



**SHENZHEN PROPERTIES & RESOURCES DEVELOPMENT (GROUP) LTD.**

**SEMIANNUAL FINANCIAL REPORT 2023**

**August 2023**

# Financial Statements

## I. Auditor's Report

Are these interim financial statements audited by an independent auditor?

Yes  No

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

## II Financial Statements

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

### 1. Consolidated Balance Sheet

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

30 June 2023

Unit: RMB

Item	30 June 2023	1 January 2023
Current assets:		
Monetary assets	1,392,204,627.76	1,517,528,893.83
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	0.00	0.00
Accounts receivable	416,925,839.15	419,933,915.30
Accounts receivable financing		
Prepayments	10,207,824.31	100,341,806.56
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	624,876,343.49	639,903,523.33
Including: Interest receivable	0.00	0.00
Dividends receivable	0.00	0.00
Financial assets purchased under resale agreements		
Inventories	10,848,296,900.64	10,975,334,223.37
Contract assets	110,384,064.37	1,094,632.90
Assets held for sale		
Current portion of non-current assets		
Other current assets	70,987,410.26	65,655,266.27
Total current assets	13,473,883,009.98	13,719,792,261.56
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables	21,920,095.92	22,651,454.07
Long-term equity investments	81,575,705.63	79,781,437.31
Investments in other equity instruments	635,355.65	887,838.64
Other non-current financial assets		

Investment property	405,664,937.06	405,762,739.18
Fixed assets	72,977,952.16	82,745,172.12
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets	55,776,458.18	70,168,415.65
Intangible assets	946,082.32	1,269,382.91
Development costs		
Goodwill	9,446,847.38	9,446,847.38
Long-term prepaid expense	19,591,506.08	21,980,602.46
Deferred income tax assets	1,353,192,386.31	1,383,050,586.04
Other non-current assets	3,926,873.08	2,750,873.08
Total non-current assets	2,025,654,199.77	2,080,495,348.84
Total assets	15,499,537,209.75	15,800,287,610.40
Current liabilities:		
Short-term borrowings		
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	497,515,760.20	608,283,388.52
Advances from customers	1,209,185.48	2,260,847.31
Contract liabilities	119,759,723.57	920,828,040.81
Financial assets sold under repurchase agreements		
Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	193,072,434.89	239,126,392.02
Taxes payable	3,925,399,672.99	3,917,278,346.81
Other payables	1,704,126,936.52	1,515,085,832.45
Including: Interest payable	0.00	0.00
Dividends payable	227,351,128.25	12,202,676.04
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	222,669,043.37	218,858,766.82
Other current liabilities	3,392,989.52	83,991,786.83
Total current liabilities	6,667,145,746.54	7,505,713,401.57
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	4,172,450,268.17	3,618,782,344.00
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	62,925,499.87	77,963,283.55
Long-term payables	0.00	0.00
Long-term employee benefits payable	0.00	0.00
Provisions	766,612.52	766,612.52
Deferred income	0.00	0.00
Deferred income tax liabilities	174,168.87	241,978.54
Other non-current liabilities	128,251,841.93	128,008,919.79
Total non-current liabilities	4,364,568,391.36	3,825,763,138.40
Total liabilities	11,031,714,137.90	11,331,476,539.97

Owners' equity:		
Share capital	595,979,092.00	595,979,092.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	80,488,045.38	80,488,045.38
Less: Treasury stock	0.00	0.00
Other comprehensive income	-2,450,357.68	-3,854,377.95
Specific reserve		
Surplus reserves	48,886,605.81	48,886,605.81
General reserve		
Retained earnings	3,695,166,352.46	3,691,056,182.73
Total equity attributable to owners of the Company as the parent	4,418,069,737.97	4,412,555,547.97
Non-controlling interests	49,753,333.88	56,255,522.46
Total owners' equity	4,467,823,071.85	4,468,811,070.43
Total liabilities and owners' equity	15,499,537,209.75	15,800,287,610.40

Legal representative: Liu Shengxiang

Head of financial affairs: Cai Lili

Head of the financial department: Liu Qiang

## 2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	30 June 2023	1 January 2023
Current assets:		
Monetary assets	732,674,528.27	532,263,736.63
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	2,719,055.69	5,137,042.71
Accounts receivable financing		
Prepayments		
Other receivables	4,596,372,355.43	5,162,396,869.45
Including: Interest receivable		
Dividends receivable	151,433,108.41	151,433,108.41
Inventories	93,126,982.22	793,075,051.53
Contract assets	109,392,112.37	
Assets held for sale		
Current portion of non-current assets		
Other current assets	1,025,446.90	18,130,015.97
Total current assets	5,535,310,480.88	6,511,002,716.29
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	1,449,541,586.02	1,447,747,317.70
Investments in other equity instruments	865,855.65	1,118,338.64
Other non-current financial assets		
Investment property	264,768,426.75	260,599,477.89
Fixed assets	26,787,980.94	31,577,309.67
Construction in progress		

