, mechanical equipment, clothes of various face fabrics and provision of relevant services (excluding those products managed by the current license, performing as per the license if there is one). 70% of the products are for export. A branch has set up in Shanghai. Supplemented operating activities: engaging in businesses of quota-free license management, acquisition and export of non-monopolized commodity. The actual controller of the Company is Chen Lue. The financial statements have been reported on August 31, 2019 after the approval of all directors (board of directors) of the Company.

For the subsidiaries of the Company that were included in the combination scope in 2018, please refer to "Note VIII. Equity in Other Subjects". For details of the changes in the combination scope of the Company for the current year, please refer to "Note VII. Change of Combination Scope".

#### **IV. Basis for Preparation of Financial Statements**

##### **1. Basis of Preparation**

The Company has prepared financial statements based on sustained operation as basis, according to the transactions and matters having occurred actually, and in accordance with the Accounting Standards for Business Enterprises – Basic Rules (Issued by the Order No. 33 of the Ministry of Finance, amended in accordance with the Order No. 76 of the Ministry of Finance), the 42 detailed accounting rules, Guidelines for Application of Accounting Standards for Business Enterprises, Interpretation of Accounting Standards for Business Enterprises and other relevant regulations issued and amended on February 15, 2006 and afterwards (hereinafter jointly referred to as "Accounting Standards for Business Enterprises"), as well as the disclosure provisions of the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Report (Amended in 2014) issued by China Securities Regulatory Commission.

According to the relevant provisions of the Accounting Standards for Business Enterprises, the accounting of the Company is based on the accrual basis. Except for certain financial instruments, the measurement of the financial statements is based on historical cost. If the asset is impaired, the corresponding provision for impairment will be made in accordance with relevant regulations.

## 2. Sustained Operation

The Company had the ability of sustained operation within 12 months since the end of the reporting period, and did not have significant matters affecting its sustained operation.

## V. Important Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates remind:

The major business of the company is the civil engineering construction industry, which is subject to the special industrial requirements for disclosure.

### 1. Statement on Observing Accounting Standards for Business Enterprises

The financial statements prepared by the Company meet the requirements of Accounting Standards for Business Enterprises, and reflect the Company's financial standing as of December 31, 2018 and its operating results, cash flow, and other relevant information in 2018 authentically and completely. In addition, all material aspects of the financial statements of the Company are in line with the disclosure provisions regarding financial statements and notes stipulated in the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Report (Amended in 2014) issued by China Securities Regulatory Commission.

### 2. Fiscal Period

From Jan. 1 to Dec. 31 in the Gregorian calendar is one fiscal year.

### 3. Business Cycle

The Company takes 12 months as a business cycle and uses it as a standard for the liquidity of assets and liabilities.

### 4. Recording Currency

The Company adopts RMB as recording currency.

### 5. Method for Accounting Treatment of Business Combination under and Not under the Same Control

**Business combination under the same control:** The assets and liabilities obtained by the Company from business combination are measured as per the book value of the combined party's assets and liabilities (including the goodwill formed from the final controller's acquisition of the combined party) on the date of combination in the final controller's consolidated financial statements. For the balance between the book value of net assets obtained from the combination and the book value of combination consideration paid (or the total book value of shares issued), the capital stock premium in capital reserve will be adjusted; and if the capital stock premium in the capital reserve is insufficient to write down, the retained earnings will be adjusted.

**Business combination not under the same control:** The assets paid as consideration for business combination

and the liabilities incurred or undertaken by the Company on the date of purchasing will be measured as per fair value, and the balance between the fair value and its book value will be recorded in the gain or loss of the current period. The Company confirms the balance that the “combination cost” is bigger than “the fair value shares of the purchased party’s distinguishable net assets obtained from the combination” as goodwill; and records after checking the balance that the “combination cost” is smaller than “the fair value shares of the purchased party’s distinguishable net assets obtained from the combination” in the gain or loss of the current period.

The intermediary expenses incurred for business combination, like audit, legal service, appraisal and consulting, etc., and other directly related expenses will be recorded in the gain or loss of the current period when incurred; the transaction expenses of equity securities issued for business combination will be used to write down the equity.

## 6. Method for Preparation of Consolidated Financial Statements

### (1) Principles for determining the scope of consolidated financial statements

The consolidation scope of the Company’s consolidated financial statements is determined based on control. Control means that the Company has the power to the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power over the investee to affect the amount of the returns. The scope of consolidation includes the Company and all subsidiaries. Subsidiaries refer to the entities controlled by the Company.

The company will conduct a reassessment once the relevant facts and circumstances have changed and the relevant elements involved in the above definition of control have changed.

### (2) Method for Preparation of Consolidated Financial Statements

The Company prepares consolidated financial statements based on itself and each subsidiary’s financial statements, and according to other relevant materials. For preparing consolidated financial statements, the Company deems the whole enterprise group as an accounting subject, and reflects the enterprise group’s overall financial standing, operating results and cash flow according to the confirmation, measuring and presentation requirements of relevant enterprise accounting standards, and according to uniform accounting policies.

The accounting policies and accounting period of all the subsidiaries incorporated into the consolidation scope of consolidated financial statements are consistent with those adopted by the Company. If the accounting policies and accounting period adopted by the subsidiaries are inconsistent with those adopted by the Company, then when consolidated financial statements are prepared, necessary adjustments will be made according to the Company’s accounting policies and accounting period. For the subsidiaries obtained through business combination not under the same control, their financial statements will be adjusted based on the fair value of distinguishable net assets on the date of purchasing. For subsidiaries obtained through business combination under the same control, their financial statements will be adjusted based on the book value of their assets and liabilities

(including the goodwill formed from the final controller's acquisition of the subsidiaries) in the final controller's financial statements.

The shares belonging to minor shareholders of subsidiaries' owners' equity, net gain or loss of current period, and composite benefits of current period will be listed independently under the owners' equity in consolidated balance sheet, the net profit and total composite benefit in consolidated profit statement respectively. The balance formed from that "the loss of current period shared by subsidiaries' minor shareholders" exceeds "the shares shared by the minor shareholders in the subsidiaries' owners' equity at the beginning of period" will be used to write down minor shareholders' equity.

① Increase of subsidiaries or businesses

In the reporting period, if subsidiaries or businesses are increased for business combination under the same control, the opening amount in the consolidated balance sheet will be adjusted; the income, expense, and profit of the subsidiaries or businesses from the beginning of the very period of combination to the end of the reporting period will be incorporated into the consolidated profit statement; the cash flow of the subsidiaries or businesses from the beginning of the very period of combination to the end of the reporting period will be incorporated into the consolidated cash flow statement, and meanwhile, relevant items in comparative statements will be adjusted, and the report subjects after combination will be deemed as having always existed from the time point when the final controller starts the control.

If it's available to impose control on invested parties under the same control for reason of additional investment, etc., each party participating in the combination will be deemed to exist and make adjustments according to present state when the final controller starts the control. The equity investments held before obtaining the right to control the combined parties, relevant gain or loss already confirmed from "the date when original equity is obtained and the date when the combining party and the combined party are under the same control, whichever is later" to the date of combination, other composite benefits, and the changes of other net assets will be used to write down the opening retained benefit of the period of comparative statement or the gain or loss of the current period respectively.

In the reporting period, if subsidiaries or businesses are increased for business combination not under the same control, the opening amount of consolidated balance sheet will not be adjusted; the income, expense and profit of the subsidiaries or businesses from the date of purchasing to the end of reporting period will be incorporated into the profit statement respectively; and the cash flow of the subsidiaries or businesses from the date of purchasing to the end of reporting period will be incorporated into the cash flow statement.

If it is available to impose control on the invested parties not under the same control for reason of additional investment, etc., then the purchased parties' stock equity held before the date of purchasing will be re-measured by the Company as per the fair value of the stock equity on the date of purchasing, and the balance between the fair value and its book value will be recorded in the investment yield of the current period. If the purchased



parties' equity held before the date of purchasing involves other composite benefits under accounting with equity method, as well as changes of other owners' equity except for net gain or loss, other composite benefit and profit distribution, then relevant other composite benefit and changes of other owner's equity will be converted into the investment yield in the very period to which the date of purchasing belongs, excluding the other composite benefits arising from the changes of the net liabilities or net assets of benefit plan measured and set up over again by the invested parties.

## ② Disposal of Subsidiaries or Businesses

In the reporting period, if the Company disposes some subsidiaries or businesses, then the income, expense and profit of such subsidiaries or businesses from the beginning of the period to the date of disposal will be incorporated into the consolidated profit statement; the cash flow of the subsidiaries or businesses from the beginning of period to the date of disposal will be incorporated into cash flow statement.

If the Company loses the right to control invested parties for disposal of partial equity investments or other reasons, the remained equity investments after disposal will be re-measured by the Company as per their fair value on the date when the control right is lost. The balance of "the sum of the consideration obtained from disposal of equity and the fair value of the remained stock equity" minus "the sum of the net asset shares enjoyed in original subsidiaries and calculated continuously from the date of purchasing or date of combination according to original shareholding proportion and the goodwill" will be recorded in the investment yield of the very period when control right is lost. Other composite benefits related to original subsidiaries' equity investments, or the changes of other owners' equity except for other composite benefits and profit distribution, will be converted into the investment yield of the very period when the control right is lost, excluding the other composite benefits arising from the changes of the net liabilities or net assets of benefit plan measured and set up over again by the invested parties.

In case of any declination on the shareholding proportion of the Company and herein losing the control rights over its subsidiary arising from the capital increase contributed by other investors, it shall conduct accounting treatment in the light of the aforesaid principles.

If the Company disposes the equity investments in subsidiaries by steps through multiple transactions until losing the right to control the subsidiaries, and if the clauses, terms and economic influences of various transactions for disposing the equity investments in the subsidiaries meet one or several of the following circumstances, such multiple transactions will generally be subject to accounting treatment as package transaction:

- a. These transactions are concluded simultaneously or in condition of considering mutual influences;
- b. Only the entirety of these transactions could achieve a complete business result;
- c. The occurrence of a transaction depends on the occurrence of at least one of the other transactions;

- d. A transaction is not economical independently, but economical if considered together with other transactions.

If various transactions of disposing the equity investments in subsidiaries until losing the control right belong to package transaction, the Company will execute accounting treatment of various transactions as a transaction of disposing subsidiaries until losing control right; but the balance between the price of every disposal before losing control right and the subsidiaries' net asset shares enjoyed and corresponding to the investments disposed will be confirmed as other composite benefits in the consolidated financial statements, and transferred into the gain or loss of the very period when the control right is lost.

If various transactions of disposing the equity investments in subsidiaries until losing the control right do not belong to package transaction, then before losing control right, the Company will execute accounting treatment according to relevant policies about partial disposal of equity investments in subsidiaries in condition of not losing control right; if control right is lost, the accounting treatment will be carried out according to general method for treatment of subsidiaries.

For the balance between “the long-term equity investments newly obtained from purchasing of minor stock equity” and “the net asset shares to be enjoyed in the subsidiaries according to newly increased shareholding proportion and calculated continuously from the date of purchasing (or the date of combination)”, the capital stock premium in the capital reserve in the consolidated balance sheet will be adjusted; if the capital stock premium in the capital reserve is not sufficient to write down, the retained benefit will be adjusted.

For the balance between “the disposal price obtained from disposal of partial long-term equity investments in subsidiaries in condition of not losing control right” and “the net asset shares to be enjoyed in the subsidiaries, corresponding to the disposal of long-term equity investments, and calculated continuously from the date of purchasing or the date of combination”, the capital stock premium in the capital reserve in the consolidated balance sheet will be adjusted; if the capital stock premium in the capital reserve is not sufficient to write down, the retained benefit will be adjusted.

## 7. Classification of Joint Venture Arrangements and Accounting Method of Joint Operations

A joint arrangement is an arrangement of which two or more parties have joint control. The Company classifies joint venture arrangements into joint operations and joint ventures in line with the rights and obligations in joint venture arrangements. A joint operation refers to a joint arrangement whereby the Company has rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture refers to a joint arrangement whereby the Company has rights to the net assets of the arrangement.

The Company adopts equity method for accounting of investments in joint ventures in line with the accounting policy described in Note IV. 13, “Long-term Equity Investments Subject to Accounting with Equity Method”.

As a joint operator, the Company recognizes in relation to its interest in a joint operation: its assets, including its share of any assets held jointly, and its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output of the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

When the Company, as a joint operator, invests in or sells assets to a joint operation (such assets do not constitute businesses, the same below), or purchases assets from the joint operation, the Company only recognizes the portion of the profits and losses arising from such transactions that is attributable to other participants in the joint operation before such assets are sold to third parties. If such assets are subject to asset impairment losses stipulated in the Accounting Standards for Business Enterprises No.8 of Asset Impairment, etc., in case that the Company invests in or sells assets to the joint operation, the Company will fully recognize such losses incurred thereof; in case that the Company purchases assets from the joint operation, the Company will recognize its share of such losses incurred thereof.

#### 8. Standard for Determination of Cash and Cash Equivalents

When compiling the cash flow statement, the Company's cash on hand and the deposit, which can be used to make payment at any time, should be confirmed as the cash. The investment, having four features of short duration (expired within three months from the acquisition date), strong mobility, being easy to be changed into known cash, low value change risk at the same time, should be confirmed as the cash equivalent.

#### 9. Foreign-Currency Businesses and Conversion of Foreign-Currency Statements

##### Foreign-Currency Businesses

Foreign-currency businesses are converted into RMB for book-keeping with the approximate exchange rate of the spot exchange rate on transaction date as the exchange rate for conversion. The balance of foreign-currency monetary items on the date of balance sheet will be converted with the spot exchange rate on the date of balance sheet, and the balance of exchange arising from hereof will be recorded in the gain or loss of the current period, except for that the balance of exchange arising from special foreign-currency loan related to the purchasing and construction of assets meeting capitalization conditions is treated in line with the principle for capitalization of borrowing costs.

##### Conversion of Foreign-Currency Statements

The asset and liability items in the balance sheet will be converted with the spot exchange rate on the date of balance sheet; for the owner's equity, except for "undistributed profit", all the other items will be converted with the spot exchange rate when they are incurred. The revenue item and the expense item in the Profit Statement are converted with the approximate exchange rate of the spot exchange rate on transaction date.

For disposal of foreign business operation, the balance from conversion of foreign-currency financial statements related to such foreign operation shall be transferred from owner's equity to the gain or loss of the very period of disposal.

#### 10. Financial Instruments

Financial instruments include financial assets, financial liabilities and equity instruments.

##### (1) Classification of Financial Instruments

When initially confirmed, financial assets and financial liabilities are classified into: Financial assets or financial liabilities measured with fair value and having the change of fair value recorded in the gain or loss of current period, including tradable financial assets or financial liabilities, and financial assets or financial liabilities directly specified to measure with fair value and having the change of fair value recorded in the gain or loss of the current period; held-to-maturity investments; accounts receivable; available-for-sale financial assets; and other financial liabilities, etc.

## (2) Confirmation Basis and Measuring Method of Financial Instruments

① Financial assets (financial liabilities) measured with fair value and having the change of fair value recorded in the gain or loss of current period

When they are obtained, fair value (after deduction of cash dividends already declared but not paid yet, or bond interests with interest payment period expired but having not been acquired) will be taken as initial confirmed amount, and relevant transaction expenses will be recorded in the gain or loss of the current period.

During the holding period, the interests or cash dividends obtained will be confirmed as investment yield, and at the end of period, the change of fair value will be recorded in the gain or loss of the current period.

During disposal, the balance between the fair value and initial amount entered into account will be confirmed as investment yield, and meanwhile, the gain or loss on change of fair value will be adjusted.

### ② Held-to-maturity investments

When they are obtained, the sum of fair value (after deduction of bond interests with interest payment period expired but having not been acquired) and relevant transaction expenses will be taken as initial confirmed amount.

During the holding period, interest income will be calculated and confirmed as per amortized cost and actual interest rate, and recorded in investment yield. The actual interest rate will be determined when being obtained, and maintained unchanged during the predicted survival period or applicable shorter period.

During disposal, the balance between the acquisition price and the book value of such investment will be recorded in investment yield.

### ③ Accounts receivable

For the creditor's rights receivable formed from the Company's sale of goods or rendering of labor services, and the other enterprises' creditor's rights held by the Company and excluding the debt instruments having an offer in active market, including accounts receivable and other accounts receivable, etc., the contract or agreement price receivable from purchasers will be taken as the initially confirmed amount; if the receivables have financing nature, they will be initially confirmed as per their present value.

In case of recovery or disposal, the balance between the acquisition price and the book value of accounts receivable will be recorded in the gain or loss of the current period.

### ④ Available-for-sale financial assets

When they are acquired, the sum of fair value (after deduction of cash dividends already declared but not paid yet, or bond interests with interest payment period expired but having not been acquired) and relevant transaction expenses will be taken as initially confirmed amount.

During the holding period, the interests or cash dividends obtained will be confirmed as investment yield. At the end of period, they will be measured as per fair value, and the change of fair value will be recorded in other composite benefit. However, the equity instrument investments which have no offer in active market and of which the fair value cannot be reliably measured, and the derived financial assets which are linked with the equity instruments and settled through delivery of the equity instruments will be measured as per cost.

During disposal, the balance between the acquisition price and the book value of financial assets will be recorded in the gain or loss of investment; meanwhile, the amount of corresponding disposal part and originally recorded in the accumulative amount of change in the fair value of other composite benefit directly will be recorded in the gain or loss of the current period.

### ⑤ Other financial liabilities

The sum of their fair value and relevant transaction expenses will be taken as initially confirmed amount. The amortized cost will be adopted for follow-up measurement.

## (3) Confirmation Basis and Measurement Method of Financial Assets Transferred

If the Company transfers financial assets, and transfers nearly all risks and rewards on the ownership of such

financial assets to the transfer-in party, the Company will terminate the confirmation of the financial assets; if the Company reserves nearly all risks and rewards on the ownership of the financial assets, the Company will not terminate the confirmation of such financial assets.

When judging whether the transfer of financial assets meets the above-mentioned conditions for terminating the confirmation of financial assets, the Company will follow the “Substance Over Form” principle. The Company distinguishes the transfer of financial assets into overall transfer and partial transfer of financial assets. If the overall transfer of financial assets meets the conditions for termination of confirmation, the balance of the following two amounts will be recorded in the gain or loss of the current period:

① The book value of the financial assets transferred;

② The sum of the consideration received for the transfer and the accumulative amount of change in the fair value originally recorded in the owner’s equity directly (involving the circumstance that the financial assets transferred are available-for-sale financial assets);

If partial transfer of financial assets meets the conditions for termination of confirmation, the overall book value of the financial assets transferred will be amortized between the confirmation-terminated part and non-confirmation-terminated part as per respective relative fair value, and the balance of the following two amounts will be recorded in the gain or loss of the current period:

① The book value of the confirmation-terminated part;

② The consideration for the confirmation-terminated part and the amount of corresponding confirmation-terminated part in the accumulative amount of change in the fair value originally recorded in the owner's equity directly (involving the circumstance that the financial assets transferred are available-for-sale financial assets);

If the transfer of financial assets does not meet the conditions for termination of confirmation, the financial assets will be confirmed continuously, and the consideration received will be confirmed as a financial liability.

#### (4) Conditions for Terminating the Confirmation of Financial Liabilities

If the current obligation of financial liabilities is rescinded completely or partially, the confirmation of such financial liabilities or part of them will be terminated; if the Company signs an agreement with creditors to replace the existing financial liabilities by means of undertaking new financial liabilities, and the contract clauses for new financial liabilities are substantially different from the contract clauses for existing financial liabilities, the confirmation of the existing financial liabilities will be terminated, and new financial liabilities will be confirmed at the same time.

If all or partial contract clauses for existing financial liabilities are amended substantially, the confirmation of the existing financial liabilities or part of them will be terminated, and meanwhile, the financial liabilities after amendment of clauses will be confirmed as a new financial liability.

If the confirmation of financial liabilities is terminated completely or partially, the balance between the book value of the financial liabilities of which the confirmation is terminated and the consideration paid (including non-cash assets transferred out or the new financial liabilities undertaken) will be recorded in the gain or loss of the current period.

If the Company buys back partial financial liabilities, then on the date of buyback, the Company will distribute the overall book value of the financial assets according to the relative fair value of the part confirmed continuously and the confirmation-terminated part. The balance between the book value distributed to the confirmation and the consideration paid (including non-cash assets transferred out or the new financial liabilities undertaken) will be recorded in the gain or loss of the current period.

#### (5) Method for Determining the Fair Value of Financial Assets and Financial Liabilities

For financial instruments having an active market, their fair value will be determined as per the offer in the

active market. For financial instruments not having an active market, their value will be determined by estimation technique. In case of estimation, the Company will adopt estimation techniques which are applicable under present circumstances and supported by sufficient available data and other information, select input values consistent with the asset or liability characteristics considered by market participants in the transactions of relevant assets or liabilities, and preferentially use relevant observable input values. Non-observable input values will be used only under the circumstance that relevant observable input values cannot be obtained or such values obtained are not practicable.

#### (6) Method for Testing and Accounting Treatment of Depreciation of Financial Assets (Excluding Accounts Receivable)

Except for the financial assets measured with fair value and having the change of fair value recorded in the gain or loss of the current period, the Company checks the book value of financial assets on the date of balance sheet. If some objective evidence proves that some financial asset depreciates, the Company will withdraw depreciation reserve for this financial asset.

##### ① Depreciation reserve of available-for-sale financial assets:

If the fair value of available-for-sale financial assets drops severely at the end of period, or such trend of drop is predicted to be non-temporary after comprehensively considering various relevant factors, the Company will confirm that the available-for-sale financial assets depreciate, will transfer out the accumulative losses arising from the drop of fair value originally recorded in the owner's equity directly, and confirm the impairment loss.

For available-for-sale debt instruments with impairment loss confirmed, if in a later fiscal period, the fair value rises and the rise is objectively related to the matters occurring after confirmation of original impairment loss, then the originally confirmed impairment loss will be transferred back and recorded in the gain or loss of the current period.

The impairment loss on available-for-sale equity instrument investments will not be transferred back through gain or loss.

##### ② Impairment reserve for held-to-maturity investments:

Held-to-maturity investments

#### 11. Notes receivable

#### 12. Account receivable

Receivables shall include account receivables and other account receivables. The Company adopts the allowance method for bad debt losses accounting.

#### (1) Accounts Receivable with Significant Single Amount and Having Bad Debt Reserve Withdrawn Independently:

Judgment basis or amount standard of significant single amount	The Company recognizes accounts receivable for a single project with the balance $\geq$ RMB 10 million and other accounts receivable from a single relevant unit with the balance $\geq$ RMB 2 million as accounts receivable with significant single amount.
Method for withdrawal of bad debt reserve with significant single amount and withdrawn independently:	The Company will carry out impairment test independently for accounts receivable with significant single amount. If such

	accounts receivable are proved impairing through the test, the Company will determine the impairment loss and withdraw bad debt reserve according to the balance that the present value of its future cash flow is lower than its book value. The accounts receivable not impairing as proved in single test, will, together with the accounts receivable with insignificant single amount, be divided into many portfolios according to similar credit risk characteristics. Then according to certain proportion of the balance on the date of balance sheet of the portfolios of these accounts receivable, the Company will calculate and determine impairment loss and withdraw bad debt reserve.
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(2) Accounts Receivable with Insignificant Single Amount but Having Bad Debt Reserve Withdrawn Separately:

Reasons for independent withdrawal of bad debt reserve	On the date of balance sheet, for the other accounts receivable with insignificant single amount and having obvious sign of impairment, the Company will determine impairment loss and withdraw bad debt reserve according to the balance that the present value of their future cash flow is lower than their book value.
Method for withdrawal of bad debt reserve	On the date of balance sheet, the Company will execute impairment test of the accounts receivable with insignificant single amount but having bad debt reserve withdrawn separately. If such accounts receivable are proved impairing during the test, the Company will determine impairment loss and withdraw bad debt reserve according to the balance that the present value of their future cash flow is lower than their book value.

(3) Accounts Receivable with Bad Debt Reserve Withdrawn as per the Portfolios Classified Based on Credit Risk Characteristics:

Portfolio name	Method for withdrawal of bad debt reserve	
Account aging portfolio	Account age analysis method	
Combination of affiliated parties within the range of consolidation	Regardless of the provision for bad debts	
For those subject to provision for bad debts under aging analysis method:		
Aging	Rate for receivables(%)	Rate for other receivables(%)
Within 1 year (Included 1 year)	5	5
1-2 years	10	10

2—3 years	30	30
3—4 years	50	50
4—5 years	80	80
Over 5 years	100	100

The Company needs to comply with disclosure requirements of the Guidelines No.7 of the Shenzhen Stock Exchange on Industry Information Disclosure — Civil Engineering of Listed Companies.

### 13. Financing of receivables

### 14. Other account receivable

Determination method of expected credit loss of other receivables and accounting treatment method

### 15. Inventories

Whether the Company needs to comply with disclosure requirements of special industries

Yes

Civil Engineering

#### (1) Classification of Inventories

Inventories mainly include raw materials, engineering construction, merchandise inventory, work-in-process, low value consumables, etc.

#### (2) Method for Pricing of Inventories Delivered

During the delivery of inventory, it is priced in terms of the method of weighted mean.

#### (3) Basis for Determining the Net Realizable Value of Different Types of Inventories

For commodity stocks directly for sale, such as finished products, merchandise inventory, and materials for sale, etc., their net realizable value is confirmed during normal production and operation as per the amount after deduction of estimated selling expenses and relevant taxes from the estimated sales price of such inventories; for material stocks needing processing, their net realizable value will be determined during normal production and operation as per the amount after deduction of costs estimated to incur until completion of work, estimated selling expenses and relevant taxes from the estimated sales price of finished products; for the inventories held for executing sales contract or labor service contract, their net realizable value will be calculated on the basis of contract price. If the quantity of inventories held is more than the quantity ordered under sales contract, the net realizable value of the excessive inventory will be calculated based on general sales price.

At the end of period, inventory depreciation reserve is withdrawn as per single inventory item; however, for plentiful inventories of relatively low unit price, inventory depreciation reserve will be withdrawn by the type of inventory; for inventories related to the product series produced and sold in a same region, having the same or similar final use or objective, and difficult to measure by separating from other items, inventory depreciation reserve will be withdrawn in a consolidated way. Except for that some conclusive evidence proves abnormality of market price on the date of balance sheet, the net realizable value of inventory items will be determined based on the market price on the date of balance sheet.

The net realizable value of inventory items at the end of this period will be determined based on the market



price on the date of balance sheet.

(4) Perpetual inventory taking system is adopted for inventory taking system.

(5) Method for Amortization of Low-Value Easily-Consumed Articles and Packing

One-off writing-off method is adopted for low-value easily-consumed articles; one-off writing-off method is adopted for packing.

16. Contract assets

17. Contract cost

18. Held-for-sale assets

The Company classifies the non-current assets or disposal group meeting the following conditions as assets held for sale:

(1) Based on the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under current conditions;

The sale is very likely to happen, that is, the Company has already made a resolution on a sales plan and obtained an assuring purchase commitment and it is expected that the sale will be completed within one year. Where regulations require the approval of relevant power organ or regulatory department of the Company before they can be sold, the approval has been obtained.

19. Creditor's rights investment

20. Other Creditor's rights investment

21. Long-term account receivable

22. Long-term Equity Investments

(1) Standards for Judgment of Common Control and Significant Influences

Common control indicates the jointly-owned control on some arrangement as per relevant provisions, and relevant activities of such arrangement must be unanimously agreed by the participants sharing the control right before being decided. If the Company and other joint operators impose common control on invested units and have the right to the invested units' net assets, the invested units will be the Company's joint ventures.

Significant influences indicate having the right to participate in making decisions on an enterprise's financial affairs and business operation, but could not control or jointly control together with other parties the making of these policies. If the Company could impose significant influences on invested units, the invested units will be the Company's associates.

(2) Determination of Initial Investment Cost

① Long-term Equity Investments Formed from Business Combination

Business combination under the same control: If the Company pays combination consideration by paying cash, transferring non-cash assets or undertaking debts and issuing equity securities, the Company will take the book value shares of the combined party's owners' equity obtained on the date of combination in the final controller's consolidated financial statements as the initial investment cost of long-term equity investments. If the Company could impose control on invested units under the same control for reason of additional investment, etc., the Company will confirm on the date of combination the initial investment cost of long-term equity investments

as per the book value shares of the combined party's net assets to be enjoyed in the final controller's consolidated financial statements after combination. For the balance between "the initial investment cost of long-term equity investments on the date of combination" and "the sum of the book value of long-term equity investments before combination and the book value of newly paid consideration for further obtaining shares on the date of combination", the Company will adjust the capital stock premium; and if the capital stock premium is not enough to write down, the Company will write down the retained benefits.

Business combination not under the same control: The Company takes the combination cost determined on the date of purchasing as the initial investment cost of long-term equity investments. If the Company could impose control on invested units not under the same control for reason of additional investment, etc., the Company will take the sum of the book value of originally held equity investments and the newly increased investment cost as the initial investment cost of long-term equity investments which are subject to accounting with cost method instead.

#### ② Long-term Equity Investments Obtained by Other Means

For long-term equity investments obtained by means of payment in cash, the purchasing price actually paid will be taken as initial investment cost.

For long-term equity investments obtained by issuing equity securities, the fair value of the equity securities issued will be taken as initial investment cost.

In the precondition that non-monetary asset exchange has business nature, and the fair value of exchanged-in or exchanged-out assets could be measured reliably, the fair value of exchanged-out assets and relevant expenses payable will be determined as the initial investment cost of the long-term equity investments obtained from non-monetary assets exchange, unless some conclusive evidence proves that the fair value of exchanged-in assets is more reliable; for non-monetary assets exchange not meeting the above-mentioned precondition, the book value of exchanged-out assets and relevant taxes payable shall be taken as the initial investment cost of exchanged-in long-term equity investments.

For long-term equity investments obtained through debt reorganization, their initial investment cost will be determined based on fair value.

#### (3) Follow-up Measurement and Gain or Loss Confirmation Method

##### ① Long-term Equity Investments Subject to Accounting with Cost Method

The Company adopts cost method for accounting of long-term equity investments in subsidiaries. Except for the cash dividends or profits included in the price or consideration actually paid when investments are obtained, and already announced but not paid, the Company confirms the investment yield of the very period according to the cash dividends or profits enjoyed by the Company and declared to grant by invested units.

##### ② Long-term Equity Investments Subject to Accounting with Equity Method

The Company adopts equity method for accounting of long-term equity investments in associates and joint ventures. For the balance that the initial investment cost is bigger than the fair value shares of invested units' distinguished net assets which shall be enjoyed by the Company, the Company will not adjust the initial investment cost of long-term equity investments; for the balance that the initial investment cost is smaller than the fair value shares of invested units' distinguished net assets which shall be enjoyed by the Company, the Company will adjust the book value of long-term equity investments and record it in owner's equity.

When confirming the shares of invested units' net gain or loss to be enjoyed, the Company will adjust and confirm the invested units' net profit based on the fair value of the invested units' distinguishable net assets when investments are obtained, and according to the Company's accounting policies and fiscal period. If the invested units prepare consolidated financial statements during the holding of investments, the accounting will be conducted based on the amount attributing to the invested units in the net profit in the consolidated financial

statements, other composite benefits, and changes of other owner's equity.

For the gain or loss on the non-realized internal transactions between the Company and jointly-run enterprises/ joint ventures, the part attributing to the Company will be calculated as per the proportion to be enjoyed, will be written down, and on this basis, the investment yield will be confirmed. The gain or loss on non-realized internal transactions done with invested units will be fully confirmed if belonging to asset impairment loss. During the period of holding investment, as for the invested entity preparing consolidated financial statements, carry out accounting based on the invested entity's attributable amount of the net profit, other comprehensive income and other changes in equity in the consolidated financial statements.

The unrealized gains or losses on internal transaction occurring among the company, associates and joint ventures will confirm the investment income on the basis of offsetting the company's attributable part calculated according to the entitlement proportion. The unrealized losses on internal transaction occurring in the invested entity belonging to assets impairment loss will be confirmed in full amount. If the assets of investment or asset-sale transactions occurring among the company, associates and joint ventures constitute the business, the accounting treatment shall be carried out according to the related policies disclosed in "IV. (4) Method for Accounting Treatment of Business Combination under and Not under the Same Control" and "IV. (5) Method for Preparation of Consolidated Financial Statements".

When the Company determines to share the losses of the invested entity, it will be treated in the order as follows: firstly, the book value of long-term equity investments will be offset. Secondly, if the book value of the long-term equity investment is not sufficient to be offset, the recognition of losses of the investment will be continued to the extent of the book value of other long-term rights and interests which substantially form the net investment made to the invested entity, and the book value of long-term accounts receivable will be offset. Finally, after the above-mentioned treatment, if the Company still undertakes extra obligations according to the provisions of investment contract or agreement, the Company will confirm accrued liabilities with obligations predicted to undertake, and record them in the investment loss of the current period.

### ③ Disposal of Long-Term Equity Investments

For disposal of long-term equity investments, the balance between their book value and actual acquisition price will be recorded in the gain or loss of the current period.

For long-term equity investments with equity method adopted for accounting, when such investments are disposed, the part originally recorded in other composite benefits will be subject to accounting treatment according to corresponding proportion and on the same basis adopted by invested units to directly dispose relevant assets or liabilities. The owner's equity confirmed for change of other owner's equity except for net gain or loss, other composite benefit and profit distribution of invested units will be carried forward into the gain or loss of the current period, excluding the other composite benefits arising from the change of net liabilities or net assets of invested units' new measurement and setting of benefit plan.

If the Company loses common control or significant influences on invested units for reason of disposal of partial equity investments, etc., the remained equity after disposal will be subject to accounting according to the standards for the confirmation and measurement of financial instruments, and the balance between the fair value and book value of such remained equity investments on the date when the Company losing common control or significant influences will be recorded in the gain or loss of the current period. Other composite benefits confirmed for accounting with equity method of original equity investments will be subject to accounting treatment with the same basis adopted by invested units to directly dispose relevant assets or liabilities when the accounting with equity method is terminated. The owner's equity confirmed for change of other owner's equity except for invested parties' net gain or loss, other composite benefit and profit distribution will be totally transferred in the gain or loss of the current period when the accounting with equity method is terminated.

In case the control right on the invested unit is deprived due to disposal of part of equity investment, increase of investment by other investment parties on subsidiaries causing decrease of holding proportion of the company, when preparing certain financial statement, the residual equity shall be checked by equity method if having common control or major effect on invested unit, and adjusted as the residual equity is checked by the equity method from being obtained; If the remaining equity cannot exert joint control or significant influence on the invested unit, it shall take accounting treatment according to the relevant provisions of financial tools and measurement rules, and the difference between the fair value and book value on the date of losing control shall be included in the current profits and losses.

If the equity disposed is obtained from business combination for reason of additional investment, and when individual financial statements are prepared,

cost method or equity method is adopted for accounting of the remained equity after disposal, the other composite benefits and other owner's equity confirmed for accounting with equity method of the equity investments held before the date of purchasing will be carried forward by proportion; if the remained equity after disposal is subject to accounting treatment according to the standards for confirmation and measurement of financial instruments, the other composite benefits and other owner's equity will be carried forward completely.

### 23. Investment Real Estate

Investment real estate measurement model

Costing accounting

Method of depreciation or amortization

The company's investment real estate includes the land use right held and prepared to transfer after increment, the buildings already leased (including the buildings used for leasing after completion of self-construction or development activities, and buildings in construction or development and to be used for leasing in future).

The Company adopts cost mode to measure the existing investment real estates. For investment real estate measured with cost mode – the buildings used for leasing, the Company will adopt the depreciation policy, which is the same for fixed assets, and for the land use right for leasing, the Company will adopt the amortization policy which is the same for intangible assets.

### 24. Fixed Assets

#### 1. Fixed asset recognition conditions

Fixed assets indicate the tangible assets held for producing goods, rendering labor services, leasing or operation management, and having a service life of more than one fiscal year. No fixed asset may be recognized unless it simultaneously meets the conditions as follows:

- (1) The economic benefits pertinent to the fixed asset are likely to flow into the enterprise;
- (2) The cost of the fixed asset can be measured reliably.

#### 2. Depreciation method for various fixed assets

Type	Depreciation method	Depreciation life	Salvage rate (%)	Annual depreciation
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		(Year)		rate (%)
House and buildings	Straight-line method	20 years	5	4.75
Mechanical equipment	Straight-line method	10	5	9.5
Transportation equipment	Straight-line method	7	5	13.57
Electronic equipment and other equipment	Straight-line method	3-5	5	19.00-31.67

### 3. Recognition basis and valuation method for fixed assets under financing lease

Where the leasing agreement signed between company and the lessor specifies either of the conditions as follows, the lease will be recognized as a finance lease:

- (1) The ownership of the leasing asset belongs to this company at the expiration of the lease;
- (2) Company has the option to buy the asset at a price to be far lower than the fair value of the asset at the date when the option becomes exercisable;
- (3) The lease term covers the major part of the use life of the leased asset;
- (4) The present value of the minimum lease payments on the lease beginning date does not have too large differences with the fair value of the asset.

On the starting date of the Company's leasing, the fair value of leased assets and the present value of the minimum rent payment, whichever is lower, will be taken as the entry value of leased-in assets, and the minimum rent payment will be taken as the entry value of long-term accounts payable, and the balance will be taken as non-confirmed financing cost.

### 25. Construction in Progress

For construction in progress, the necessary expenditure incurred for making the constructed assets reach the predetermined usable state will be taken as the entry value of the fixed assets. If the constructed fixed assets have reached the predetermined usable state, but the completion settlement has not been handled, then since the date when such assets reach the predetermined usable state, the Company will transfer such assets into fixed assets as per estimated value and based on engineering budget, construction cost, or actual cost of engineering, etc., and will withdraw fixed asset depreciation according to the Company's policy for fixed asset depreciation; after handling of completion settlement, the Company will adjust original temporarily estimated value as per actual cost, but will not adjust originally withdrawn depreciation amount.

### 26. Borrowing Costs

Borrowing costs include loan interest, discount or premium amortized, auxiliary expense, and exchange balance arising from foreign-currency loan, etc.

#### 1. Principle for Confirmation of Borrowing Cost Capitalization

The Company's borrowing costs, if available to directly attribute to the construction or production of assets meeting capitalization conditions, will be capitalized and recorded in the cost of relevant assets; and other

borrowing costs will be confirmed as expenses and recorded in the gain or loss of current period as per their amount incurred when they are incurred.

Assets meeting capitalization conditions indicate the fixed assets which need to experience quite a long term of construction or production activities before reaching the predetermined usable or salable state, as well as investment real estates and inventories, etc.

Borrowing costs will be capitalized if simultaneously meeting the following conditions:

(1) Asset expenditure has occurred, including the payment in cash for purchasing and construction or production of assets meeting capitalization conditions, transfer of non-cash assets, or undertaking of interest-bearing debts;

(2) Borrowing costs have occurred;

(3) The purchasing and construction or production activities necessary for making assets reach predetermined usable or salable state have started.

#### 2. Period for capitalization of borrowing costs

Capitalization period indicates the period of from the time point when capitalization of borrowing costs starts to the time point when capitalization stops, excluding the period when the capitalization of borrowing costs is suspended.

If the assets purchased and constructed or produced and meeting capitalization conditions reach the predetermined usable or salable state, the capitalization of borrowing costs will stop.

If some items of the assets purchased and constructed or produced and meeting capitalization conditions are completed separately and could be used independently, the capitalization of borrowing costs for such assets will stop.

If each part of the assets purchased and constructed or produced is completed respectively, but cannot be used or sold until the whole assets are completed, the capitalization of borrowing costs may be stopped when the assets are totally completed.

#### 3. Period for suspension of capitalization

If the assets meeting capitalization conditions are broken abnormally during purchasing and construction or production process, and the suspension lasts for more than 3 months successively, the capitalization of borrowing costs will be suspended; if such suspension is a necessary procedure for making the assets purchased and constructed or produced and meeting capitalization conditions reach the predetermined usable state or salable state, the capitalization of borrowing costs will continue. The borrowing costs occurring during suspension period will be confirmed as gain or loss in the current period, and the capitalization of borrowing costs will continue after the construction and purchasing or production activities of such assets restart.

#### 4. Method for calculation of borrowing costs capitalization rate and capitalized amount

For the special loan obtained for purchasing and construction or production of assets meeting capitalization conditions, the capitalized amount of borrowing costs will be determined as per the amount after “the borrowing costs actually incurred in the very period of special loan” minus “the interest income obtained from bank deposit or the investment yield obtained from temporary investment of the non-used loan fund”.

For general loans occupied for purchasing and construction or production of assets meeting capitalization conditions, the borrowing costs amount to be capitalized of general loans shall be calculated and determined as per the “weighted mean of asset expenditure that accumulative asset expenditure exceeds the special loan” multiplied by the capitalization rate of general loan. The capitalization rate is generally calculated and determined as per the weighted mean interest rate of general loan.

## 27. Biological assets

Nil

## 28. Oil-gas assets

Nil

## 29. Assets of the right to use

Nil

## 30. Intangible assets

Intangible assets refer to identifiable non-monetary assets without physical form owned or controlled by the Company. The intangible assets of the Company mainly include land use right and software royalty.

## 1. Pricing Method of Intangible Assets

The Company initially measures the intangible assets as per the cost when they are acquired.

The cost of purchased intangible assets includes purchasing price, relevant taxes, and other expenditures directly for making the assets reach the predetermined use. If the price for purchasing intangible assets is delayed in payment by exceeding normal credit conditions, and the intangible assets have financing nature substantially, the cost of intangible assets will be determined based on the present value of purchasing price.

As for the intangible assets obtained from debt reorganization and used by debtors for repaying debts, their entry value will be determined based on the fair value of such intangible assets, and the balance between the book value of reorganized debts and the fair value of the intangible assets used for repaying debts will be recorded in the gain or loss of the current period.

In the precondition that non-monetary asset exchange has the essence of commerce, and the fair value of exchanged-in or exchanged-out assets could be measured reliably, the entry value of the intangible assets obtained from non-monetary asset exchange will be determined based on the fair value of exchanged-out assets, unless conclusive evidence proves that the fair value of exchanged-in assets is more reliable; for the non-monetary asset exchange not meeting the above-mentioned precondition, the book value of exchanged-out assets and relevant taxes payable will be taken as the cost of exchanged-in intangible assets, and the gain or loss won't be confirmed.

The Company analyzes and judges the service life of intangible assets when obtaining them.

Intangible assets with limited service life are amortized with straight-line method within the period when they bring about economic benefits for the enterprise; if it's impossible to predict the period when the intangible assets could bring about economic benefits to the enterprise, the intangible assets will be deemed to have uncertain service life, and won't be amortized.

## 2. Estimate on the service life of intangible assets with limited service life:

Items	Service life	Amortization method
Software royalty	5 years	Straight-line method
Land use right	50 years	Straight-line method

At the end of every year, the Company checks the service life and amortization method of the intangible assets with limited service life. As checked, the service life and amortization method of intangible assets at the end of this year were not different from previous estimates.

### 3. Concrete Standard for Division of Research Stage and Development Stage

The Company's expenditure for internal research and development projects is divided into the expenditure at research stage and expenditure at development stage.

Research stage: The stage of unique and planned investigation and research activities conducted for obtaining and understanding new scientific or technological knowledge.

Development stage: The stage of applying research findings or other knowledge to some plan or design, in order to produce new or substantially improved materials, devices and products, etc. before commercial production or use.

#### (2) Concrete Conditions for Capitalization of Expenditure at Development Stage

The expenditure at development stage of internal research and development projects will be confirmed as intangible assets when simultaneously meeting the following conditions:

- (1) It is technically feasible to complete the intangible assets and make them available for use or sale;
- (2) The Company has the intent to complete, use or sell the intangible assets;
- (3) The way by which intangible assets produce economic benefit could prove the usability of such intangible assets, including proving that the products produced with such intangible assets have markets, or such intangible assets have markets, and intangible assets would be used internally;
- (4) The Company has sufficient technical, financial resources and other resources to support the completion of the development of such intangible assets, and the Company has the ability to use or sell such intangible assets.
- (5) The expenditure attributing to the development stage of such intangible assets could be measured reliably.