Productive living assets		
Oil and gas assets		
Right-of-use assets	3,413,718.30	3,238,351.85
Intangible assets		
Development costs		
Goodwill		
Long-term prepaid expense	580,220.67	860,115.06
Deferred income tax assets	90,295,008.03	152,942,094.59
Other non-current assets	2,511,552,650.86	2,362,376,650.86
Total non-current assets	4,347,805,447.22	4,260,459,656.26
Total assets	9,883,115,928.10	10,771,462,372.55
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	54,032,590.97	41,228,778.20
Advances from customers	0.00	952,186.65
Contract liabilities	0.00	840,878,470.63
Employee benefits payable	50,427,323.40	56,425,731.67
Taxes payable	4,149,081.01	1,783,757.84
Other payables	7,341,237,233.98	7,258,663,180.38
Including: Interest payable		
Dividends payable	215,178,094.61	29,642.40
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	190,309,485.27	190,431,469.82
Other current liabilities	0.00	75,679,062.35
Total current liabilities	7,640,155,714.63	8,466,042,637.54
Non-current liabilities:		
Long-term borrowings	431,200,000.00	462,000,000.00
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	2,481,170.16	1,947,178.87
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities	40,000,000.00	40,000,000.00
Total non-current liabilities	473,681,170.16	503,947,178.87
Total liabilities	8,113,836,884.79	8,969,989,816.41
Owners' equity:		
Share capital	595,979,092.00	595,979,092.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	53,876,380.11	53,876,380.11
Less: Treasury stock		
Other comprehensive income	-3,018,820.21	-2,742,841.65

Specific reserve		
Surplus reserves	48,886,605.81	48,886,605.81
Retained earnings	1,073,555,785.60	1,105,473,319.87
Total owners' equity	1,769,279,043.31	1,801,472,556.14
Total liabilities and owners' equity	9,883,115,928.10	10,771,462,372.55

### 3. Consolidated Income Statement

Unit: RMB

Item	H1 2023	H1 2022
1. Revenue	1,905,464,632.85	1,988,299,840.24
Including: Operating revenue	1,905,464,632.85	1,988,299,840.24
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	1,605,529,607.89	1,648,725,222.85
Including: Cost of sales	1,372,159,884.25	1,068,652,583.32
Interest expense		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	45,190,786.03	394,230,719.81
Selling expense	13,087,297.05	11,358,858.51
Administrative expense	149,188,184.18	143,701,058.05
R&D expense	1,711,051.44	2,689,725.40
Finance costs	24,192,404.94	28,092,277.76
Including: Interest expense	31,827,441.32	36,281,087.17
Interest income	7,930,755.87	9,179,453.97
Add: Other income	5,670,088.91	6,806,445.99
Return on investment ("-" for loss)	1,857,388.32	946,914.05
Including: Share of profit or loss of joint ventures and associates	1,857,388.32	859,534.38
Income from the derecognition of financial assets at amortized cost ("-" for loss)		
Exchange gain ("-" for loss)		
Net gain on exposure hedges ("-" for loss)		
Gain on changes in fair value ("-" for loss)		
Credit impairment loss ("-" for loss)	-13,610,779.58	-14,462,076.54

Asset impairment loss (“-” for loss)	2,045.93	3,302.47
Asset disposal income (“-” for loss)	174,379.69	-41,452.49
3. Operating profit (“-” for loss)	294,028,148.23	332,827,750.87
Add: Non-operating income	-204,898.03	2,546,068.46
Less: Non-operating expense	357,718.39	1,417,586.84
4. Profit before tax (“-” for loss)	293,465,531.81	333,956,232.49
Less: Income tax expense	78,819,275.76	92,655,204.26
5. Net profit (“-” for net loss)	214,646,256.05	241,301,028.23
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	214,584,900.22	241,301,028.23
5.1.2 Net profit from discontinued operations (“-” for net loss)	61,355.83	0.00
5.2 By ownership		
5.2.1 Net profit attributable to shareholders of the Company as the parent (“-” for net loss)	220,903,444.63	250,802,157.71
5.2.2 Net profit attributable to non-controlling interests (“-” for net loss)	-6,257,188.58	-9,501,129.48
6. Other comprehensive income, net of tax	1,404,020.27	2,063,279.42
Attributable to owners of the Company as the parent	1,404,020.27	2,063,279.42
6.1 Items that will not be reclassified to profit or loss	-275,978.56	-118,365.58
6.1.1 Changes caused by remeasurements on defined benefit schemes	0.00	0.00
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method	0.00	0.00
6.1.3 Changes in the fair value of investments in other equity instruments	-275,978.56	-118,365.58
6.1.4 Changes in the fair value arising from changes in own credit risk	0.00	0.00
6.1.5 Other	0.00	0.00
6.2 Items that will be reclassified to profit or loss	1,679,998.83	2,181,645.00
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Changes in the fair value of investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	1,679,998.83	2,181,645.00
6.2.7 Other		
Attributable to non-controlling interests	0.00	0.00
7. Total comprehensive income	216,050,276.32	243,364,307.65