### 31. Long-term Asset Impairment

If there is any sign of impairment in long-term equity investments, investment real estates measured by the cost model, fixed assets, construction in progress, intangible assets with finite service life and other long-term assets at the balance sheet date, an impairment test will be made. If the result of impairment test proves that the recoverable amount of assets is lower than their book value, the depreciation reserve will be withdrawn as per their balance and recorded in the impairment loss. The recoverable amount indicates the net amount after the fair value of assets minus the disposal expenses, and the present value of predicted future cash flow of the assets, whichever is higher. Asset depreciation reserve is calculated and confirmed based on single assets. If it is difficult



to estimate the recoverable amount of single assets, the recoverable amount of asset portfolio will be determined as per the asset portfolio to which the assets belong. Asset portfolio indicates the minimum asset group which could independently produce cash inflows.

Goodwill will be subject to impairment test at least at the end of every year.

The Company carries out impairment test of goodwill, and amortizes the book value of the goodwill formed from business combination to relevant asset group by reasonable means since the date of purchasing; if it is difficult to amortize the book value to relevant asset group, the Company will amortize it to relevant asset group, the Company will amortize it to relevant asset group portfolio. When the book value of goodwill is amortized to relevant asset group or asset group portfolio, the Company will execute amortization as per the proportion of the fair value of each asset group or asset group portfolio to the total fair value of relevant asset group or asset group portfolio. If it is difficult to measure the fair value reliably, the Company will execute amortization as per the proportion of the book value of each asset group or asset group portfolio to the total book value of relevant asset group or asset group portfolio.

When impairment test is carried out for relevant asset groups or asset group portfolios including goodwill, if the asset groups or asset group portfolios relevant to goodwill have the sign of impairment, the Company will carry out impairment test of the asset group or asset group portfolio excluding goodwill, calculate recoverable amount, compare it with relevant book value, and confirm corresponding impairment loss. And then conduct impairment test on asset groups or asset group combination with goodwill, compare book values of relevant asset groups or asset group combination (including the book value of amortized goodwill) with recoverable amounts, if the recoverable amounts of relevant asset groups or asset group combination are lower than their book values, the impairment loss of goodwill will be recognized. Once any loss of asset impairment is recognized, it shall not be turned back in the future accounting period.

### 32. Long-term Deferred Expenses

Long-term deferred expenses indicate various expenses having been incurred, to be shared in present period and later periods, and having an amortization period of more than one year.

#### (1) Amortization Method

Long-term deferred expenses will be averagely amortized within the benefit period;

#### (2) Amortization Life

It shall be determined as agreed in contracts or during the expected benefit period.

### 33. Contract Liabilities

### 34. Employee Compensation

#### 1. Accounting Method of Short-Term Remuneration

During the fiscal period when employees provide services for the Company, the Company confirms the short-term remuneration incurred actually as liabilities, and records them in the gain or loss of the current period or the cost of relevant assets.

For the social insurance premiums and housing fund paid by the Company for employees, the trade union outlay and employee education outlay withdrawn as per regulations, the Company calculates and determines corresponding amount of employees' remuneration as per the withdrawal basis and withdrawal proportion regulated during the fiscal period when employees provide services for the Company.

If employees' welfare expense is non-monetary welfare and could be measured reliably, they will be measured as per fair value.

## 2. Accounting Method of Post-Dismissal Welfare

### Defined contribution plans

As for the basic pension insurance and unemployment insurance paid by the Company for employees according to relevant provisions of local government, the amount payable will be calculated as per the base amount and proportion of payment regulated by local place and recorded in the gain or loss of the current period or the cost of relevant assets during the fiscal period when the employees provide services for the Company.

## 3. Accounting Method of Dismissal Welfare

If being unavailable to unilaterally revoke the dismissal welfare provided for rescission of labor relationship plan or staff cut-down suggestions, or when confirming the costs or expenses related to reorganization involving the payment of dismissal welfare (whichever is earlier), the Company will confirm the employee compensation liabilities arising from dismissal welfare, and record them in the gain or loss of the current period.

## 4. Accounting Method of Other Long-term Welfares

Other long-term welfares provided by the company to employees in accordance with the defined contribution plans shall be subject to accounting treatment in accordance with the defined contribution plans; otherwise shall be subject to accounting treatment in accordance with the defined benefit plan.

## 35. Lease liabilities

## 36. Accrued Liabilities

### 1. Standard for Confirmation of Accrued Liabilities

If the obligations related to the contingencies like lawsuits, debt guarantees, loss contracts, reorganization matters, etc. simultaneously meet the following conditions, the Company will confirm such obligations as accrued liabilities:

- (1) The obligations are current obligation undertaken by the Company;
- (2) The implementation of such obligations will probably induce that economic benefits flow out of the Company;
- (3) The amount of such obligations could be measured reliably.

### 2. Measures for Measurement of Various Accrued Liabilities

The Company initially measures the accrued liabilities as per the optimum estimated amount of expenditures necessary for implementation of relevant current obligations.

When determining the optimum estimated amount, the Company comprehensively considers the risks related to contingencies, uncertainty, time value of money, and other factors. If the time value of money has significant influences, the optimum estimated amount will be determined after discounting with relevant future cash outflow.

The optimum estimated amount is treated by the following circumstances respectively:

If the expenditure needed has a continuous scope (or range), and the possibility for various results to occur is the same within this scope, then the optimum estimated amount will be determined as per the middle value of this scope, namely the average of the upper-limit and lower-limit amounts.

If the expenditure needed does not have a continuous scope (or range), or there is a continuous scope, but the possibility for various results to occur within this scope is not the same, for example, contingencies involve single item, the optimum estimated amount will be determined as per the amount which will occur most possibly; if contingencies involve multiple items, the optimum estimated amount will be calculated and determined as per various possible results and relevant probability.

If the Company's expenditure needed for discharging accrued liabilities is predicted to compensate by third parties fully or partially, then the compensation amount will be confirmed independently as assets when being ascertained basically available to receive, and the compensation amount confirmed won't be more than the book value of the accrued liabilities.

### 37. Share-Based Payment

The share-based payment of the Company refers to the transaction through granting equity instruments or undertaking equity-instrument-based liabilities to obtain the services provided by employees [or other parties]. The Company's share-based payment is divided into the share-based payment settled with equity and the share-based payment settled in cash.

#### 1. Share-based payment settled with equity and equity instruments

The share-based payment settled with equity, if used to exchange for employees' services, will be measured with the fair value of the equity instruments granted to employees. If the Company makes share-based payment with restricted shares, then the shares subscribed with investment by employees shall not be circulated in the market or transferred before meeting unlocking conditions and being unlocked; if the unlocking conditions regulated in the final Stock Incentive Plan are not satisfied, the Company will buy back shares at the predetermined price. When obtaining the money paid by employees for subscribing restricted shares, the Company will confirm capital stock and capital reserve (capital stock premium) as per the stock subscription money obtained, and meanwhile, will confirm a liability and inventory stock as per the full amount of buyback obligation. On every date of balance sheet within the waiting period, the Company will make the optimum estimate on the quantity of exercised equity instruments according to follow-up information such as the latest acquired change in the number of right-exercising employees, whether meeting regulated performance conditions, etc., on this basis, and according to the fair value on the date of granted, the Company will record the services obtained in the very period in relevant cost or expense, and increase capital reserve correspondingly. After exercising date, the Company will not adjust the total amount of relevant confirmed cost or expense and owner's equity. However, it's available to exercise rights immediately after being granted, it will be recorded in relevant cost or expense as per fair value on the date of granted, and capital reserve will be increased correspondingly.

For the share-based payment not exercised finally, the Company will not confirm cost or expense, unless the exercise conditions are market conditions or non-excisable conditions. No matter whether market conditions or non-excisable conditions are satisfied, if only non-market conditions among excisable conditions are satisfied, it will be deemed as excisable. If the clauses of share-based payment settled with equity are amended, the services obtained will be confirmed at least according to the clauses before amendment. In addition, any amendment increasing the fair value of equity instruments granted, or alterations beneficial for employees on the date of amendment will be confirmed as increase of services obtained.

If share-based payment settled with equity is cancelled, the Company will treat it as accelerated exercise on

the date of cancellation, and confirm the non-confirmed amount immediately. If employees or other parties could choose to meet non-exercisable conditions, but do not meet such conditions within waiting period, the Company will treat this as cancellation of share-based payment settled with equity. However, if new equity instruments are granted, and the new equity instruments granted are recognized to replace the cancelled equity instruments on the granted date of the new equity instruments, the granted alternative equity instruments will be treated by the means the same as those for amending the terms and conditions for treatment of original equity instruments.

38. Other financial instruments such as preferred stocks and perpetual bonds, etc.

### 39.Revenues

Whether the company needs to comply with the disclosure requirements of the particular industry

No

Civil engineering construction industry

The company shall comply with the disclosure requirements of "the Guidelines No.7 of the Shenzhen Stock Exchange on Industry Information Disclosure—Listed Companies Engaging in the Civil Engineering Construction Business".

1. General principles for recognition of revenue from sales of goods:

(1) The significant risk and the rewards of the goods ownership has been transferred to the Buyer by the Company.

(2) The Company neither reserves the continuous management right which is generally associated with ownership nor carries out effective control of sold commodities.

(3) Related income amount can be measured in a reliable way;

(4) The relevant economic benefits may flow into the Company;

(5) Relevant costs occurred or to be occurred can be measured in a reliable way.

2. Specific principles

(1) Service revenue

The service revenue provided by the Company mainly refers to the revenue of engineering design. In case that the results from provision of labor transactions can be estimated reliably, the revenue shall be recognized as per the important milestones specified by the design contract. Namely, the revenue is recognized as per the percentage of the workload of important milestones of the completed design in the total design workload and the expected recoverable contract amount.

If the result of providing service transaction cannot be estimated in a reliable way, the service revenue shall be determined according to the service costs which has generated and expected to be compensated. The existing service costs are calculated as the period charges. When it is not probable that the costs incurred will be recovered, revenue is not recognized.

Provided that sales of commodity and provision of labor can be distinguished and separately measured in the contract or agreement signed by the Company with other enterprises, sales of commodity and provision of labor shall be separately disposed. Provided that sales of commodity and provision of labor cannot be distinguished, or can be distinguished but cannot be separately measured, the entire contract shall be disposed as sales of commodity.

(2) Income from construction contracts

Under the circumstance that the outcome of a construction contract can be estimated in a reliable way, the contract revenue and the contract costs shall be recognized in light of the percentage-of-completion method on the

date of the balance sheet. The percentage of completion is determined in the proportion of the accumulated actual contract costs among the estimated total contract costs.

If the outcome of a contraction contract cannot be estimated in a reliable way, but the contract costs can be recovered, the contract revenue shall be recognized in accordance with the recoverable actual contract costs and the contract costs shall be recognized as contract expenses in the current period they are incurred; if the contract costs cannot be recovered, they shall be recognized as contract expenses immediately when they are incurred and no contract revenue shall be recognized. If uncertainties, due to which the outcome of a construction contract cannot be measured in a reliable way, have passed out of existence, the revenues and expenses pertinent to the construction contract shall be determined in the percentage-of-completion method.

If the estimated total contract costs exceed the total contract revenue, the estimated loss is recognized as the expenses for the period.

The cost and the gross profit (loss) accumulatively incurred and recognized of a construction-in-progress contract and the settled price are presented in the balance sheet with a net amount after offset. The part of the sum of the cost and the gross profit (loss) accumulatively incurred from a construction-in-progress contract exceeding over the settled contract price is presented as inventory; and the part of the settled contract price exceeding over the cost and the gross profit (loss) accumulatively incurred from a construction-in-progress is presented as advance payment.

### (3) Recognized income of hospital business

The income of hospital mainly comes from the outpatient and inpatient departments, and the income recognition is done at the time of patient's settlement.

For the outpatient income, as the patients turning to the outpatient treatment do not need the inpatient treatment generally, the treatment duration is short, the settlement is made with the hospital at the end of the treatment and treatment and medicine expense is paid. Financially, such outpatient income shall be recognized at the day of receipt.

For the inpatient income, as the patient needs to be treated in the hospital for a certain period and a part of the medical expense shall be prepaid when be admitted to hospital, the inpatient income shall not be recognized at this moment. When discharging from the hospital, the patient will settle the medical expense for the hospitalization and the hospital will issue the invoice to the patient. In such case, the income from the inpatient is recognized financially.

## 40. Governmental subsidy

A government subsidy means the monetary or non-monetary assets obtained free by this company from the government. Government subsidies consist of the government subsidies pertinent to assets and government subsidies pertinent to income.

The assets-related government subsidy refers to government subsidies that are obtained by the Company used for purchase or construction, or forming the long-term assets by other ways. Government subsidies pertinent to income refer to the governmental subsidies except governmental subsidies pertinent to assets.

### (1) The judgment basis and accounting treatment method of assets-related government subsidy

#### 1. Recognition time

In case the governmental subsidies are monetary assets, it shall be calculated according to the received amount or the receivable amount. If a governmental subsidy is a nonmonetary asset, it shall be measured at its fair value or at its nominal amount in case that the fair value cannot be reliably obtained. The governmental subsidies calculated according to nominal amount shall be directly included in the current profits and losses.

## 2. Accounting treatment

Governmental subsidy related to assets will be used to write down the book value of relevant assets or be confirmed as deferred income. If being confirmed as deferred income, the governmental subsidy will be recorded in the gain or loss of the current period within the service life of relevant assets with reasonable and systematic methods (if being related to the Company's daily activities, the governmental subsidy will be recorded in other benefits; if not, they will be recorded in non-operating income).

### (1) The judgment basis and accounting method of income-related government subsidy

The income-related government subsidy, if being used to compensate the Company's relevant cost expenses or losses in later period, will be confirmed as deferred income, and be recorded in the gain or loss of the current period (if being related to the Company's daily activities, the governmental subsidy will be recorded in other benefits; if not, they will be recorded in non-operating income) or be used to write down relevant cost expenses or losses during the period of confirmation on relevant cost expenses or losses; if being used to compensate the Company's relevant cost expenses or losses already incurred, the governmental subsidy will be directly recorded in the gain or loss of the current period (if being related to the Company's daily activities, the governmental subsidy will be recorded in other benefits; if not, they will be recorded in non-operating income) or be used to write down relevant cost expenses or losses.

## 41. Deferred Income Tax Assets/Deferred Income Tax Liabilities

For deductible temporary difference, deferred income tax assets will be confirmed within the limit of the taxable income which will probably be obtained in future period and be used to offset deductible temporary difference. As for deductible losses and taxes rebate which could be carried forward to later years, corresponding deferred income tax assets will be confirmed within the limit of the future taxable income which will probably be obtained to offset deductible losses and taxes.

For taxable temporary difference, deferred income tax liabilities will be confirmed except for under special circumstances.

The special circumstances under which deferred income tax assets or deferred income tax liabilities are not confirmed include: the initial confirmation of goodwill; other transactions or matters (except for business combination) of which the occurrence won't affect accounting profit or taxable income (or deductible loss).

If the Company has statutory right to settle with net amount, and has the intention to settle or obtain assets with net amount, and the discharge of debts is conducted simultaneously, the income tax assets of the current period and the income tax liabilities of the current period will be presented with the net amount after offsetting.

If the Company has the statutory right to settle the income tax assets of the current period and the income tax liabilities of the current period with net amount, and the deferred income tax assets and deferred income tax liabilities are related to the income tax levied by a same tax administration department from a same tax payment subject, or are related to different tax payment subjects, but in every important period when deferred income tax assets and liabilities are transferred back in future, if the tax payment subjects involved intend to settle the income tax assets and liabilities of the very period with net amount or to obtain assets and discharge liabilities simultaneously, deferred income tax assets and deferred income tax liabilities will be presented with the net amount after offsetting.

## 42. Leasing

### 1. Accounting treatment method for operating lease

(1) The rent paid by the Company for rented assets will be amortized with straight-line method within the whole lease term including the rent-free period, and recorded in the expense of the current period. The initial direct expenses paid by the Company and related to leasing transaction will be recorded in the expense of the current period.

If the asset lessor undertakes the lease-related expenses which shall be assumed by the Company, the Company shall deduct such expenses from the total rent, amortize the remained rent within the lease term, and record it in the expense of the very period.

(2) The rent collected by the Company for leasing out assets will be amortized with straight-line method within the whole lease term including the rent-free period, and confirmed as lease-related income. The initial direct expenses paid by the Company and related to leasing transaction will be recorded in the expense of the very period; if the amount is relatively big, the amount will be capitalized, and will be recorded in the income of the very period by installments within the whole lease term on the basis same as that for confirmation of lease-related income.

If the Company undertakes lease-related expenses which shall be undertaken by the lessee, the Company will deduct such expenses from the total amount of rent income, and distributed the remained rent expense within the lease term.

### 2. Accounting treatment method for finance lease

(1) Assets rented through finance lease: On the date when the renting starts, the Company takes the fair value of rented assets and the present value of minimum rent payment, whichever is lower, as the entry value of rented assets, takes the minimum rent payment as the entry value of long-term accounts payable, and takes the balance as non-confirmed financing expense. The Company adopts actual interest rate method to amortize the non-confirmed financing expenses within the asset lease term, and records them in financial expenses. The Company records the initial direct expenses incurred in the value of rented assets.

(2) Assets leased out through finance lease: On the date when leasing starts, the Company confirms the balance between “the sum of finance lease account receivable and non-guaranteed balance” and their present value as non-realized financing income, and confirms it as lease income within each future period when rents are received. The Company records the initial direct expenses related to leasing transaction in the initial measured amount of finance lease account receivable, and reduces the income amount confirmed within the lease term.

## 43. Other Important Accounting Policies and Accounting Estimates

## 44. Correction of Important Accounting Policies and Accounting Estimates

### (1) Correction of Important Accounting Policies

Applicable  Not applicable

## (2) Change of Important Accounting Estimates

Applicable  Not applicable

## (3) Adjustments to the Financial Statements at the Beginning of the First Execution Year of any New Standards Governing Financial Instruments, Revenue or Leases

Applicable  Not applicable

## (4) Retrospective Restatement of Previous Comparative Data due to the First Execution of any New Standards Governing Financial Instruments or Leases

Applicable  Not applicable

## 45.Other

**VI. Taxes**

## 1. Main Types of Taxes and Tax Rate

Taxes	Taxation basis	Tax rate
VAT	For the taxable income, the output tax should be calculated based on relevant tax rate, and the VAT shall be paid based on the difference after deducting the input tax that is allowed to be deducted in the current period	0%,3%,6%,11%,17%
Urban maintenance and construction tax	Paid as per 7%, 5% and 1% of the turnover tax paid actually.	7%,5%,1%
Enterprise income tax	Paid as per 15% and 25% of taxable income	15%,25%
Educational surtax	Paid as per 3% of the turnover tax paid actually.	3%
Local educational surtax	Paid as per 2% of the turnover tax paid actually.	2%

## Illustration for disclosure of tax payers of different corporate income tax rate

Name of tax payers	Income tax rate
Changzhi Sino Laodingshan Industrial Co., Ltd.	25%
Xiangfen County Taoshan Construction Co., Ltd.	25%
Sino Great Wall (Xihua) Economic Development Zone Investment Co., Ltd.	25%
Liupanshui Central People's Hospital Investment Co., Ltd.	25%



Sino Zhigu Industrial (Yueyang) Co., Ltd.	25%
Sino Great Wall Guangxia (Wuhan) Medical Development Co., Ltd.	25%
Sino Great Wall Infrastructure Investment Co., Ltd.	25%
Wuhan Commercial Workers Hospital LLC	25%
Sino Great Wall Medical Investment Management Co., Ltd.	25%
Sino Great Wall International Engineering Co., Ltd.	15%
Fujian Sino Great Wall Mingyihui Medical Investment Co., Ltd.	25%
Sino Great Wall Medical Investment (Hubei) Co., Ltd.	25%
Hubei Yuanyaotong Supply Chain Co., Ltd.	25%
Sino Great Wall Medical Management (Inner Mongolia) Co., Ltd.	25%
Sino Great Wall Health Management (Jiangsu) Co., Ltd.	25%
Sino Great Wall (Beijing) Investment Fund Management Co., Ltd.	25%
Sino Great Wall Culture Tourism Co., Ltd.	25%
Wu'an Juhe Photovoltaic Power Co., Ltd.	25%
Shanghai Lingrui International Trading Co., Ltd.	25%
Shenzhen Hongtulle Industrial Co., Ltd.	25%
Sino Great Wall Southwest Engineering Co., Ltd.	25%
Sino Great Wall Southwest Science and Technology Co., Ltd.	25%
Sino Great Wall Southwest Commercial and Trading Co., Ltd.	25%
Sino Great Wall Southwest Engineering Consultation Co., Ltd.	25%
Sino Great Wall Decoration and Design Co., Ltd.	25%
Huichang County Zhongcheng Construction Engineering Co., Ltd.	25%
Great Wall Biaodian Energy Co., Ltd.	25%
Kunming Sino Forest Industry Development Co., Ltd.	25%
Sino Great Wall Development (Hengqin) Co., Ltd.	25%
Sino Great Wall Real Estate (Hubei) Co., Ltd.	25%
SGW America LLC	21%
Sino Great Wall Group Co., Limited	17%
Far eastern international engineering company, LLC	20%
Sino Great Wall(Philippines) International Corporation	30%
Sino Wai Man International Engineering Limited	12%
Sino Great Wall (HK) Property Co., Limited	17%

SGW HPEngineeringConstructionSDN.BHD	24%
SGW VENTURES SDN.BHD.	24%
SGW CONSTRUCTION (LANGKAWI) SDN.BHD.	24%
SINO GREAT WALL GENERAL TRADING & CONTRACTING CO.LTD	15%
Sino Changcheng (Lao) Co.,Ltd	25%
Sino International Engineering (Laos) Co., Ltd.	25%
Sino Great Wall Investment (Laos) Co., Ltd.	25%
Sino Great Wall Group (UK) Co.,Limited	19%
Sino Great Wall International Engineering( MM ) Co.,Ltd	25%
Sino Great Wall International Engineering Co.,Ltd	0%
Inrich Me Engineering Co.,Ltd	17%
SINO	GREAT
Sino Great WallInternationalEngineering(Thailand) Co.,Ltd.	20%
Sino Great Wall International Engineering(CNMI) Co.,LLC.	21%
SINO GREAT WALL (USA) .INC	21%
PT.SINO GREAT WALL INVESTMENT INDONESIA	25%
PT.SINO GREAT WALL CONSTRUCTION INDONESIA	25%
Anshun Sino Great Wall Real Estate Development and Construction Co., Ltd.	25%
Beijing Sino Xinda Real Estate Co., Ltd.	25%
Sino Great Wall Hebei Xiong'an Engineering Co., Ltd.	25%
Sino Great Wall Scientific and Technologic Development Co., Ltd.	25%
Weifang Sino Great Wall Medical care and Health Industry Co., Ltd.	25%
Sino Great Wall (Guanzhou) Elevator Engineering Co., Ltd.	25%
Zhongda Chancheng Industrial (Chongqing) Co., Ltd.	25%
Sino Rongju Real Estate Development Co., Ltd.	25%
Chengwu County Shenguang Engineering Project Management Co., Ltd.	25%
Sino Boda (Zhanjiang) Industrial Co., Ltd.	25%
Sino Great Wall Industrial (Chongqing) Co., Ltd.	25%
Sino Great WallDecoration Engineering (Beijing) Co., Ltd.	25%

## 2. Tax Preferences

(1) As verified by Beijing Municipal Office, SAT in 2013 as per Tax Category Verification Notice, the taxable income of Sino Great Wall Design shall be 10% of the total income.

(2) According to provisions in Notice of the State Administration of Taxation on Several Issues Concerning the Administration of Collection of Income Tax of Enterprises Operating Business across Different Regions and Paying Taxes on a Consolidated Basis (GSF (2008) No.28) on March 10, 2008, the head office (parent company) of the operation units and the place of business, being established within territory of China and running business across China without the legal personality (i.e. running production and operation activity across regions) shall be deemed as the enterprise for consolidated taxation. If the parent Company adopt the consolidated taxation method and the head office and the branches intend to prepay the enterprise income tax by stages, 50% of such taxes shall be amortized to the branches and prepaid, while the other 50% shall be prepaid by the head office. The amortization ratio of each branch shall be 0.35:0.35:0.30 among the operating income, the staff salary and the total assets of each; the final settlement of annual corporate income tax shall be made to the tax authority by the parent Company and shall never amortized to the branches.

(3) Sino Great Wall Group Co., Limited (hereinafter referred to as “Sino Hong Kong”) and Inrich Me Engineering Co., Ltd. (hereinafter referred to as “Inrich Me”) under the subsidiary Company of the Company are enterprises established in the Hong Kong Special Administrative Region, which shall pay the enterprise profit tax at the rate of 16.5%. SINO GREAT WALL INTERNATIONAL ENGINEERING (MACAU) CO., LIMITED (hereinafter referred to as “SINO MACAU”) is an enterprise established in the Macao Special Administrative Region, which shall pay the net profit tax and observe the progressive tax rate.

(4) Sino Great Wall International Engineering Co., Ltd. (hereinafter referred to as the “Sino International”), the wholly-owned subsidiary Company of the Company, was granted the Certificate of High & New Technological Enterprise on November 24, 2015 which was jointly approved and issued by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, Beijing Municipal Office, SAT and Beijing Local Taxation Bureau. Sino International was identified as the high and new technological enterprise (Certificate No.: GR201511003125; Issue date: November 24, 2015; Term of Validity: Three Years), i.e. Sino International shall pay the enterprise income tax at the rate of 15% in 2015, 2016 and 2017, respectively.

(5) According to Notice of Ministry of Finance and State Administration of Taxation on Pilot for Comprehensive Implementation of Business Tax Replaced by Value-added Tax (CS (2016) No.36), Wuhan Commercial Workers Hospital LLC, the wholly-owned subsidiary Company of the Company was entitled to the preferential policies of being exempted from VAT since May 1, 2016.

## 3. Other

According to provisions in the Notice of the State Administration of Taxation on the Tax Policies for Implementing across the Country the Pilot Program of Levying Value-Added Tax in Lieu of Business Tax on the Transportation Industry and Some Modern Service Industries (CS (2012) No.71) on July 31, 2012, the design business of Sino Great Wall Decoration and Design Co., Ltd. (hereinafter referred to as the “Sino Great Wall Design”) under the subsidiary Company of the Company was changed to taxable item of value-added tax from the that of the business tax with the value-added tax rate of 3% since September 1, 2012 and Sino Great Wall Design was deemed as the small-scale taxpayer.

## VII. Notes to Items in Consolidated Financial Statements

### 1. Monetary Resources

In RMB

Items	Ending balance	Opening balance
Cash on hand	3,431,627.74	3,116,229.51
Bank deposit	56,090,090.81	122,651,567.37
Other monetary resources	101,885,589.67	532,947,089.60
Total	161,407,308.22	658,714,886.48
Including: the total amount of overseas funds	16,550,177.27	51,902,846.57

Other notes

Items	Ending balance	Opening balance
Bank acceptance guarantee deposit	10,013,312.10	230,602,428.53
Guarantee bond	51,667,953.23	181,351,839.27
Fixed time deposits or call deposits used for guarantee	3,024,675.00	100,024,675.00
Overseas funds with limited remittance		873,465.90
Bond for wages of migrant workers	303,963.07	303,963.07
Freezing	36,875,686.27	19,790,717.83
Total	101,885,589.67	532,947,089.60

### 2. Transactional financial assets

In RMB

Items	Ending balance	Opening balance
Of which :		
Of which:		

Other notes

### 3. Derivative financial assets

In RMB

Items	Ending balance	Opening balance
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Other notes

## 4. Notes receivable

## 1) Classified Presentation of Notes Receivable

In RMB

Items	Ending balance	Opening balance
Bank acceptance	5,480,000.00	0.00
Trade acceptance	39,336,417.70	1,518,790.00
Total	44,816,417.70	1,518,790.00

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debt reserve		Book value	Book balance		Bad debt reserve		Book value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Of which :										
Of which:										

Accrual of bad debt provision by single item:

In RMB

Name	Ending balance			
	Book balance	Bad debt reserve	Withdrawal proportion	Reason

Accrual of bad debt provision by portfolio:

In RMB

Name	Ending balance			
	Book balance	Bad debt reserve	Withdrawal proportion	Reason

Notes:

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

Applicable  Not applicable

## (2) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Reversed or collected amount	Write-off	

Of which the significant amount of the reversed or collected part during the reporting period

Applicable  Not applicable

(3) Notes receivable pledged by the Company at the end of the period

In RMB

Items	Amounts pledged at the end of the period
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(4) Notes Receivable Already Endorsed or Discounted by the Company at the End of Period, but Not Coming Due Yet on the Date of Balance Sheet

In RMB

Items	Confirmation-terminated amount at the end of period	Non-confirmation-terminated amount at the end of period
Bank acceptance	3,858,910.00	
Trade acceptance	4,460,584.00	
Total	8,319,494.00	

(5) Bills turned into account receivables due to the default of the drawer of the Company at the end of term

In RMB

Items	End-of-period arrears among the receivables
-------	---

Other notes

(6) The actual write-off of notes receivable for the current period

In RMB

Items	Amount
-------	--------

The important notes receivable write-off situation:

In RMB

Name	Nature	Amount	Reason	Write-off procedures performed	Whether the money is generated by the associated transaction
------	--------	--------	--------	--------------------------------	--

Notes:

## 5.Accounts receivable

### 1) Classified Disclosure of Accounts Receivable

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debt reserve		Book value	Book balance		Bad debt reserve		Book value
	Amount	Proporti	Amount	Withdra		Amount	Proporti	Amount	Withdra	

		on		wal proporti on			on		wal proporti on	
Accrual of bad debt provision by single item	717,766,987.33	15.16%	287,106,794.93	40.00%	430,660,192.40	716,094,881.32	13.72%	286,437,952.53	40.00%	429,656,928.79
Of which:										
Accrual of bad debt provision by portfolio	4,018,055,348.21	84.84%	1,180,583,623.65	29.38%	2,837,471,724.56	4,503,309,614.80	86.28%	730,372,285.35	16.22%	3,772,937,329.45
Of which:										
Total	4,735,822,335.54	100.00%	1,467,690,418.58	69.38%	3,268,131,916.96	5,219,404,496.12	100.00%	1,016,810,237.88	56.22%	4,202,594,258.24

Accrual of bad debt provision by single item: 287106794.93

In RMB

Accounts receivable (per unit)	Ending balance			
	Accounts receivable	Bad debt reserve	Withdrawal proportion	Reasons for withdrawal
China Harbor Engineering Company Ltd.	717,766,987.33	287,106,794.93	40.00%	Shutdown for the project of Military Academy, Ministry of National Defense
Total	717,766,987.33	287,106,794.93	--	--

Accrual of bad debt provision by single item

In RMB

Accounts receivable (per unit)	Ending balance			
	Accounts receivable	Bad debt reserve	Withdrawal proportion	Reasons for withdrawal

Accrual of bad debt provision by single item

In RMB

Accounts receivable (per unit)	Ending balance			
	Accounts receivable	Bad debt reserve	Withdrawal proportion	Reasons for withdrawal

Accrual of bad debt provision by portfolio

In RMB

Accounts receivable (per unit)	Ending balance			
	Accounts receivable	Bad debt reserve	Withdrawal proportion	Reasons for withdrawal

Notes:

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

Applicable  Not applicable

Disclosure by aging

In RMB

Aging	Closing balance
Within 1 year (Including 1 year)	367,158,991.91
	367,158,991.91
1-2 years	1,074,794,445.46
2-3 years	1,739,183,932.65
Over 3 years	836,917,978.19
3-4 years	533,846,351.71
4-5 years	185,018,763.12
Over 5 years	118,052,863.36
Total	4,018,055,348.21

The company shall comply with the disclosure requirements of the Shenzhen Stock Exchange Industry Information Disclosure Guide No. 7 — Listed Companies Engaged in Civil Engineering Construction Business.

(2) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Reversed or collected amount	Write-off	

Of which the significant amount of the reversed or collected part during the reporting period

In RMB

Items	Reversed or collected amount	Method

(3) The current accounts receivable written-offs situation

In RMB

Items	Amount written-offs

Account receivables actually written-offs during the reporting period:

In RMB



Name	Nature of account receivable	Amount written-off	Reason for written-off	Verification procedures	Arising from related transactions(Y/N)
------	------------------------------	--------------------	------------------------	-------------------------	--

Notes:

(4) The ending balance of account receivables owed by the imputation of the top five parties

Unit name	Ending balance		
	Accounts receivable	Proportion to total accounts receivable (%)	Bad debt reserve
China Harbor Engineering Company Ltd.	833,351,267.74	17.60%	336,846,269.26
POWERCHINA Construction Group Ltd.	675,255,488.31	14.26%	193,843,163.07
Henan NO.1 Thermal Power Construction Company	297,332,124.14	6.28%	124,190,740.45
Oxley Gem (Cambodia)Co.,Ltd	281,722,007.89	5.95%	28,172,200.79
Cambodia Petrochemical Co., Ltd.	211,776,257.79	4.47%	59,760,312.72
Total	2,299,437,145.87	48.55%	742,812,686.28

(5) Account receivable which terminate the recognition owing to the transfer of the financial assets

(6)The amount of the assets and liabilities formed by the transfer and the continues involvement of accounts receivable

Other note:

## 6. Financing of receivables

In RMB

Items	End of term	Opening term
-------	-------------	--------------

Increase or decrease of financing backed by accounts receivable and changes in fair value thereof  Applicable  Not applicable

Applicable  Not applicable

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of

Applicable  Not applicable

Other notes

## 7. Advance Payment

(1) Disclosed by aging:

In RMB

Aging	Items		Ending balance	
	Amount	Proportion(%)	Amount	Proportion(%)
Within 1 year	119,092,458.52	36.49%	207,889,106.39	71.74%
1-2 years	138,133,509.84	42.33%	8,022,057.24	21.31%
2-3 years	53,914,086.16	16.52%	3,620,871.70	6.17%
Over 3 years	15,204,176.50	4.66%	729,583.80	0.78%
Total	326,344,231.02	--	220,261,619.13	--

Notes:

(2) The ending balance of Prepayments owed by the imputation of the top five parties

Unit name	Relationship with the company	Ending balance	Proportion to the total ending balance of advance payments (%)	Advance payment time	Reasons for not settlement
Jiangsu Juye Jianshe Group Co., Ltd.	Subcontractor	37,132,752.13	11.38%	Within 3 years	Advance payment for subcontracted project
Zhongcheng Jianye Construction Co., Ltd.	Subcontractor	31,356,742.06	9.61%	Within 2 years	Advance payment for subcontracted project
Shandong Zhiyuan Building Installation Engineering Co., Ltd.	Subcontractor	20,819,043.44	6.38%	Within 2 years	Advance payment for subcontracted project
Hangzhou Banwang Construction Labour service Co., Ltd.	Subcontractor	18,343,409.89	5.62%	Within 2 years	Advance payment for subcontracted project
Longyan City Hengda Engineering Co., Ltd.	Subcontractor	9,823,258.74	3.01%	Within 2 years	Advance payment for subcontracted project
Total		117,475,206.26	36.00%		

Other notes:

## 8. Other accounts receivable

In RMB

Items	Ending balance	Opening balance
Other accounts receivable	1,609,942,861.49	2,186,223,361.40
Total	1,609,942,861.49	2,186,223,361.40

## (1) Interest receivable

## 1) Classification of interest receivable

In RMB

Items	Ending balance	Opening balance
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## 2) Important overdue interest

In RMB

Borrowing unit	Ending balance	Overdue time	Overdue reason	Whether impairment occurs and the basis for its judgment
----------------	----------------	--------------	----------------	--

Other notes:

## 3) Bad-debt provision

 Applicable  Not applicable

## (2) Dividends receivable

## 1) Dividends receivable

In RMB

Items(or the invested unit)	Ending balance	Opening balance
-----------------------------	----------------	-----------------

## 2) Important dividends receivable over one year of account age

In RMB

Items (or the invested unit)	Ending balance	Account age	Reason for not recycling	Whether impairment occurs and the basis for its judgment
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## 3) Bad-debt provision

 Applicable  Not applicable

Other notes:

## (3) Other accounts receivable

## 1) Classified Disclosure of Other Accounts Receivable

In RMB

Nature	Closing book balance	Opening book balance
Other accounts receivables that are individually significant and for which individual bad debt reserves are withdrawn	20,402,980.00	22,402,980.00
Other accounts receivable with bad debt reserve withdrawn as per the portfolio of credit risk characteristics	1,880,687,952.40	2,341,177,867.34

Other accounts receivable with insignificant single amount and having bad debt reserve withdrawn separately		2,963,005.73
Total	1,901,090,932.40	2,366,543,853.07

## 2) Bad-debt provision

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1, 2019 in current	---	---	---	---

Loss provision changes in current period, change in book balance with significant amount

 Applicable  Not applicable

Disclosure by aging

In RMB

Aging	Ending balance
Within 1 year(Including 1 year)	158,377,488.78
1-2 years	1,371,150,036.61
2-3 years	246,410,858.13
Over 3 years	104,749,568.88
3-4 years	47,765,797.84
4-5 years	43,378,672.91
Over 5 years	13,605,098.13
Total	1,880,687,952.40

## 3) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period		Closing balance
		Accrual	Reversed or collected amount	

Of which the significant amount of the reversed or collected part during the reporting period

In RMB

Items	Reversed or collected amount	Method

## 4) Other Receivables with Actual Verification in the Reporting Period

Items	Amount
-------	--------

Important cancelation after verification of other accounts receivable:

In RMB

Unit name	Nature of other accounts receivable	Amounts cancelled after verification	Reasons for cancelation after verification	Procedures performed for cancelation after verification	Whether the payment is generated by related transactions
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Other

## 5) Top 5 of the closing balance of the other accounts receivable collected according to the arrears party

In RMB

Name	Nature	Closing balance	Aging	Proportion of the total year end balance of the accounts receivable	Closing balance of bad debt provision
Longyan City Hengda Engineering Co., Ltd.	Intercourse funds of the organization	338,357,011.98	Within 2 years	17.80%	32,234,196.76
POWERCHINA Construction Group Ltd.	Intercourse funds of the organization	251,345,988.90	1-2 years	13.22%	25,134,598.89
Yueyang Public Resource Trading Center	Tender bond	131,500,000.00	2-3 years	6.92%	39,450,000.00
Hebei Xuxing Industrial Co., Ltd.	Tender bond	55,000,000.00	1-2 years	2.89%	5,500,000.00
China Harbor Engineering Company Ltd.	Intercourse funds of the organization	54,300,929.28	Within 4 years	2.86%	17,527,531.41
Total	--	830,503,930.16	--	43.69%	119,846,327.06

## (6) Accounts receivable involved with government subsidies

In RMB

Name	Name of government subsidy project	Closing balance	Closing aging	Estimated time, amount and basis of collection
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(7) Other account receivable which terminate the recognition owing to the transfer of the financial assets Nil

(8) The amount of the assets and liabilities formed by the transfer and the continues involvement of other accounts receivable

Other note:

## 9.Inventory

Whether implemented new revenue guidelines

Yes  No

### (1) Category of Inventory

In RMB

i	Ending balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
Raw materials	98,275.30		98,275.30	110,557.92		110,557.92
Merchandise inventory	3,325,663.17		3,325,663.17	10,708,600.50		10,708,600.50
Completed and unsettled assets formed by the construction contract	965,637,960.46	4,354,226.05	961,283,734.41	678,132,183.22	4,354,226.05	673,777,957.17
Development costs	30,299,350.36		30,299,350.36	30,299,350.36		30,299,350.36
Others	2,067,436.21		2,067,436.21	2,635,112.28		2,635,112.28
Total	1,001,428,685.50	4,354,226.05	997,074,459.45	721,885,804.28	4,354,226.05	717,531,578.23

Whether the company shall comply with the disclosure requirements of the Shenzhen Stock Exchange Industry Information Disclosure Guide No. 4 — Listed Companies Engaged in the Seed Industry and Planting Business

No

### (2) Depreciation Reserve of Inventories

In RMB

Items	Opening balance	Amount increased of current period		Amount decreased of current period		Ending balance
		Withdrawn	Others	Transferred-back or written-off	Others	
Completed and	4,354,226.05					4,354,226.05

unsettled assets formed by the construction contract						
Total	4,354,226.05					4,354,226.05

(3) Description about Capitalized Amount of Borrowing Costs Contained in Ending Balance of Inventories

(4) The completed and unsettled assets formed by the construction contract at the end of the period

In RMB

Items	Amount
Aggregate costs incurred	18,832,783,056.38
Aggregate gross profits acknowledged	4,350,050,237.36
Minus: estimated losses	4,354,226.05
Amount settled	22,217,195,333.28
Completed and unsettled assets formed by the construction contract	961,283,734.41

Other description:

#### 10. Contact assets

In RMB

Items	Ending balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value

The amount and reasons of major changes in the book value of the contract assets during the current period:

In RMB

Items	Amount	Reason

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

Applicable  Not applicable

Provision for impairment of assets under the contract for the current period

Applicable  Not applicable

Other notes:

#### 11. Holding assets for sale

In RMB

Items	Ending carry ing amount	Impairment provision	Ending carry ing value	Fair value	Estimated disposal cost	Estimated disposal time
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Other notes:

## 12. Non-current Assets Due Within One Year

In RMB

Items	Ending balance	Opening balance
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Important creditor's rights investment / other creditor's rights investment

Items

Items	Ending balance				Opening balance			
	Face value	Rate	Actual rate	Due date	Face value	Rate	Actual rate	Due date

Other notes:

## 13. Other current assets

Whether implemented new revenue guidelines

 Yes  No

In RMB

Items	Ending balance	Opening balance
Advance tax	93,709.32	291,392.34
Input tax to be deducted or verified	3,881,920.77	5,504,405.10
Total	3,975,630.09	5,795,797.44

Other notes:

## 14. Creditor's rights investment

In RMB

Items	Ending balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value

Important creditor's rights investment

In RMB

Items	Ending balance				Opening balance			
	Face value	Rate	Actual rate	Due date	Face value	Rate	Actual rate	Due date

## 2) Bad-debt provision



In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1, 2019 in current	---	---	---	---

Loss provision changes in current period, change in book balance with significant amount

 Applicable  Not applicable

Other notes:

## 15. Other creditor's rights investment

In RMB

Items	Opening balance	Accrued interest	Change of fair value in the period	Closing balance	Cost	Cumulative changes of fair value	Cumulative loss impairment recognized in other comprehensive income	Remark

Important other creditors' investment

In RMB

Other creditors' investment	Closing				Opening balance			
	Face value	Rate	Actual rate	Due date	Face value	Rate	Actual rate	Due date

Accrual of impairment provision

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1, 2019 in current	---	---	---	---

Loss provision changes in current period, change in book balance with significant amount

 Applicable  Not applicable

Other notes:

## 16. Long-Term Accounts Receivable

## (1) Long-Term Accounts Receivable

In RMB

Items	Ending balance			Opening balance			Range of discount rate
	Book balance	Bad debt reserve	Book value	Book balance	Bad debt reserve	Book value	
Long-Term Accounts Receivable	16,708,613.19		16,708,613.19	16,708,613.19		16,708,613.19	
Total	16,708,613.19		16,708,613.19	16,708,613.19		16,708,613.19	--

## Provision for bad debts

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1, 2019 in current	---	---	---	---

## Loss provision changes in current period, change in book balance with significant amount

 Applicable  Not applicable

## (2) Long-term accounts receivable which terminate the recognition owing to the transfer of the financial assets

(3) The amount of the assets and liabilities formed by the transfer and the continues involvement of long-term accounts receivable

Other notes

## 17. Long-term equity investment

In RMB

Investees	Opening balance	Increase /decrease								Closing balance	Closing balance of impairment provisi
		Additional investment			Other comprehensive income	Changes in other equity	Cash bonus or profits announ	Withdr awal of impair ment provisi	Other		

							ced to issue	on			on
I. Joint ventures											
II. Associates											
Sino Great Wall Zhihui Housin g Propert y (Zhanji ang) Co., Ltd.	23,579, 171.71									23,579, 171.71	
Cenang Resort Sdn Bhd	83,258, 639.12									83,258, 639.12	
III. Subsidi ary											
AlorVis ta Develo pment Sdn Bhd											
Subtota l	106,83 7,810.8 3									106,83 7,810.8 3	
Total	106,83 7,810.8 3									106,83 7,810.8 3	

Other notes

## 18. Other equity instruments investment

In RMB

Items	Closing balance	Opening balance
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## Itemized disclosure of the current non - trading equity instrument investment

In RMB

Name	Recognized dividend income	Accumulating gains	Accumulating losses	Amount of other comprehensive income transferred to retained earning	Reasons for being measured at fair value and whose changes are included in other comprehensive income	Reasons for other comprehensive income transferred to retained earnings

Other notes:

## 19. Other non-current assets

In RMB

Items	End of term	Beginning of term

Other notes

## 20. Investment Real Estate

## (1) Investment real estate using cost measurement

 Applicable  Not applicable

## (2) Investment real estate using fair value measurement

 Applicable  Not applicable

## (3) Investment real estate with the certificate of title not transacted

In RMB

Items	Book value	Reason(s) for the failure to transact the certificate of title

Other notes

Nil

## 21. Fixed Assets

In RMB

Items	Ending balance	Opening balance
Fixed assets	139,240,017.20	158,746,947.91
Total	139,240,017.20	158,746,947.91

## (1) Fixed assets

In RMB

Items	Houses and buildings	Mechanical equipment	Transportation Equipment	Other equipment	Total
I. Original book value					
1. Opening balance	103,337,960.18	105,070,825.25	39,040,693.58	13,950,128.70	261,399,607.71
2. Amount increased of current period	0.00	0.00	0.00	0.00	0.00
(1) Purchase					0.00
(2) Transfer-in of construction in progress					0.00
(3) Increase of business combination					0.00
3. Amount decreased of current period	10,065,112.19	357,460.55	396,747.61	6,487.19	10,825,807.54
(1) Disposal or retirement	10,065,112.19	357,460.55	396,747.61	6,487.19	10,825,807.54
4. Ending balance	93,272,847.99	104,713,364.70	38,643,945.97	13,943,641.51	250,573,800.17
II. Accumulative depreciation					
1. Opening balance	29,794,321.47	40,732,183.08	20,451,855.15	11,674,300.10	102,652,659.80
2. Amount increased of current period	3,518,948.30	4,651,651.97	1,983,275.87	220,350.79	10,374,226.94
(1) Withdrawn	3,518,948.30	4,651,651.97	1,983,275.87	220,350.79	10,374,226.94
3. Amount decreased of current period	1,283,786.57	163,538.61	240,964.75	4,813.84	1,693,103.77

(1) Disposal or retirement	1,283,786.57	163,538.61	240,964.75	4,813.84	1,693,103.77
4. Ending balance	32,029,483.20	45,220,296.44	22,194,166.27	11,889,837.05	111,333,782.97
III. Depreciation reserve					
1. Opening balance					
2. Amount increased of current period					
(1) Withdrawn					
3. Amount decreased of current period					
(1) Disposal or retirement					
4. Ending balance					
IV. Book value					
1. Ending book value	61,243,364.79	59,493,068.26	16,449,779.70	2,053,804.46	139,240,017.20
2. Opening book value	73,543,638.71	64,338,642.17	18,588,838.43	2,275,828.60	158,746,947.91

## (2) Temporarily idle fixed assets

In RMB

Items	Original book value	Accumulative depreciation	Depreciation reserve	Book value	Note

## (3) Fixed asset rented through financing lease

In RMB

Items	Original book value	Accumulative depreciation	Depreciation reserve	Book value
House buildings	11,152,810.36	10,560,357.40		592,452.96
Mechanical equipment	34,196,914.00	21,048,715.53		13,148,198.47

Total	45,349,724.36	31,609,072.93		13,740,651.43
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## (4) Fixed assets leased through operating leases

In RMB

Items	Ending book value
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## (5) Fixed assets with the certificate of title not transacted

In RMBn

Items	Book value	Reason(s) for the failure to transact the certificate of title
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Other notes

## (6) Disposal of fixed assets

In RMB

Items	Ending balance	Opening balance
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Other notes

## 22. Construction in Progress

In RMB

Items	Ending balance	Opening balance
Construction in progress	36,805,894.03	36,697,284.04
Total	36,805,894.03	36,697,284.04

## (1) Construction in Progress

In RMB

Items	Ending balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
Equipment and Construction in progress	36,805,894.03		36,805,894.03	36,697,284.04		36,697,284.04
Total	36,805,894.03		36,805,894.03	36,697,284.04		36,697,284.04

## (2) Change of Important Projects of Construction in Progress in Current Period

In RMB

Name of items	Budget amount	Opening balance	Amount increased of current period	Amount transferred into fixed assets in current period	Other amount decreased in current period	Ending balance	Proportion of accumulative project input to the budget	Project progress	Accumulative amount of interest capitalization	Including: Amount of interest capitalization in the current period	Current interest capitalization rate	Capital source
Liangdu Central Hospital of Liupan shui City (tentative name) medical and nursing integration project	509,320,300.00	5,001,448.94				5,001,448.94						Other
PPP project of the north coast landscape engineering of Huanbaiyang Lake (Centr	10,909,100.00	8,476,351.41				8,476,351.41		67%				Other



al Lake), PPP project of Baiyan g Lake Headq uarters Econo mic Port, Xinga ng Distric t, Cheng lingji, Hunan Provin ce											
Constr uction Project of Radio and Televi sion Media Activit y Center , Cheng wu Count y	80,042 ,900.0 0	15,792 ,351.4 8				15,792 ,351.4 8	13%				Other
Total	600,27 2,300. 00	29,270 ,151.8 3				29,270 ,151.8 3	--	--			--

## (3) Impairment provision of project under construction withdrawn in the period

In RMB

Items	Current withdrawal amount	Reason for withdrawal
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Other notes

## (4) Engineering materials

In RMB

Items	Ending balance			Opening balance		
	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value

Other notes

## 23. Productive Biological Asset

## (1) Productive biological assets measured at costs

 Applicable  Not applicable

## (2) Productive biological assets measured according to fair value

 Applicable  Not applicable

## 24. Oil and gas assets

 Applicable  Not applicable

## 25. Right-to-use assets

In RMB

Items		Total
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Other notes:

## 26. Intangible Assets

## (1) Intangible Assets

In RMB

Items	Land use right	Patent right	Non-patent technology	Software	Total
I. Original price					
1. Balance at	108,621,002.59			4,551,469.92	113,172,472.51

period-beginning					
2. Increase in the current period					
(1) Purchase					
(2) Internal R & D					
(3) Increased of Enterprise Combination					
3. Decreased amount of the period	7,714,044.00				7,714,044.00
(1) Disposal	7,714,044.00				7,714,044.00
4. Balance at period-end	100,906,958.59			4,551,469.92	105,458,428.51
II. Accumulated amortization					
1. Balance at period-beginning	9,743,123.91			3,508,096.93	13,251,220.84
2. Increase in the current period	1,528,598.52			289,109.57	1,817,708.09
(1) Withdrawal	1,528,598.52			289,109.57	1,817,708.09
3. Decreased amount of the period	647,151.49				647,151.49
(1) Disposal	647,151.49				647,151.49
4. Balance at period-end	10,624,570.94			3,797,206.50	14,421,777.44
III. Impairment provision					
1. Balance at period-beginning					
2. Increase in the current period					

(1) Withdrawal					
3. Decreased amount of the period					
(1) Disposal					
4. Balance at period-end					
4. Book value					
1. Book value at period -end	90,282,387.65			754,263.42	91,036,651.07
2. Book value at period-beginning	98,877,878.68			1,043,372.99	99,921,251.67

The proportion of ending intangible assets generated via internal R&D of the Company in the balance of intangible assets.

## (2) Conditions of land use right with incomplete certificates of title

In RMB

Items	Book value	Reason(s) for the failure to transact the certificate of title

Other notes:

## 27. Development Expenditure

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance

Other notes

## 28. Goodwill

### (1) Original book value of goodwill

In RMB

Name of invested units or the matters forming	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance

goodwill					
Wuhan Commercial Workers Hospital LLC	27,257,314.49				27,257,314.49
Sino Great Wall Southwest Engineering Co., Ltd.	17,948,978.53				17,948,978.53
SAFAT GULF GENERAL TRADING & CONTRACTING COMPANY	5,547,635.00				5,547,635.00
Far eastern international engineering Company, LLC	10,920.04				10,920.04
Total	50,764,848.06				50,764,848.06

## (2) Depreciation Reserve of Goodwill

In RMB

Name of invested units or the matters forming goodwill	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
Sino Great Wall Southwest Engineering Co., Ltd.	17,948,978.53			17,948,978.53
SAFAT GULF GENERAL TRADING & CONTRACTING COMPANY	5,547,635.00			5,547,635.00
Total	23,496,613.53			23,496,613.53

Company decides to record full goodwill impairment.

Description of process of goodwill impairment test, key factors (including estimated growth rate at the time of future cash flow value estimation, growth rate during the stable period, profit rate, discount rate and) and the method to confirm the loss of goodwill impairment:

Influences of goodwill impairment test

Other notes

### 29. Long-term deferred expense

In RMB

Items	Opening balance	Amount increased of current period	Amount amortized of current period	Other amount decreased	Ending balance
Decorate cost	4,076,589.98		2,632,913.41		1,443,676.57
Overseas fees for letter of guarantee	1,191,474.19		862,611.96		328,862.23
Others	1,459,624.73		193,396.23		1,266,228.50
Less: Long-term deferred expenses coming due within 1 year					
<b>Total</b>	<b>6,727,688.90</b>		<b>3,688,921.60</b>		<b>3,038,767.30</b>

Other notes

### 30. Deferred income tax assets/deferred income tax liabilities

#### (1) Non-offset deferred income tax assets

In RMB

Items	Ending balance		Opening balance	
	Deductible temporary difference	Deferred Income Tax Assets	Deductible temporary difference	Deferred Income Tax Assets
Asset depreciation reserve	740,943,807.98	117,317,681.38	700,024,233.95	107,117,209.33
Deductible losses			43,486,026.03	10,871,506.51
<b>Total</b>	<b>740,943,807.98</b>	<b>117,317,681.38</b>	<b>743,510,259.98</b>	<b>117,988,715.84</b>

#### (2) Non-offset deferred income tax liabilities

In RMB

Items	Ending balance	Opening balance

	Taxable temporary difference	Deferred Income Tax Liabilities	Taxable temporary difference	Deferred Income Tax Liabilities
Appraised increment of assets for business combination not under the same control	94,038,813.64	23,509,703.41	97,477,824.72	24,369,456.18
Total	94,038,813.64	23,509,703.41	97,477,824.72	24,369,456.18

## (3) Offset deferred income tax assets or liabilities

In RMB

Items	Offset amount of deferred tax assets and liabilities at the end of a period	Balance of deferred tax assets and liabilities at the end of a period	Offset amount of deferred tax assets and liabilities at the beginning of a period	Balance of deferred tax assets and liabilities at the beginning of a period
Deferred Income Tax Assets		117,317,681.38		117,983,727.91
Deferred Income Tax Liabilities		23,509,703.41		24,369,456.18

## (4) Details of unconfirmed deferred income tax assets

In RMB

Items	Ending balance	Opening balance
Deductible temporary difference	1,072,730,889.21	506,759,969.56
Deductible losses	2,429,144,351.68	1,297,146,979.98
Total	3,501,875,240.89	1,803,906,949.54

## (5) Deductible losses of unconfirmed deferred income tax assets due in the following years

In RMB

Year	Ending balance	Opening balance	Note

Other notes:

## 31. Other non-current assets

Whether implemented new revenue guidelines

 Yes  No

In RMB

Items	Closing balance	Opening balance

PPP Project investment	664,524,570.00	664,524,570.00
Advance payment for purchasing long-term assets	128,895,990.79	129,221,120.79
Other project investment	114,935,222.16	121,953,450.20
Others	8,232,416.90	8,810,652.00
<b>Total</b>	<b>916,588,199.85</b>	<b>924,509,792.99</b>

Other notes:

### 32. Short-term Loans

#### (1) Classification of Short-Term Loans

In RMB

Items	Ending balance	Opening balance
Pledged loan		50,000,000.00
Mortgaged loan		112,696,582.10
Guaranteed loan		2,650,398,046.91
Credit loan		49,490,000.00
Trade acceptance for which endorsement and discounting have been conducted while still being unmatured at the balance sheet date		
<b>Total</b>	<b>3,306,944,094.49</b>	<b>2,862,584,629.01</b>

Description for classification of short-term loans:

#### (2) Description for overdue but unpaid short-term loans

The total overdue but unpaid short-term loans by the end of this period is 0, in which details of significant overdue but unpaid short-term loans are as follow:

In RMB

Borrower	Ending balance	Interest rate	Overdue period	Late payment interest rate

Other notes:

### 33. Transactional financial liabilities

In RMB

Items	Ending balance	Opening balance
Including:		



Including:		
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Other notes:

### 34. Derivative financial liability

In RMB

Items	Ending balance	Opening balance
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Other notes:

### 35. Notes payable

In RMB

Items	Closing balance	Opening balance
Commercial acceptance	335,643,774.40	471,267,864.12
Bank acceptance bills	61,000,000.00	562,819,635.60
Total	396,643,774.40	1,034,087,499.72

Overdue but unpaid notes receivable by the end of the period is 4381,643,774.40 yuan.

### 36. Accounts payable

#### (1) List of accounts payable

In RMB

Items	Closing balance	Opening balance
Project construction cost	814,784,702.22	870,866,176.06
Payment for purchasing long-term assets		
Payment for medicine	19,212,223.33	17,497,130.23
Others		3,792,324.14
Total	833,996,925.55	892,155,630.43

#### (3) Significant accounts receivable with account age of more than 1 year

In RMB

Items	Ending balance	Causes for non-payment or carry over
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Other notes:

Nil

## 37. Advance from customers

Whether implemented new revenue guidelines

 Yes  No

## (1) List of advance from customers

In RMB

Items	Closing balance	Opening balance
Unfinished project with settled construction cost		10,850,086.84
Advance payment for project construction cost	424,631,860.73	391,350,850.34
Advance payment for medical treatment	908,829.95	845,407.87
Advance payment for lease	64,668,308.96	43,733,325.87
Advance payment for rent	31,322,073.00	31,322,073.00
<b>Total</b>	<b>521,531,072.64</b>	<b>478,101,743.92</b>

## (2) Significant items received in advance with account age of more than 1 year

Nil

## (3) Description for unfinished project with settled construction cost due to end-of-period contract conclusion

In RMB

Items	Amount
Accrued occurred cost	18,832,783,056.38
Accrued recognized gross profit	4,350,050,237.36
Less: advance loss	4,354,226.05
Settled amount	22,217,195,333.28
Unfinished project with settled construction cost arising from contract conclusion	961,283,734.41

Other notes:

## 38. Contract liabilities

In RMB

Items	Closing balance	Opening balance
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Book value has major changes in the period and causes

In RMB

Items	Amount changes	Causes
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## 39. Payroll payable

## (1) Presentation of payroll payable

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
I. Short-term remuneration	20,727,897.18	368,573,235.31	303,232,214.76	86,068,917.73
2. Post-demotion welfare - defined contribution plans	345,941.13	4,003,990.59	3,952,684.39	397,247.33
Total	86,414,858.86	86,340,075.20	97,743,709.83	75,011,224.23

## (2) Presentation of short-term remuneration

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
1. Salary, bonus, allowance and subsidy	84,912,841.53	73,510,997.06	86,993,040.09	71,430,798.50
2. Employees' welfare expense	923,582.18	2,354,663.97	2,354,663.97	923,582.18
3. Social insurance premium	53,015.28	2,996,371.23	2,729,794.29	319,592.22
Including: Medical insurance premium	3,281.40	2,746,242.13	2,460,037.23	289,486.30
Industrial injury insurance premium	16,097.35	62,919.34	70,613.38	8,403.31
Maternity insurance premium	33,636.53	187,209.76	199,143.68	21,702.61
4. Housing fund	179,478.74	3,462,374.35	1,701,849.09	1,940,004.00

5. Labor union outlay and employees' education outlay		11,678.00	11,678.00	0.00
Total	86,068,917.73	82,336,084.61	93,791,025.44	74,613,976.90

## (3) Presentation of Drawing Plans Set Up

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
1. Basic pension insurance	345,519.30	3,830,488.52	3,797,678.22	378,329.60
2. Unemployment insurance premium	421.83	173,502.07	155,006.17	18,917.73
Total	345,941.13	4,003,990.59	3,952,684.39	397,247.33

Other notes:

## 40. Taxes payable

In RMB

Items	Ending balance	Opening balance
Value-added tax	86,159,784.29	85,518,697.30
Enterprise income tax	218,960,138.30	221,830,373.42
Personal income tax	7,018,895.33	6,468,895.33
Urban maintenance and construction tax	3,776,658.05	4,026,082.61
Educational surtax	2,815,593.48	3,001,921.43
Other taxes	66,055,049.36	73,111,917.43
Total	384,786,118.81	393,957,887.52

Other notes:

## 41. Other accounts payable

In RMB

Items	Ending balance	Opening balance
Interest payable	505,034,931.59	280,806,670.49
Dividends payable	8,392,335.45	8,541,818.64
Other accounts payable	1,704,565,803.67	1,923,064,481.30

Total	2,217,993,070.71	2,212,412,970.43
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## (1) Interest payable

In RMB

Items	Ending balance	Opening balance
Payment of principal at maturity and interest in installments	242,502,415.77	142,367,316.80
Interest payable on short-term loans	259,787,955.64	137,060,010.22
Interests withdrawn for overdue notes	2,744,560.18	1,379,343.47
Total	505,034,931.59	280,806,670.49

## Significant overdue but unpaid interest

In RMB

Borrower	Overdue amount	Causes for overdue
CITIC Trust Co., Ltd.	36,899,539.35	Capital shortage
Industrial International Trust Co., Ltd.	17,894,803.57	Capital shortage
Industrial Bank Houhai Branch	22,666,694.77	Capital shortage
Bohai International Trust Co., Ltd.	40,916,334.59	Capital shortage
Xiamen International Bank Zhuhai Branch	6,673,461.94	Capital shortage
Bank of Ningbo Shenzhen Branch	6,238,632.40	Capital shortage
Shenzhen Rural Commercial Bank Futian Branch	2,466,660.02	Capital shortage
Wanxiang Trust Co., Ltd.	30,097,183.56	Capital shortage
Zhongjiang International Trust Co., Ltd.	68,082,184.06	Capital shortage
Baoshang Bank Shenzhen Branch	26,385,212.95	Capital shortage
Shenzhen Rural Commercial Bank Meilin Branch	1,036,262.79	Capital shortage
China Bohai Bank Shenzhen Branch	6,828,436.71	Capital shortage
Shaanxi International Trust Co., Ltd.	27,375,163.93	Capital shortage
Chang'an International Trust Co., Ltd.	15,360,496.85	Capital shortage
Industrial International Trust Co., Ltd.	21,336,446.17	Capital shortage
Bridge Trust Co., Ltd.	53,876,933.97	Capital shortage
Shanghai Pudong Development Bank Shenzhen Center District Branch	7,007,077.97	Capital shortage
Bank of Jiujiang Zhuhai Branch	11,375,270.32	Capital shortage

China Minsheng Bank Shenzhen Branch	9,053,680.23	Capital shortage
Shanghai Pudong Development Bank Fulicheng Subbranch	9,995,142.09	Capital shortage
China Railway Trust Co., Ltd.	4,352,544.37	Capital shortage
Ping'an International Financial Leasing Co., Ltd.	1,776,839.22	Capital shortage
Bank of Beijing Shuangxiu Subbranch	36,284,712.70	Capital shortage
<b>Total</b>	<b>463,979,714.53</b>	<b>--</b>

Other notes:

### (2) Dividends payable

In RMB

Items	Ending balance	Opening balance
Common stock dividends	8,392,335.45	8,541,818.64
<b>Total</b>	<b>8,392,335.45</b>	<b>8,541,818.64</b>

Other description, including reasons for significant dividends in arrears for over a year:

### (3) Other accounts payable

#### 1) Presentation of other accounts payable by the nature of accounts

In RMB

Items	Ending balance	Opening balance
Tender bond, performance bond and deposit	59,294,032.21	29,414,375.04
Personal intercourse funds and withheld items	252,866,721.00	266,550,420.26
Intercourse funds of the organization	649,477,026.42	841,985,904.64
Payment for subscription of non-public offerings		33,536.80
Others	742,928,024.04	785,080,244.56
<b>Total</b>	<b>1,704,565,803.67</b>	<b>1,923,064,481.30</b>

#### 2) Other significant accounts receivable with account age of more than 1 year

In RMB

Items	Ending balance	Causes for non-payment or carry over
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Other notes

## 42. Liabilities held for sale

Unit: Yuan

Items	Ending balance	Opening balance
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Other notes:

## 43. Non-current liabilities coming due within one year

In RMB

Items	Ending balance	Opening balance
Long-term loans coming due within 1 year	906,690,152.95	906,690,152.95
Long-term account payable coming due within 1 year	69,029,828.60	69,029,828.60
Total	975,719,981.55	975,719,981.55

Other notes:

## 44. Other current-liabilities

Whether implemented new revenue guidelines

 Yes  No

In RMB

Items	Closing balance	Opening balance
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Changes in short-term debentures payable:

In RMB

Name	Face value	Issuance date	Maturity period	Issuance amounts	Balance at the beginning of the year	Issuance during the year	Interest at face value	Amortisation of discounts or premium	Repayment for the period	Balance at the end of the year
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Other notes:



## 45. Long-term borrowings

## (1) Long-term term borrowings

In RMB

Items	Ending balance	Opening balance
Guaranteed loan	1,026,690,152.95	1,026,690,152.95
Less: Long-term loans coming due within 1 year (see Note VI, 25)	-906,690,152.95	-906,690,152.95
Total	120,000,000.00	120,000,000.00

Description for classification of long-term loans:

None

Other description: including the range of interest rate:

Nil

## 46. Bonds payable

## (1) Bonds payable

In RMB

Items	Ending balance	Opening balance
First period bond financing plan of Sino Great Wall International Engineering Co., Ltd. in 2017	266,242,374.52	254,801,342.47
Total	266,242,374.52	254,801,342.47

(2) Increase or decrease of bonds payable (excluding other financial instruments classified as financial liabilities, like preferred stocks and perpetual bonds, etc.)

In RMB

Bond name	Par value	Date of issue	Bond period	Issued amount	Opening balance	Issue of current period	Interests withdrawn as per par value	Amortization of premium or discount	Amount repaid of current period	Other amount decreased	Ending balance
First period bond financing plan of Sino	245,000,000.00	2017/1/31	2020/1/31	245,000,000.00	254,801,342.47		11,441,032.05				266,242,374.52

Great Wall International Engineering Co., Ltd. in 2017											
Total	--	--	--	245,000,000.00	254,801,342.47		11,441,032.05				266,242,374.52

## (3) Description of conversion conditions and time for convertible corporate bonds

Nil

## (4) Description of other financial instruments classified as financial liabilities

Basic description of financial instruments including preferred stocks and perpetual bonds issued at the end of a period

Nil

Presentation of changed situations of financial instruments including preferred stocks and perpetual bonds issued at the end of a period

In RMB

Issued financial instruments	Opening		Amount increased of current period		Amount decreased of current period		Ending	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value

## Description of other financial instruments classified as financial liabilities

Nil

Other description

Nil

## 47. Lease liability

In RMB

Items	Ending balance	Opening balance

Other notes

Nil

## 48. Long-term payable

In RMB

Items	Closing balance	Opening balance
Long-term payable	276,923.55	322,990.35
Total	276,923.55	322,990.35

## (1) Long-term payable listed by nature of the account

In RMB

Items	Closing balance	Opening balance
Financing lease	276,923.55	322,990.35

Other notes

Nil

## (2) Specific payable

In RMB

Items	Opening balance	Increase	Decrease	Closing balance	Cause
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Other notes

Nil

## 49. Long-term employee salary payable

## (1) Long-term employee salary payable

In RMB

Items	Closing balance	Opening balance
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## (2) Changed situations of benefit plan measured and set up

Present value of benefit plan measured and set up

Unit: Yuan

Items	Amount incurred of current period	Amount incurred of last period
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Asset set up:

In RMB

Items	Amount incurred of current period	Amount incurred of last period
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Net liabilities or net assets of benefit plan measured and set up

In RMB

Items	Amount incurred of current period	Amount incurred of last period
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Explanation on the content of benefit plan set up and related risks, impact on the company's cash flow, timing and uncertainties:

Explanation on the sensitivity analysis result and significant actuarial assumptions of benefit plan set up:

Other notes

#### 50. Estimates liabilities

Whether implemented new revenue guidelines

Yes  No

In RMB

Items	Ending balance	Opening balance	Reason for formation
Pending actions	2,958,723.15	2,958,723.15	
Total	2,958,723.15	2,958,723.15	--

Other descriptions, including significant assumptions and appraisal of significant accrued liabilities:

#### 51. Deferred income

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance	Reason for formation
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Projects involving governmental subsidy:

Unit: Yuan

Liability items	Opening balance	Subsidy increased over current period	Amount recorded in non-operating income over current period	Amount recorded in other benefits over current period	Cost offset expenses over current period	Other changes	Ending balance	Related to assets/Related to income
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Other notes: Nil

#### 52. Other Non-current liabilities

Whether implemented new revenue guidelines

Yes  No

In RMB

Items	Ending balance	Opening balance
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Other notes: Nil

## 53. Capital Stock

In RMB

	Opening balance	Increase/Decrease (+/-)					Ending balance
		New shares issued	Shares presented for free	Shares converted from public reserve	Others	Subtotal	
Total amount of shares	1,698,245,01 1.00						1,698,245,01 1.00

Other notes:

## 54. Other equity instruments

(1) Basic description of financial instruments including preferred stocks and perpetual bonds issued at the end of a period

Nil

(2) Presentation of changed situations of financial instruments including preferred stocks and perpetual bonds issued at the end of a period

In RMB

Issued financial instruments	Opening		Amount increased of current period		Amount decreased of current period		Ending	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value

Explanation on the reason for increase, decrease or change of other current equity instruments and the accounting methods:

Nil

Other notes:

## 55. Capital reserve

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
Capital premium (capital stock premium)	-857,285,524.28			-857,285,524.28
Other capital reserve	-441,561,015.79			-441,561,015.79
Total	-1,298,846,540.07			-1,298,846,540.07

Other description, including explanation on the reason for increase, decrease or change of current special reserve:

#### 56. Inventory stock

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
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Other description, including explanation on the reason for increase, decrease or change of current inventory stock

Nil

#### 57. Other composite benefits

In RMB

Items	Opening balance	Amount incurred of current period						Closing balance
		Amount incurred before income tax	Less: Amount transferred into profit and loss in the current period that recognized into other comprehensive income in prior period	Less: Prior period included in other composite income transfer to retained income in the current period	Less: Income tax expenses	After-tax attribute to the parent company	After-tax attribute to minority shareholder	
II. Other composite benefits to be re-classified as gain and loss	-50,380.95					-5,708.23		-56,089.18
Balance from conversion of foreign-currency financial statements	-50,380.95					-5,708.23		-56,089.18
Total of other composite benefits	-50,380.95					-5,708.23		-56,089.18

Other description, including adjustment of initial carrying amount of hedged items converted from the effective portion of gain or loss of cash flow hedge

#### 58. Special reserve

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
Work safety expense	21,026,082.43		2,775,661.72	18,250,420.71
Total	21,026,082.43		2,775,661.72	18,250,420.71

Other description, including explanation on the reason for increase, decrease or change of current special reserve:

#### 59. Surplus reserve

In RMB

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Ending balance
Statutory surplus reserve	84,394,441.23			84,394,441.23
Total	84,394,441.23			84,394,441.23

Description, including explanation on the reason for increase, decrease or change of current surplus reserve

#### 60. Undistributed profit

In RMB

Items	Amount of current period	Amount of last period
Undistributed profit at the end of last period before adjustment	-269,566,140.13	1,503,103,396.72
Undistributed profit at beginning of the year after adjustment	-269,566,140.13	1,503,103,396.72
Plus: Net profit attributed to the parent company's owners in the current period	-1,416,774,391.50	-1,704,739,736.40
Common stock dividends payable		67,929,800.44
Ending undistributed profit	-1,686,340,531.63	-269,566,140.13

Details of undistributed profit at beginning of the year:

- 1) Undistributed profit affected by the tracking and adjustment carried out in accordance with the Accounting Standards for Business Enterprises and related regulations.
- 2) Undistributed profit affected by change of accounting methods.
- 3) Undistributed profit affected by significant accounting errors.
- 4) Undistributed profit affected by change of accounting scope after business combination under the same control.
- 5) Undistributed profit affected by other adjustments.

#### 61. Operating Income and Operating Cost

In RMB

Items	Amount incurred of current period		Amount incurred of last period	
	Income	Cost	Income	Cost
Main businesses	256,367,221.67	227,646,036.24	1,586,667,973.99	1,312,150,678.84
Other businesses			303,601.25	61,423.62
Total	256,367,221.67	227,646,036.24	1,586,971,575.24	1,312,212,102.46

Whether implemented new revenue guidelines

Yes  No

Other notes

## 62. Taxes and Surcharge

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Urban maintenance and construction tax	197,543.59	505,520.08
Educational surtax	97,373.42	394,400.96
Stamp duty	451,136.70	351.80
Other taxes	948,837.16	1,206,245.21
Total	1,694,890.87	2,106,518.05

Other notes:

## 63. Selling Expenses

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Employee Compensation	133,620.94	2,243,754.49
Office expenses	12,741.61	132,464.60
Travel expenses	6,984.60	99,055.21
Business entertainment expense	2,700.00	308,931.00
Advertising and promotion expenses		125,500.00
Construction maintenance fees	3,323,787.55	11,051,634.52
Others	10,997,308.06	2,560,282.26
Total	14,477,142.76	16,521,622.08

Other notes:



## 64. Management Expenses

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Employee Compensation	34,994,225.46	67,710,884.17
Office expenses	3,036,779.22	3,693,918.16
Rental	4,540,767.74	8,715,549.21
Travel expenses	1,177,618.35	4,994,824.31
Business entertainment expense	3,156,106.06	4,984,925.91
Depreciation fees of fixed assets	5,258,921.41	8,618,171.30
Vehicle expenses	596,848.79	1,575,536.62
Long-term deferred expense amortization	2,912,560.62	2,076,778.32
Consulting fee	9,391,994.11	20,133,330.03
Recruitment fee	32,096.53	821,120.23
Conference Fee	3,780.00	121,178.39
Communication expenses	492,453.93	930,008.46
Advertisement fee	380,094.19	
Litigation Fee	781,121.80	
Others	20,408,297.35	3,531,636.45
<b>Total</b>	<b>87,163,665.56</b>	<b>127,907,861.56</b>

Other notes:

## 65. R&amp;D Expenses

In RMB

Items	Amount incurred of current period	Amount incurred of last period

Other notes:

## 66. Financial Expenses

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Interest expenditure	326,584,927.26	174,606,407.88
Less: Interest income	2,650,575.42	6,490,217.11
Exchange gain or loss	-5,694,081.87	-32,447,772.71
Discount interest		

Handling charges and others	6,813,912.17	10,271,507.13
Total	325,054,182.14	145,939,925.19

Other notes:

#### 67. Other Income

In RMB

Sources of other income	Amount incurred of current period	Amount incurred of last period
Subsidy for post stabilization		38,940.28
Return of handling charges on personal income tax		13,100.20

#### 68. Investment income

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Investment yield obtained from disposal of long-term equity investments	6,596,880.93	5,171,892.51
Proceeds from wealth management products		
Total	6,596,880.93	5,171,892.51

Other notes:

#### 69. Net exposure hedging income

In RMB

Items	Amount incurred of current period	Amount incurred of last period

#### 70. Gains on the changes in the fair value

In RMB

Other sources of revenue	Amount of the Current Term	Amount of the Previous Term

Other notes:

#### 71. Credit impairment loss

In RMB

Items	Amount of the Current Term	Amount of the Previous Term

Other notes:

## 72. Losses from asset impairment

Whether implemented new revenue guidelines

 Yes  No

In RMB

Items	Amount of the Current Term	Amount of the Previous Term
Loss of bad debts	-563,404,467.65	-4,183,874.66
Total	-563,404,467.65	-4,183,874.66

Other notes:

## 73. Asset disposal income

In RMB

Source	Amount of this period	Amount of last period

## 74. Non-Operating Income

In RMB

Items	Amount incurred of current period	Amount incurred of last period	Amount recorded in the non-recurring gain or loss of current period
Government subsidy		935,867.42	
Other	71,623.22	178,957,486.84	
Total	71,623.22	179,220,495.20	

Governmental subsidies included in gain or loss of current period:

In RMB

Subsidy items	Granting subjects	Reasons	Nature/type	Whether subsidies affect gain or loss in the current period	Whether it is special subsidy	Amount incurred of current period	Amount incurred of last period	Related to assets/Related to income
Awards for steady growth								
Subsidy for post stabilization								

Return of handling charge on personal income tax								
--	--	--	--	--	--	--	--	--

Other notes:

## 75. Non-Operating Expenditure

In RMB

Items	Amount incurred of current period	Amount incurred of last period	Amount recorded in the non-recurring gain or loss of current period
Loss from non-current asset retirement	6,081.90		
Loss of inventory disposal	732,512.00	636,300.61	
Overdue fine	105.00		
Loss by default	464,303,416.20		
Others	87,298.49		
<b>Total</b>	<b>465,129,413.62</b>	<b>636,300.61</b>	

Other notes:

## 76. Expense of Income Tax

### (I) Table of Income Tax

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Expense of income tax in the current period	1,810,113.67	18,832,808.48
Deferred income tax expenses	-859,752.77	-42,571.69
<b>Total</b>	<b>950,360.90</b>	<b>18,790,236.79</b>

### (II) Adjustment Process of Accounting Profit and Expense of Income Tax

In RMB

Items	Amount incurred of current period
Total profit	-1,415,839,991.15
Expense of income tax calculated with statutory [or applicable]	1,810,113.67

tax rate	
Influences of deductible temporary difference or deductible loss of non-confirmed deferred income tax assets in the current period	-859,752.77
Expense of income tax	950,360.90

Other notes

#### 77. Other Composite Benefits

For more details, please see Notes

#### 78. Items of Cash Flow Statement

##### (I) Cash Received Relating to Other Operating Activities

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Interest income	2,818,999.16	8,884,622.44
Bond, deposit and other intercourse funds	209,847,070.39	3,587,412,932.81
Total	212,666,069.55	3,596,297,555.25

Description on cash received relating to other operating activities:

Nil

##### (II) Cash Paid Relating to Other Operating Activities

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Handling charges	371,660.71	8,436,090.29
Warranties and deposit expenses	32,578,756.07	507,914,597.76
Selling Expenses	1,008,859.42	2,108,633.03
Management Expenses	36,123,823.62	164,665,583.14
Current account	556,523,245.26	1,894,830,019.27
Others		
Total	626,606,345.08	2,577,954,923.49

Description on cash paid relating to other operating activities:

Nil

## (III) Cash Received Relating to Other Investment Activities

In rmb

Items	Amount incurred of current period	Amount incurred of last period
-------	-----------------------------------	--------------------------------

Description on cash received relating to other investment activities:

## (IV) Cash Paid Relating to Other Investment Activities

In RMB

Items	Amount incurred of current period	Amount incurred of last period
-------	-----------------------------------	--------------------------------

Description on cash paid relating to other investment activities:

Nil

## (V) Cash Received Relating to Other Financing Activities

In RMB

Items	Amount incurred of current period	Amount incurred of last period
Received company/personal financing fund	6,362,955.91	
Total	6,362,955.91	

Description on cash received relating to other financing activities:

Nil

## (VI) Cash Paid Relating to Other Financing Activities

In RMB

Items	Amount incurred of current period	Amount incurred of last period
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Description on cash paid relating to other financing activities:

Nil

## 79. Supplementary Data of Cash Flow Statement

## (I) Supplementary Data of Cash Flow Statement

In RMB

Supplementary Data	Amount of current period	Amount of last period
1. Net profit adjusted to cash flow of operating activities:	--	--
Net profit	-1,416,790,352.05	143,065,521.54
Plus: Asset depreciation reserve	563,404,467.65	4,183,874.66

Depreciation of fixed assets, depreciation of oil and gas assets, and depreciation of productive biological assets	5,258,921.41	12,300,753.00
Intangible asset amortization	1,817,708.09	804,312.23
Long-term deferred expense amortization	2,912,560.62	6,993,115.98
Loss from fixed asset retirement (Income is represented with “-”)		-570,793.76
Financial expenses (income represented with “ - ”)	325,054,182.14	145,939,925.19
Investment loss (income represented with “ - ”)	-6,596,880.93	-5,171,892.51
Decrease of deferred income tax assets (increase represented with “ - ”)	666,046.53	1,167,618.96
Increase of deferred income tax liabilities (decrease represented with “ - ”)	-859,752.77	25,805,916.90
Decrease of inventories (increase represented with “ - ”)	-279,542,881.22	-175,020,420.56
Decrease of operating items receivable (increase represented with “ - ”)	1,049,692,358.27	628,339,650.86
Increase of operating items payable (decrease represented with “ - ”)	-667,168,404.54	310,326,783.14
Net amount of cash flow from operating activities	-422,152,026.80	1,098,164,365.63
2. Major investment and financing activities not involving cash revenue and expenditure:	--	--
3. Net change of cash and cash equivalents:	--	--
Ending balance of cash	59,521,718.55	258,018,921.01
Less: Opening balance of cash	125,767,796.88	647,222,590.49
Net increment of cash and cash equivalents	-66,246,078.33	-389,203,669.48

## (II) Net Amount of Cash Paid for Acquisition of Subsidiaries in Current Period

In RMB

	Amount
Of which:	--
Of which:	--
Of which:	--

Other notes:

## (III) Net Amount of Cash Received from Disposal of Subsidiaries in Current Period

In RMB

	Amount
Of which:	--
Of which:	--
Of which:	--

Other notes:

## (IV) Composition of Cash and Cash Equivalents

In RMB

Items	Ending balance	Opening balance
I. Cash	59,521,718.55	125,767,796.88
Including: Cash on hand	3,431,627.74	5,400,461.90
Bank deposit available for payment anytime	56,090,090.81	252,595,053.91
III. Ending balance of cash and cash equivalents	59,521,718.55	125,767,796.88

Other notes:

## 80. Notes to Items in Statement of Changes in Owner's Equity

Explain names of "other" items that adjust the ending balance of last year and the amount adjusted and other items:

## 81. Assets with Ownership or Use Right Restricted

In RMB



Items	Ending book value	Reason for restriction
Monetary Resources	101,885,589.67	Guarantee deposit and frozen fund
Fixed assets	13,740,651.43	Finance lease assets
Total	115,626,241.10	--

Other notes:

## 82. Foreign-Currency Monetary Items

### (I) Foreign-Currency Monetary Items

In RMB

Items	Ending balance in foreign currency	Exchange rate for conversion	Ending balance in RMB after conversion
Monetary funds	--	--	
Wherein: USD	2,014,928.27	6.8747	13,852,027.38
EUR			
HKD	204,569.47	0.8797	179,951.58
QAR	48,391.43	1.8881	91,369.56
BUK	28,210.00	0.0045	127.80
IDR	2,781,362.67	0.0005	1,352.74
Russian Ruble (RUB)	2,847,740.85	0.1090	310,441.38
Maldivian Raphael	6,511.79	0.4447	2,895.64
Sri Lankan rupees	5,038,709.65	0.0389	196,147.32
Thai B	195,179.18	0.2234	43,594.03
.Philippines Peso	7,244,045.95	0.1342	972,289.00
Ringgit, Malaysia	542,318.56	1.6593	899,874.82
Pataca	124.19	0.8537	106.02
Accounts receivable	--	--	
Wherein: USD	77,698,067.99	6.8747	534,150,908.01
EUR			
HKD			
Qatarrial	357,701,359.03	1.8881	675,388,501.21
Ringgit, Malaysia	35,520,850.67	1.6593	58,940,116.60
Australian dollar	1,362,817.67	0.8537	1,163,412.72
Long-term loans	--	--	
Wherein: USD			

EUR			
HKD			
Advance Payment			0.00
Wherein: USD	5,213,170.81	6.8747	35,838,985.37
Qatarrial	158,589.22	1.8881	299,437.88
Sri Lankan rupees	26,809,430.46	0.0389	1,043,639.82
Russian Ruble (RUB)	8,356,436.91	0.1090	910,962.03
Ringgit, Malaysia	19,912.96	1.6593	33,041.78
Other accounts receivable:			0.00
Wherein: USD	1,970,462.46	6.8747	13,546,338.27
EUR	2,600,000.00	7.8170	20,324,200.00
HKD	75,646.09	0.8797	66,542.84
Qatarrial	3,762,349.23	1.8881	7,103,823.74
Kyat	118,150,000.00	0.0045	535,252.59
Russian Ruble (RUB)	9,549,638.66	0.1090	1,041,036.79
Sri Lankan rupees	38,866,058.46	0.0389	1,512,981.27
Thai B	301,957.83	0.2234	67,443.45
Philippines Peso	146,997.00	0.1342	19,729.80
Ringgit, Malaysia	2,257,432.22	1.6593	3,745,780.74
Accounts payable			0.00
Wherein: USD	23,872,745.73	6.8747	164,117,965.07
Qatarrial	4,026,732.05	1.8881	7,603,014.23
Kyat	1,121,875.00	0.0045	5,082.41
Sri Lankan rupees	478,505,974.27	0.0389	18,627,321.75
Thai B	4,536.36	0.2234	1,013.21
Philippines Peso	44,130.43	0.1342	5,923.14
Ringgit, Malaysia	8,225,631.54	1.6593	13,648,875.88
Items Received in Advance:			0.00
Wherein: USD	354,069.48	6.8747	2,434,121.45
Other accounts payable:			0.00
Wherein: USD	272,622.87	6.8747	1,874,200.44
HKD	1,374.73	0.8797	1,209.29
Philippines Peso	8,447.15	0.1342	1,133.77
Sri Lankan rupees	500,000.00	0.0389	19,464.04

Ringgit, Malaysia	0.00	1.6593	0.00
Australian dollar	6,270.00	4.8156	30,193.81

Other notes:

(II) Description of Overseas Operating Entities; In Particular, Important Overseas Operating Entities Should Disclose Their Main Business Place, Recording Currency and the Basis for Selection; Reasons for Changes in the Recording Currency Should Also Be Disclosed.

Applicable  Not applicable

### 83. Hedging

Disclosure of hedging items and related hedging instruments and qualitative and quantitative information on hedged risks in accordance with the hedging category:

### 84. Governmental Subsidy

#### (I) Basic Facts about Governmental Subsidies

In RMB

Type	Amount	Presented items	Amount recorded in the gain or loss of the current period
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#### (II) Refund of Governmental Subsidy

Applicable  Not applicable

Other notes:

### 85. Other

## VIII. Change of Combination Scope

### (I) Business Combination not under the Same Control

#### 1. Business combination not under the same control in current term:

In RMB

Name of the purchased party	Time point of equity acquisition	Cost of equity acquisition	Proportion of equity acquired	Way to acquire the stock equity	Date of purchasing	Basis for determining the date of purchasing	The purchased party's income from the date of purchasing to	The purchased party's net profit from the date of purchasing to
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								the end of term	the end of term
--	--	--	--	--	--	--	--	-----------------	-----------------

Others:

## 2. Combination cost and goodwill

Combination cost	
------------------	--

Method to determine the fair value of combination cost, contingent consideration and its changes:

Main reasons for large amount of goodwill:

Others:

## 3. Identifiable assets and liabilities of the purchased party on the date of purchasing

In RMB

	Fair value on the date of purchasing	Book value on the date of purchasing

Method to determine the fair value of identifiable assets and liabilities:

Contingent liabilities from the purchased party during the combination:

Others:

## 4. Gains or losses on re-measurement as per fair value of equity held before the date of purchasing

Is there such transaction that realizes combination through several steps of transactions and obtains control right during reporting period?

Yes  No

5. Relevant descriptions for failure to reasonably determine combination consideration and fair value of identifiable assets and liabilities of the purchased party on the purchasing date or at the end of current combination term.

## 6. Others

### (II) Business Combination under the Same Control

#### 1. Business combination under the same control in current term

In RMB

Name of the combined party	Proportion of gained equities during the combination.	Basis for business combination under the same control	Combination date	Basis for determining the combination date	The combined party's income from the beginning	The combined party's net profit from the beginning	The combined party's income in the comparative	The combined party's net profit in the comparative

					to the end of the current combination term	to the end of the current combination term	period	period
--	--	--	--	--	---	---	--------	--------

Others:

## 2. Combination cost

In RMB

Combination cost	
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Contingent consideration and its changes:

Others:

## 3. The combined party's book value of assets and liabilities on the combination date

In RMB

	Combination date	At the end of the last term

Contingent liabilities from the combined party during the combination:

Others:

## (III) Counter Purchase

Transaction basic information, basis to determine a transaction as a counter purchase, remaining assets of the listed company, whether liabilities are part of businesses and basis to determine it, determination of combination cost, adjusted equity amount and its calculation when dealt per equity transaction:

## (IV) Disposal of Subsidiaries

Is there a single disposal of investments in a subsidiary, that is, loss of control right?

Yes  No

In RMB

Name of the subsidiary	Price of the stock equity disposal	Proportion of the stock equity disposed	Way of the equity stock disposal	Time point of losing control right	Basis for determining the time point of losing control	Balance between the disposal price and the owned	Remaining proportion of stock equity at the date of losing control	Book value of the remaining stock equity at the date of losing	Fair value of the remaining stock equity at the date of losing	Gain or loss on re-measurement of remaining stock equity	Method to determine the fair value of the remaining stock	Amount of profit and loss on investments converted from

					right	net asset share of the subsidi ary corres pondin g to the dispos al invest ment in the financi al statem ent	right	control right	control right	as per fair value	equity at the date of losing control right and major assum ptions	other compr ehensi ve gains related to the stock equity invest ments of the origina l subsidi ary
Suzho u Lvban g Woods Techn ology Co., Ltd.	24,000 ,000.0 0	100.00 %	Transf er	April 28,201 9	Compl etion of industr ial and comm ercial registr ation of change s	6,596, 880.93	0.00%					

Others

Is there disposal by steps of investments in a subsidiary through several transactions and losing control right in the current term?

Yes  No

#### (V) Changes of Combination Scope for Other Reasons

Describing other reasons for the changes of combination scope (e.g. newly-established subsidiary, liquidation of a subsidiary) and related matters:

(1) Newly established subsidiaries for the current period

Name	Business plant	Registered	Share-holding ratio (%)	Acquired way
------	----------------	------------	-------------------------	--------------

		address	Directly	Indirectly	
Sino Great Wall Decoration Engineering (Beijing ) Co., Ltd.	Beijing	Beijing	100		Establish

(2) Other reasons for decreasing of subsidiaries in the current period

Name	Share-holding ratio	Disposition way	The time point at which control is lost	Basis for determining the point of loss of control.	Disposition gains and losses
Suzhou Lvbang Woods Technology Co., Ltd.	100%	Sell	April 26,2019	Industrial & commercial registration of changes	

## 6. Other

### IX. Equity in Other Subjects

#### (I) Equity in Subsidiaries

##### 1. Composition of the enterprise group

Subsidiary	Main operation	Registered place	Business nature	Share-holding ratio		Acquired way
				Directly	Indirectly	
Sino Great Wall International Engineering Co., Ltd.	Beijing	Beijing	Decoration industry	100.00%		Investment
Sino Great Wall Infrastructure Investment Co., Ltd.	Beijing	Beijing	Investment management, import and export	100.00%		Establish
Sino Great Wall Hengda Engineering Co., Ltd.	Longyan	Longyan	Highway engineering, municipal public works, building works, railway engineering	80.00%		Under non-common control

			etc.			
Sino Great Wall Medical Investment Management Co., Ltd.	Beijing	Beijing	Medical investment	100.00%		Establish
Wuhan Commercial Workers Hospital LLC	Wuhan	Wuhan	Sanitary & medical service	100.00%		Under non-common control
Sino Great Wall Guangxia (Wuhan) Medical Development Co., Ltd.	Wuhan	Wuhan	Medical technology development, pharmaceutical sales, medical device wholesale, medical and pension investment	60.00%		Establish
Changzhi Sino Laodingshan Industrial Co., Ltd.	Changzhi	Changzhi	Urban infrastructure construction and development, construction engineering design, R&D, construction equipment leasing, construction	100.00%		Establish
Xiangfen County Taoshan Construction Co., Ltd.	Xiangfen	Xiangfen	Urban infrastructure construction, trade	100.00%		Establish
Sino Great Wall (Xihua) Economic Development Zone	Xihua	Xihua	Infrastructure investment, road and bridge construction, water	100.00%		Establish



Investment Co., Ltd.			conservancy construction, general airport construction			
Liupanshui Central People's Hospital Investment Co., Ltd.	Liupanshui	Liupanshui	Hospital management service, pension rehabilitation service, investment, trade, aged articles wholesale and retail	75.00%		Establish
Sino Zhigu Industrial (Yueyang) Co., Ltd.	Yueyang	Yueyang	Building construction	78.40%		Establish
Sino Great Wall Group Co., Limited	Hongkong	Hongkong	Construction, design, trade, investment consulting	100.00%		Establish
Aofa Investment Co., Ltd.	Hongkong	Hongkong		100.00%		Establish
Sino Great Wall Decoration and Design Co., Ltd.	Beijing	Beijing	Design and consulting	100.00%		Establish
Sino Great Wall International Engineering (Macao) Co., Ltd.	Macao	Macao	Design and construction	96.00%	4.00%	Establish
Shenzhen Hongtulve Industrial Co., Ltd.	Shenzhen	Shenzhen	Investment, R&D and sales, trade, import and export	100.00%		Establish
Inrich Me Engineering Co., Ltd.	Hongkong	Hongkong	Mechanical and electrical engineering,	100.00%		Establish

			scientific research, trade, investment consulting			
Sino Great Wall Real Estate (Hubei) Co., Ltd.	Wuhan	Wuhan	Real estate development	80.00%		Establish
Sino Great Wall New Energy (Beijing) Co., Ltd.	Beijing	Beijing	Renewable energy technology	100.00%		Establish
Shanghai Lingrui International Trading Co., Ltd.	Shanghai	Shanghai	Trade	100.00%		Establish
Sino Great Wall Southwest Engineering Co., Ltd.	Chengdu	Chengdu	Building construction	100.00%		Under non-common control
Huichang County Zhongcheng Construction Engineering Co., Ltd.	Huichang	Huichang	Medical industry construction, import and export	100.00%		Under non-common control
Great Wall Biaodian Energy Co., Ltd.	Beijing	Beijing	Energy trade, R&D, import and export	51.00%		Establish
SINO GREAT WALL INTERNETIONAL ENGINEERING(CNMI)CO., LLC	Saipan	Saipan	Design and construction	100.00%		Establish
SINO GREAT WALL GENERAL TRADING &	Kuwait	Kuwait	Building construction	49.00%		Under non-common control

CONTRACTING CO.LTD						
Sino Great Wall International Engineering( M M ) Co.,Ltd	Burma	Burma	Design and construction	80.00%		Establish
PT.SINO GREAT WALL CONSTRUCTIONINDONESIA	Indonesia	Indonesia	Building construction	67.00%		Establish
Sino Great Wall (Lao) Co.,Ltd	Laos	Laos	Building construction	100.00%		Establish
Sino International Engineering (Lao) Sole investor Co., Ltd.	Laos	Laos		100.00%		Establish
Sino Great Wall Investment (Lao) Sole investor Co., Ltd.	Laos	Laos		100.00%		Establish
Sino Great WallInternational Engineering( Thailand) Co.,Ltd.	Thailand	Thailand	Engaged in domestic and international construction contracting, interior and exterior decoration of buildings, accepting bids to obtain bidding civil engineering projects of government agencies (cities, organs, etc.),	49.00%		Establish

			individuals and legal entities; engaged in leasing, sales, export, purchase of various construction materials and construction equipment, and real estate development, etc.			
Sino Great Wall International Engineering Co.,Ltd	Maldives	Maldives	Design and construction	100.00%		Establish
PT.SINO GREAT WALL INVESTMENT INDONESIA	Indonesia	Indonesia	Real estate or leasing	99.90%		Establish
SGW America LLC	USA	USA	Construction, design	99.00%	1.00%	Establish
Sino Great Wall Group (UK) Co.,Limited	Britain	Britain	Design and construction	98.00%		Establish
Kunming Sino Forest Industry Development Co., Ltd.	Kunming	Kunming	Development, construction, operation and management of industrial parks	51.00%		Establish
SINO GREAT WALL (USA) .INC	USA	USA	Legal business practices	100.00%		Establish
Sino Great Wall Development (Hengqin) Co., Ltd.	Zhuhai	Hengqin	Design and construction	85.00%		Establish
Fujian Sino Great Wall Mingyihui	Fuzhou	Fuzhou	Investment in medical and pension	88.00%		Establish

Medical Investment Co., Ltd.			industry; hospital management; medical device sales			
Sino Great Wall Medical Investment (Hubei) Co., Ltd.	Wuhan	Wuhan	Investment in medical industry projects; self-operation and agency of the import and export business of various goods and technology	100.00%		Establish
Hubei Yuanyatong Supply Chain Co., Ltd.	Wuhan	Wuhan	Pharmaceutical wholesale, self-operation and agency of the import and export of goods and technology	51.00%		Establish
Wu'an Juhe Photovoltaic Power Co., Ltd.	Wuan	Wuan	Solar photovoltaic	100.00%		Establish
Sino Great Wall Southwest Science and Technology Co., Ltd.	Chengdu	Chengdu	Sales, equipment installation	100.00%		Establish
Sino Great Wall Southwest Commercial and Trading Co., Ltd.	Chengdu	Chengdu	Wholesale and sales	100.00%		Establish
Sino Great Wall Southwest Engineering Consultation Co., Ltd.	Chengdu	Chengdu	Construction engineering design, consulting, survey	100.00%		Establish
Far eastern	Russia	Russia	Building	95.00%		Under

international engineering company,LLC			construction, commerce and trade, transport, leasing			non-common control
Sino Great Wall(Philippines) International Corporation	Philippines	Philippines	Building construction, import and export trade	100.00%		Establish
Sino Great Wall (HK) Property Co., Limited	Hongkong	Hongkong	Real estate development and management, land investment, property management, investment and business consulting, trade	100.00%		Establish
SGWHPEngineeringConstructionSDN.BHD	Malaysia	Malaysia	Building construction, engineering design, installation project, mechanical and electrical installation, etc.	100.00%		Establish
SGW VENTURES SDN.BHD.	Malaysia	Malaysia	Purchased, or otherwise obtained, attributes, stocks, bonds, reinvested earnings, etc.	100.00%		Establish
SGW CONSTRUCTION (LANGKAWI) SDN.BHD.	Malaysia	Malaysia	Building construction, engineering design, installation project, mechanical and	100.00%		Establish

			electrical installation, etc.			
SinoOmanRefinery and Petrochemicals LLC	Oman	Oman	Oil production, import and export	51.00%		Establish
Sino Great Wall Hebei Xiongan Construction Co., Ltd.	Xiongan	Xiongan	General contracting of construction, subcontracting of construction services, engineering investigation and design, etc.	100.00%		Establish
Sino Great Wall Technology Development Co., Ltd.	Beijing	Beijing	Technology development, technology transfer, technology consultation, technology promotion, technical services; sales of construction materials.	100.00%		Establish
Zhongda Changcheng Industry (Chongqing) Co., Ltd.	Chongqing	Chongqing	Design phase project management service; construction stage project management service and so on	60.00%		Establish
Sino Great Wall Engineering Management (Shenzhen) Co., Ltd.	Shenzhen	Shenzhen	Construction project contracting and construction project management, labor subcontract, etc	51.00%		Establish

Sino Rongju Real Estate Development Co., Ltd.	Beijing	Beijing	Real estate development; construction general contracting, professional contracting, labor subcontracting, etc.	51.00%		Establish
Weifang Sino Great Wall Health Development Co., Ltd.	Weifang	Weifang	Health consulting services; real estate development; sales of self-developed commercial housing, etc.	100.00%		Establish
Sino Great Wall Industry (Chongqing) Co., Ltd.	Chongqing	Chongqing	Ecological agriculture development, agricultural science and technology development, agricultural project comprehensive development, enterprise management; landscaping, landscape design; travel agency service; construction engineering, etc.	80.00%		Establish
Sino Great Wall Medical Industry (Hunan)	Changsha	Changsha	Hospitals and medical investment, old - age industry	75.00%		Establish



Investment Co., Ltd.			investment, small town investment.			
Hunan University of Traditional Chinese Medicine Sino Great Wall Medical Management Co., Ltd.	Changsha	Changsha	Hospital management; brand promotion marketing; chain enterprise management, etc.	51.00%		Establish
Sino Great Wall Real Estate Development (Hunan) Co., Ltd.	Changsha	Changsha	Real estate development and management; industrial real estate development; property management; real estate intermediary services, etc.	80.00%		Establish
Hunan Sino Great Wall Oncology Hospital Management Co. Ltd.	Changsha	Changsha	Hospital management; brand promotion marketing; chain enterprise management, etc.	55.00%		Establish
Hunan University of traditional Chinese Medicine Sino Great Wall Medical Industry Co., Ltd.	Changsha	Changsha	Investment in medicine, investment management, investment consulting, etc.	80.00%		Establish
Sino Boda(Zhangjia)	Zhanjiang	Zhanjiang	Real estate investment and	51.00%		Establish

ng) Industry Co., Ltd.			development, management, property management, rental and maintenance of construction machinery and equipment, etc.			
Anshun Sino Great Wall Real Estate Development Co., Ltd.	Anshun	Anshun	Housing demolition, real estate development and management, construction projects, land governance projects, real estate infrastructure construction.	90.00%		Establish
Sino Great Wall (Guangzhou) Elevator Engineering Co., Ltd.	Guangzhou	Guangzhou	Elevator installation engineering service; elevator maintenance; elevator sales; elevator, escalator and lift manufacturing, etc.	60.00%		Establish
Sino Great Wall Decoration Engineering (Beijing) Co., Ltd.	Beijing	Beijing	Engineering investigation; Engineering Design; Professional contract; General Construction contract, etc.	100.00%		Establish

About a subsidiary's shareholding proportion different from voting proportion:

Basis for controlling the invested party while holding half or less voting rights and not controlling the invested party despite holding half or more voting rights:

Basis for controlling the important structured entity incorporated into the combination scope:

Basis to confirm whether a company is an agent or a consignor:

Others:

## 2. Main non-sole subsidiaries

In RMB

Name of the subsidiary	Shares of minority shareholders	Gains and losses of minority shareholders in current term	Dividends declared to minority shareholders in current term	Equity balance of minority shareholders at the end of the term

About minority shareholders' shareholding proportion different from voting proportion:

Others:

## 3. Main financial information of important non-sole subsidiaries

In RMB

Name of the subsidiary	Ending balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities

In RMB

Name of the subsidiary	Amount incurred of current term				Amount incurred of last term			
	Operating income	Net profit	Total amount of composite benefits	Cash flow from operating activities	Operating income	Net profit	Total amount of composite benefits	Cash flow from operating activities

Others:

## 4. Major limitations on using corporate group assets and liquidating corporate group liabilities

## 5. Financial and other support for structured entities incorporated into the combined financial statement

Others:

## (II) Transactions When Owned Equity Shares of a Subsidiary Changed but Still Control the Subsidiary

1. About change of owned equity shares of a subsidiary
2. Influence of transactions on parent company's owned equity and the equity of minority shareholders

In RMB

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Others:

## (III). Equity in Joint Ventures and Jointly-run Enterprises

1. Important joint ventures and jointly-run enterprises

Name of the joint venture and jointly-run enterprise	Main business place	Registered place	Business nature	Shareholding proportion		Accountant arrangement method for joint ventures and jointly-run enterprise
				Direct	Indirect	

About a joint venture or jointly-run enterprise's shareholding proportion different from voting proportion:

Basis for holding 20% or less voting rights but exerting important influence, or holding 20% or more voting rights but not exerting important influence:

2. Main financial information of important joint ventures

In RMB

	Ending balance/Amount incurred of current term	Opening balance/Amount incurred of last term

Others:

3. Main financial information of important jointly-run enterprises

In RMB

	Ending balance/Amount incurred of current term	Opening balance/Amount incurred of last term

Others:

## 4. Financial information summary of not important joint ventures and jointly-run enterprises

In RMB

	Ending balance/Amount incurred of current term	Opening balance/Amount incurred of last term
Joint ventures:	--	--
Total number of the following items calculated by shareholding proportion	--	--
Jointly-run enterprises:	--	--
Total number of the following items calculated by shareholding proportion	--	--

Other

5. About major limitations on joint ventures and jointly-run enterprises' capability of capital transfer to the company

6. Excess deficit incurred by joint ventures and jointly-run enterprises

In RMB

Name of the joint venture and jointly-run enterprise	Accumulated unconfirmed losses accrued in the previous term	Unconfirmed losses of the current term (or shared net profits of the current term)	Accumulated unconfirmed losses in current term

Others:

7. Contingent liabilities related to the investments of joint ventures or jointly-run enterprises

**(IV). Important Joint Operation**

Name of the joint operation	Main business place	Registered place	Business nature	Shareholding proportion/Owned shares	
				Direct	Indirect

About shareholding proportion or owned shares in the joint operation different from voting proportion:

Basis for classifying a single entity as joint operation:

Others:

1. Equity in structured entities not incorporated into the combined financial statement

About structured entities not incorporated into the combined financial statement:

## 2. Others

### **X. Risks associated with financial instruments**

The Company faces various financial risks in the process of operation: credit risks, market risks and liquidity risks. The Board of Directors of the Company shall be fully responsible for determining risk management objectives and policies and bearing the ultimate liabilities for that. However, the Board of Directors has authorized the management to design and implement the process that can ensure the effective implementation of the risk management objectives and policies. The Board of Directors reviews the effectiveness of the enforced procedures and the rationality of risk management objectives and policies through monthly reports submitted by the management. Internal auditors of the Company will also audit risk management policies and procedures and report the relevant findings to the audit committee.

Overall objective of risk management of the Company is to formulate risk management policies to minimize risks without undue prejudice to the Company's competitiveness and resilience.

#### (1) Credit risk

Credit risk refers to a risk of financial losses suffered by one party of financial instruments due to the failure of the other party to fulfill obligations. The Company mainly faces customer credit risks caused by sales on account. Prior to the conclusion of a new contract, the Company will evaluate the credit risk of the new customer, including external credit rating and bank reference letter under some circumstances if the relevant information is available. The Company sets a credit limit for each customer. The limit is the maximum amount unnecessary for additional approval.

The Company quarterly monitors credit ratings of existing customers and monthly reviews aging analysis of accounts receivable to ensure that the Company's overall credit risk is within the controllable range. When the Company monitors credit risks of customers, the customers shall be divided into groups according to their credit features. Customers rated as "high risk" will be placed in a restricted customer list. The Company may sell goods to such customers on credit in future periods subject to additional approval; otherwise the Company must require advance payments.

#### (2) Market risk

Market risk associated with financial instruments refers to the risk arising from changes in fair value or future cash flows of financial instruments due to market price fluctuation, including interest rate risk and foreign exchange risk.

(1) Interest rate risk Interest rate risk refers to the risk arising from changes in fair value or future cash flows of financial instruments due to fluctuation in market interest rate. The Company's interest rate risk mainly derives from bank borrowings. The Company establishes good relations with banks and reasonably designs credit lines, credit varieties and credit period to guarantee sufficient bank credit lines and to meet short-term financing needs. By shortening the time limit of a single loan, the Company may specifically agree terms of the prepayment to reasonably reduce the risk of interest rate.

(2) Exchange rate risk Exchange rate risk refers to the risk arising from changes in fair value or future cash flows of financial instruments due to fluctuation in foreign exchange rate. The Company shall match foreign currency income and foreign currency expenses as much as possible to minimize exchange rate risk. In addition, the Company may also sign forward foreign exchange contracts or currency swap contracts to avoid exchange rate risks.

#### (3) Liquidity risk

Liquidity risk refers to a risk arising from shortage of funds when the Company performs the obligations settled in cash or other financial assets. Policies of the Company are to ensure sufficient cash to pay matured debts. Liquidity risk is under centralized control of the financial department of the Company. The financial department monitors cash balance and readily realizable and marketable securities and makes rolling forecast on cash flows of the next 12 months to ensure that the Company has sufficient funds to repay debts in all cases of reasonable prediction. See disclosure of the relevant items of Note 5 for details of financial liabilities of the Company presented at undiscounted contractual cash flows on the maturity date.

## XI. Disclosure of Fair Values

### 1. Closing fair values of assets and liabilities measured with fair value

In RMB

Items	Closing fair value			
	Fair value measurement items at level 1	Fair value measurement items at level 2	Fair value measurement items at level 3	Total
II. Consistent fair value	--	--	--	--
II. Inconsistent fair value measurement	--	--	--	--

2. Market price recognition basis for consistent and inconsistent fair value measurement items at level 1
3. Valuation technique adopted and nature and amount determination of important parameters for consistent and inconsistent fair value measurement items at level 2
4. Valuation technique adopted and nature and amount determination of important parameters for consistent and inconsistent fair value measurement items at level 3
5. Sensitiveness analysis on unobservable parameters and adjustment information between opening and closing book value of consistent fair value measurement items at level 3
6. Explain the reason for conversion and the policy governing 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 change
8. Fair value of financial assets and liabilities not measured at fair value
9. Other

## XII. Related party and related party transactions

### 1. Parent company information of the enterprise

Name of Parent Company	Registered place	Business nature	Registered capital	Shareholding proportion of Parent Company to the Company	Voting right proportion of Parent Company to the Company
Chen Lue	26 Kuipeng Road, Baishigang,		582,944,556	34.33%	34.33%

	Kuiyong Street, Dapeng New District, Shenzhen				
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Description about Parent Company of the Company

The final controller of the Company is Chen Lue.

Other description:

## 2. Information about Subsidiaries of the Company

Please refer to Note IV.1 “Equity in Subsidiaries”.

## 3. Information about Joint Ventures and Associates of the Company

Please refer to Notes.

Other joint ventures or associates that had balances from related party transactions with the Company during the current period or the previous period:

Name of joint venture or associate	Relationship with the Company
Sino Great Wall Zhihuai Building Industry (Zhangjiang) Co., Ltd.	An associate of which the Company holds 40% shares
Cenang Resort Sdn Bhd	An associate of which the Company holds 40% shares

Other notes

## 4. Information about Other Related Parties

Name of other related party	Relationship with the Company
Shenzhen Hualian Development Investment Co., Ltd.	An affiliated company of shareholder
Kunwu Jiuding Investment Management Co., Ltd.	Bai Bin, a former director of the Company, acts as its Investment Director
Shanghai Heyi Supply Chain Management Co., Ltd.	Wang Lei, a former director of the Company, acts as its director
Sino Great Wall (Beijing) Investment Fund Management Co., Ltd.	A company controlled by the actual controller
Qinghai Heyi Commerce Co., Ltd.	A company controlled by Wang Lei, a former director of the Company
Sino Great Wall Investment (Beijing) Co., Ltd.	A company controlled by Chen Lue, a director of the Company
Yang Chunling	Secretary to the Board of Directors of the Company
Fang Xianzhong	Deputy General Manager
Chen Lue	Actual controller of the Company
He Sen	Brother-in-law of the shareholder and actual controller of the



	Company
Luyi Shuguang Medical Industrial Investment Construction Co., Ltd.	A PPP Project Company controlled by the Company
Huichang County Sino Great Wall Medical Industrial Construction Service Co., Ltd.	A PPP Project Company controlled by the Company
Sino Great Wall (Fugou) High-speed Railways District Investment Co., Ltd.	A PPP Project Company controlled by the Company
Anyang Sino Great Wall Medical Management Service Co., Ltd.	A PPP Project Company controlled by the Company
Sino Great Wall (Fugou) Jialu River Comprehensive Control Investment Co., Ltd.	A PPP Project Company controlled by the Company
Sino Great Wall (Fugou) National Fitness Center Investment Co., Ltd.	A PPP Project Company controlled by the Company
Sino Great Wall Shaanxi Fuyuan Industrial Park Investment Co., Ltd.	A PPP Project Company controlled by the Company
Wuchuan City Sino Great Wall People's Hospital	A PPP Project Company controlled by the Company
Wuchuan Sino Great Wall TCM Hospital Investment Co., Ltd.	A PPP Project Company controlled by the Company
Guizhou Hongqiao Sino Great Wall Medical Real Estate Investment Co., Ltd.	A PPP Project Company controlled by the Company
Gongxian Sino Medical Investment Co., Ltd.	A PPP Project Company controlled by the Company

Other notes

## 5. Related Transaction

(1) Related transactions for the provision and receipt of labor services for merchandises purchased and sold

Purchase goods/Service acceptance

In RMB

Related Party	Content of related transactions	Current amount	Approved transaction quota	Whether exceed the transaction limited	Last Amount

Purchase goods/Service acceptance

In RMB

Related Party	Content of related transactions	Current amount	Last Amount
Huichang County Sino Great Wall Medical Industrial Construction Service Co., Ltd.	PPP project construction	20,954,172.77	31,440,776.87

Sino Great Wall (Fugou) High-speed Railways District Investment Co., Ltd.	PPP project construction		
Sino Great Wall (Fugou) Fitness Center Investment Co., Ltd.	PPP project construction		
Wuchuan City Sino Great Wall People's Hospital	PPP project construction	54,342,707.21	
Wuchuan Sino Great Wall TCM Hospital Investment Co., Ltd.	PPP project construction	14,949,298.53	18,315,685.75
Total		90,246,178.51	49,756,462.62

Related transactions for the provision and receipt of labor services for merchandises purchased and sold

## (2) Related Trusteeship/contract and entrusted management/packaging situation

Table on company's trusteeship/contract

In RMB

Name of entrusting/contract-out part	Name of trustee/contracting party	Type of asset trustee/contracting	Beginning date of trustee/contracting	End date of trustee/contracting	Pricing basis of trustee earning/contracting earning	Confirmed trustee earning/contract earning
--------------------------------------	-----------------------------------	-----------------------------------	---------------------------------------	---------------------------------	--	--

Note of related trustee/contracting

Table on company's trusteeship/contract-out

In RMB

Name of entrusting/contract-out part	Name of trustee/contracting party	Type of asset trustee/contracting	Beginning date of trustee/contracting	End date of trustee/contracting	Pricing basis of trustee earning/contracting-out earning	Confirmed trustee earning/contract earning
--------------------------------------	-----------------------------------	-----------------------------------	---------------------------------------	---------------------------------	--	--

Note of related trustee/contracting

## (3) Related tenancy situation

The company as the lessor

In RMB

Name of renter	Type of leased assets	Current confirmed rental income	Last confirmed rental income
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The company as the renter:

In RMB

Name of renter	Type of leased assets	Current confirmed rental income	Last confirmed rental income
----------------	-----------------------	---------------------------------	------------------------------

Note of related tenancy situation

#### (4) Related guarantee situation

The company as the guaranteee:

In RMB

Secured party	Amount guaranteed	Beginning date of guarantee	End date of guarantee	Finished or yet
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The company as the secured party

In RMB

Secured party	Amount guaranteed	Beginning date of guarantee	End date of guarantee	Finished or yet
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Note on related guarantee

#### (5) Related party fund borrowing

In RMB

Related party	Borrowing amount	Beginning date	End date	Note
Borrowing				
Lending				

#### (6) Related party asset transferring and debt restructuring

In RMB

Related party	Content or related transactions	Current amount	Last amount
Shenzhen Hualian Development Investment Co., Ltd.	Economic compensation for the reorganization of Major assets		100,000,000.00

#### (7) Rewards for the key management personnel

In RMB

Project	Current amount	Last amount
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Rewards for the key management personnel		1,538,740.95
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## (8) Other related transactions

## 6、Receivables and payables of related party

## (1) Receivables

In RMB

Project name	Related party	Ending book value		Beginning book value	
		Book balance	Reserve for bad-debt	Book balance	Reserve for bad-debt
Account receivable					
JD Capital Investment Management Co., Ltd. and its related party		77,613.49	23,284.05	77,613.49	7,761.35
Lhasa JD Capital Investment Management Co., Ltd. and its related party		160,000.00	80,000.00	160,000.00	48,000.00
Shanghai Heyi Supply Chain Management Co., Ltd		2,469,164.81	740,749.44	2,469,164.81	246,916.48
Huichang County Sino Great Wall Medical Industrial Construction Service Co., Ltd.		25,116,590.68	1,255,829.53	78,155,590.97	3,907,779.55
Sino Great Wall (Fugou) High-speed Railways District Investment Co., Ltd.					

Sino Great Wall (Fugou) Fitness Center Investment Co., Ltd.		4,445,215.33	444,521.53	4,445,215.33	444,521.53
Wuchuan Sino Great Wall TCM Hospital Investment Co., Ltd.		34,967,873.54	1,748,393.68	19,724,082.47	986,204.12
Total		67,236,457.85	4,292,778.23	105,031,667.07	5,641,183.04
Other receivables					
Yang Chunling		247,389.25	12,369.46	530,000.00	26,500.00
Fang Xianzhong		382,218.50	75,096.25	227,789.60	24,066.88
Sino Great Wall Investment (Beijing) Co., Ltd.		9,500.00	2,850.00	9,500.00	950.00
Sino Great Wall Investment (Beijing) Co., Ltd.		1,060,000.00	106,000.00	1,060,000.00	53,000.00
Luyi Shuguang Medical Industrial Investment Construction Co., Ltd.		4,220,171.89	1,253,980.64	4,220,171.89	418,999.46
Sino Great Wall (Fugou) Jialu River Comprehensive Treatment Investment Co., Ltd.		615,869.20	41,671.92	217,569.20	3,851.67
Sino Great Wall Shaanxi Fuyan Industrial Park Investment Co., Ltd.		7,652,124.54	1,198,764.58	5,195,923.58	400,761.72
Sino Great Wall (Fugou) High-speed Railways District Investment Co., Ltd.		24,193,648.34	2,412,190.47	23,773,722.22	1,188,686.11

Sino Great Wall (Fugou) Fitness Center Investment Co., Ltd.		1,015,767.69	84,827.48	573,300.00	28,665.00
Wuchuan City Sino Great Wall People's Hospital Investment CO., Ltd.		6,026,341.47	1,743,366.52	35,626,341.47	1,818,500.17
Wuchuan City Sino Great Wall People's Hospital Investment CO., Ltd.		343,018.86	102,905.66	343,018.86	34,301.89
Yanjin County Sino Great Wall Drainage Network Construction Co., Ltd.		2,320,000.00	116,000.00	400,000.00	20,000.00
Total		48,086,049.74	7,150,022.98	72,177,336.82	4,018,282.90

## (2) Payables

In RMB

Project name	Related party	Ending book value	Beginning book value
Account payable			
Qinghai Heyi Commercial Co., Ltd.			
Total			
Advance received			
Huichang County Sino Great Wall Medical Industrial Construction Service Co., Ltd.		244,863,301.51	244,863,301.51
Wuchuan City Sino Great Wall People's Hospital Investment CO., Ltd.			12,360,000.00
Total		244,863,301.51	257,223,301.51
Other payable			
Sino Great Wall (Beijing) Investment Co., Ltd.			3,590,000.00

He Sen			200,000.00
Chen Lue		127,590.95	153,613.00
Yang Chunling			22,106.90
Anyang Sino Great Wall Medical Management Service Co., Ltd.		177,973,316.87	159,973,316.87
Total		178,100,907.82	163,939,036.77

#### 7. Promise of related party

#### 8. Other

### XIII. Share payment

#### 1. Overall situation of share payment

Applicable  Not Applicable

#### 2. Share payments settled in equity

Applicable  Not Applicable

#### 3. Share payments settled in cash

Applicable  Not Applicable

#### 4. Modification and termination of share payment

#### 5. Other

### XIV. Commitments and Contingencies

#### 1. Important commitments

Important commitments on the balance sheet date

#### 2. Contingencies

(1) Important contingencies on the balance sheet date

(2) Contingent liabilities arising from pending litigation/arbitration and their financial implications

Nil

3. Other

**XV. Matters after the balance sheet date**

## 1. Important non-adjusting events

In RMB

Item	Contents	effects on financial conditions and operating results	Reasons for inestimable effects
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## 2. Profit distribution

## 3. Sales return

## 4. Description of other events after the balance sheet date

**XVI. Other important events**

## 1. Correction of accounting errors in the prior period

## (1) Retrospective restatement method

In RMB

Correction contents of the accounting errors	Treatment procedure	Report items of various affected comparative periods	Cumulative effects
--	---------------------	--	--------------------

## (2) Prospective application method

Correction contents of the accounting errors	Approval procedure	Reasons for adopting prospective application method
--	--------------------	---



## 2. Debt restructuring

## 3. Asset replacement

## (1) Non-monetary asset exchange

## (2) Other asset replacement

## 4. Annuity plan

## 5. Discontinued operation

In RMB

Item	Revenue	Expense	Total profit	Income tax expense	Net profit	Discontinued operation profits attributable to the owner of the parent company

Other notes

## 6. Segment information

## (1) Determination basis and accounting policy of the reporting segments

Accounting policy of the reporting segments:

As businesses in domestic architectural decoration, outbound architectural decoration and medical sectors are not associated with each other, there is no price transfer among the segments; medical businesses are operated by the Company and independent subsidiaries. Outbound architectural decoration business shall be accounted by overseas companies according to regions in which the projects under construction is located by establishing independent account sets for 8 main projects in Qatar, Kuwait, Cambodia, Sri Lanka, Malaysia, Myanmar, Maldives and Saipan. There are no expenses indirectly attributable to various segments to be apportioned. And outbound architectural decoration business data also consist of financial figures from the account sets of the above 8 main projects.

## (2) Financial information of reporting segments

In RMB

Items	Offset during segments	Total

(3) There was no reportable segment, or the total amount of assets and liabilities of each part of reportable segment, shall disclose the reason.

Nil

## (4) Other notes

## 7. Other important transactions and events have an impact on investors' decision-making

## 8. Other

**XVII. Notes of main items in financial reports of parent company**

## (1) Account receivable

## 1. Classification account receivables.

In RMB

Category	Amount in year-end					Amount in year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Of which :										
Of which:										

## Accrual of bad debt provision by single item:

In RMB

Name	Ending balance			
	Book balance	Bad debt reserve	Withdrawal proportion	Reason

## Accrual of bad debt provision by portfolio:

In RMB

Name	Ending balance			
	Book balance	Bad debt reserve	Withdrawal proportion	Reason

Notes:

Relevant information of the provision for bad debts will be disclosed with reference to the disclosure method of other receivables if the provision for bad debts of bills receivable is accrued according to the general model of expected credit loss:

Applicable  Not applicable

Disclosure by aging

In RMB

Aging	Closing balance
Within 1 year (Including 1 year)	0.00
	0.00
1-2 years	0.00
2-3 years	0.00
Over 3 years	0.00
3-4 years	0.00

4-5 years	0.00
Over 5 years	0.00
Total	0.00

## (2) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period			Closing balance
		Accrual	Reversed or collected amount	Write-off	

Of which the significant amount of the reversed or collected part during the reporting period

In RMB

Items	Reversed or collected amount	Method

## (3) The current accounts receivable written-offs situation

In RMB

Items	Amount written-offs

Significant receivables written off are as follows:

In RMB

Unit name	Nature of other receivables	Amount written off	Reasons for writing off	Writing-off procedure	Is the amount incurred by the connected transaction

Notes to receivable write-off:

- 4) Receivables ranking top five on the ending balance list based on the concentration degree of the borrower
- 5) Receivables for which the recognition is terminated due to the transfer of financial assets
- 6) Asset and liability amounts incurred by the transfer of accounts receivables and continuing involvement

Other notes:

## 2. Other receivables

In RMB

Item	Closing balance	Beginning balance
Dividends receivable	100,000,000.00	100,000,000.00
Other receivables	2,715,822,695.73	2,886,852,664.14
Total	2,815,822,695.73	2,986,852,664.14

## (1) Interests receivable

## 1) Classification of interests receivable

In RMB

Item	Closing balance	Beginning balance
------	-----------------	-------------------

## 2) Significant overdue interests

In RMB

Borrower	Closing balance	Overdue time	Overdue reasons	Whether impairment occurs and the judgment basis
----------	-----------------	--------------	-----------------	--

Other notes:

## 3) Bad-debt provision

 Applicable  Not applicable

## (2) Dividends receivable

## 1) Dividends receivable

In RMB

Item (or the invested party)	Closing balance	Beginning balance
Sino Great Wall International Engineering Co., Ltd.	100,000,000.00	100,000,000.00
Total	100,000,000.00	100,000,000.00

## 2) Significant dividends receivable with an aging of more than 1 year

In RMB

Item (or the invested party)	Closing balance	Aging	Reasons for recovery failure	Whether impairment occurs and the judgment basis
Sino Great Wall International Engineering Co., Ltd.	100,000,000.00	2-3 years	No actual payment	
Total	100,000,000.00	--	--	--

Other notes:

## 3) Bad-debt provision

 Applicable  Not applicable

## (3) Other receivables

## 1) Disclosure of other receivables by class

In RMB

Nature	Closing book balance	Opening book balance
--------	----------------------	----------------------

Current payment between units	2,588,244,431.37	2,757,783,997.09
Reserve fund	798,554.43	666,710.88
Cash deposit and pledge	126,779,709.93	151,379,709.93
Others		139,151.87
<b>Total</b>	<b>2,715,822,695.73</b>	<b>2,909,969,569.77</b>

## 2) Bad-debt provision

In RMB

Bad Debt Reserves	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Expected credit loss over life (no credit impairment)	Expected credit losses for the entire duration (credit impairment occurred)	
Balance as at January 1, 2019 in current	---	---	---	---

Loss provision changes in current period, change in book balance with significant amount

 Applicable  Not applicable

Disclosure by aging

In RMB

Aging	Ending balance
Within 1 year(Including 1 year)	61,489,056.94
1-2 years	109,634,494.04
2-3 years	72,817,431.09
Over 3 years	4,352,609.93
3-4 years	4,352,609.93
<b>Total</b>	<b>248,293,592.00</b>

## 3) Accounts receivable withdraw, reversed or collected during the reporting period

The withdrawal amount of the bad debt provision:

In RMB

Category	Opening balance	Amount of change in the current period		Closing balance
		Accrual	Reversed or collected amount	

During the reporting period, there were altogether 14942530.91 yuan bad-debt provision set aside and 0.00 yuan bad-debt provision recovered or carried back.

Bad-debt provisions carried back or recovered in the current period with significant amount are as follows:

In RMB

Unit name	Amount carried back or recovered	Recovery method
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3) Other receivables actually written off in the current period are as follows:

InRMB

Item	Amount written off
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Significant other receivables written off are as follows:

In RMB

Unit name	Nature of other receivables	Amount written off	Reasons for writing off	Writing-off procedure	Is the amount incurred by the connected transaction
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Notes to the write-off of other receivables:

5) Other receivables ranking top five on the ending balance list based on the concentration degree of the borrower

In RMB

Unit name	Nature of payment	Closing balance	Aging	Proportion in the total closing balance of other receivables	Closing balance of bad-debt provision
Sino Great Wall International Engineering Co., Ltd.	Current payment	2,379,350,202.49	Within 1 year	87.61%	
Wuhan Commercial Worker Hospital Co., Ltd.	Current payment	89,886,449.10	Within 1 year	3.31%	
Administration Committee of Fuping High-tech Development Zone	Current payment	50,000,000.00	2-3 years	1.84%	15,000,000.00
Ningling County Neihu Wetland shed Reform Construction Co., Ltd.	Deposit	28,400,000.00	Within 1 year	1.05%	
Fugou County Comprehensive Investment Co., Ltd.	Current payment	30,000,000.00	1-2 years	1.10%	3,000,000.00
Total	--	2,577,636,651.59	--	94.91%	18,000,000.00

## 6) Receivables covered by governmental subsidy

In RMB

Unit name	Name of government subsidy project	Closing balance	Closing aging	Estimated time, amount and basis of the receipt
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7) Other receivables for which the recognition is terminated due to the transfer of financial assets

8) Asset and liability amounts incurred by the transfer of other receivables and continuing involvement

Other notes:

## 3. Long-term equity investment

In RMB

Item	Closing balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidies	3,323,211,536. 66		3,323,211,536. 66	3,323,211,536. 66		3,323,211,536. 66
Total	3,323,211,536. 66		3,323,211,536. 66	3,323,211,536. 66		3,323,211,536. 66

## (1) Investment in subsidies

In RMB

Name of investee	Opening balance	Increase/decrease in this period				End of term	Balance of the provision on for impairment
		Increase in investment			Other		
Sino Great Wall International Engineering Co., Ltd.	3,079,451,53 6.66					3,079,451,53 6.66	
Wuhan Commercial Worker Hospital Co., Ltd.	97,000,000.0 0					97,000,000.0 0	
Sino Great Wall Medical Investment Management Co., Ltd.	5,000,000.00					5,000,000.00	

Changye City Sino Laodingshan Industrial Co., Ltd.	10,000,000.00							10,000,000.00	
Xiangfen County Taoshan Construction Co., Ltd.	10,000,000.00							10,000,000.00	
Sino Zhigu Industrial (Yueyang) Co., Ltd.	109,760,000.00							109,760,000.00	
Ningling County Inner Lake Wetland Shanty-town Renovation Construction Co., Ltd.	5,000,000.00							5,000,000.00	
Chengwu County Shenguang Engineering Project Management Co., Ltd.	7,000,000.00							7,000,000.00	
<b>Total</b>	<b>3,323,211,536.66</b>							<b>3,323,211,536.66</b>	

## (2) Investment in joint ventures and associates

In RMB

Name of investee	Beginning of term	Increase/decrease in this period								End of term	Balance of the provision on for impairment
		Increase in investment	Decrease in investment	Investment income under equity method	Other comprehensive income	Other changes in equity	Announced for distributing cash dividend or	Provision for impairment	Other		



							profit				
I. Joint venture											
II. Associated											

(3) Other notes

#### 4. Business income, Business cost

In RMB

Items	Amount of current period		Amount of previous period	
	Income	Cost	Income	Cost
Main business			117,362.07	108,742,520.47
Total			117,362.07	108,742,520.47

Whether implemented new revenue guidelines

Yes  No

Other notes:

#### 5. Investment income

In RMB

Items	Amount of current period	Amount of previous period
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#### 6. Other

### XVIII. Supplementary Information

#### 1. Current non-recurring gains/losses

Applicable  Not applicable

In RMB

Items	Amount	Notes
Gain or loss on disposal of non-current assets	54,651.22	
Other non-operating income and expenditure except for the above items	-465,112,441.62	
Total	-465,057,790.40	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable  Not applicable

## 2 Return on net assets and earnings per share

Profit of the report period	Return on net assets . Weighted ( % )	Earnings per share	
		Basic earnings per share	Diluted gains per share
Net profit attributable to the Common stock shareholders of Company.	-298.54%	-0.8343	-0.8343
Net profit attributable to the Common stock shareholders of Company after deducting of non-recurring gain/loss.	-200.54%	-0.5604	-0.5604

## 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 between the net profit and net asset in the financial reports prepared under IAS and Chinese Accounting Standard

Applicable  Not applicable

(3) Explain reasons for the differences between accounting data under domestic and overseas accounting standards, for audit data adjusting differences had been foreign audited, should indicate the name of the foreign institutions

## 4. Other

## **XI. Documents available for inspection**

1. Text of financial statement with signature and seals of legal person, person in charge of accounting works and person in charge of accounting institution.
2. Original and official copies of all documents which have been disclosed on Securities Times and Hong Kong Commercial Daily in the report period.

English translation for reference Only Should there be any discrepancy between the two versions, the Chinese version shall prevail.

Legal Representative: Chen Lue  
Sino Great Wall Co., Ltd.