Attributable to owners of the Company as the parent	222,307,464.90	252,865,437.13
Attributable to non-controlling interests	-6,257,188.58	-9,501,129.48
8. Earnings per share		
8.1 Basic earnings per share	0.3707	0.4208
8.2 Diluted earnings per share	0.3707	0.4208

Where business combinations under common control occurred in the Current Period, the net profit achieved by the acquirees before the combinations was RMB0, with the amount for the same period of last year being RMB0.

Legal representative: Liu Shengxiang

Head of financial affairs: Cai Lili

Head of the financial department: Liu Qiang.

#### 4. Income Statement of the Company as the Parent

Unit: RMB

Item	H1 2023	H1 2022
1. Operating revenue	1,003,621,923.84	31,589,670.59
Less: Cost of sales	698,031,149.77	17,210,314.74
Taxes and surcharges	8,373,564.71	3,188,103.66
Selling expense	406,096.84	189,424.71
Administrative expense	47,358,840.75	45,512,068.89
R&D expense	0.00	0.00
Finance costs	6,675,706.20	4,842,416.19
Including: Interest expense	13,125,188.51	13,164,271.45
Interest income	3,531,500.73	5,221,428.26
Add: Other income	252,975.99	182,349.33
Return on investment (“-” for loss)	1,857,388.32	77,583,669.56
Including: Share of profit or loss of joint ventures and associates	1,857,388.32	859,534.38
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		
Credit impairment loss (“-” for loss)	482,276.30	47,995.81
Asset impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)	111,000.73	0.00
2. Operating profit (“-” for loss)	245,480,206.91	38,461,357.10
Add: Non-operating income	413,371.19	0.00
Less: Non-operating expense	15,573.60	23,576.47
3. Profit before tax (“-” for loss)	245,878,004.50	38,437,780.63
Less: Income tax expense	62,647,086.56	8,672,460.66



4. Net profit (“-” for net loss)	183,230,917.94	29,765,319.97
4.1 Net profit from continuing operations (“-” for net loss)	183,230,917.94	29,765,319.97
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	-275,978.56	-118,365.58
5.1 Items that will not be reclassified to profit or loss	-275,978.56	-118,365.58
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments	-275,978.56	-118,365.58
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of investments in other debt obligations		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for investments in other debt obligations		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	182,954,939.38	29,646,954.39
7. Earnings per share		
7.1 Basic earnings per share	0.3074	0.0499
7.2 Diluted earnings per share	0.3074	0.0499

## 5. Consolidated Cash Flow Statement

Unit: RMB

Item	H1 2023	H1 2022
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,134,538,536.26	1,508,257,820.26
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		

Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax rebates	15,030,885.06	9,187,939.90
Cash generated from other operating activities	126,769,873.68	461,787,150.96
Subtotal of cash generated from operating activities	1,276,339,295.00	1,979,232,911.12
Payments for commodities and services	1,075,770,309.73	1,486,656,535.01
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	495,986,685.15	503,751,276.86
Taxes paid	157,276,244.25	278,354,981.59
Cash used in other operating activities	127,327,714.02	106,464,348.75
Subtotal of cash used in operating activities	1,856,360,953.15	2,375,227,142.21
Net cash generated from/used in operating activities	-580,021,658.15	-395,994,231.09
2. Cash flows from investing activities:		
Proceeds from disinvestment		
Return on investment	63,120.00	0.00
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	73,664.52	33,054.00
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	136,784.52	33,054.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	2,589,103.59	8,208,285.38
Payments for investments	1,644,822.69	240,634,030.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing	4,233,926.28	248,842,315.38

activities		
Net cash generated from/used in investing activities	-4,097,141.76	-248,809,261.38
3. Cash flows from financing activities:		
Capital contributions received	0.00	1,260,000.00
Including: Capital contributions by non-controlling interests to subsidiaries	0.00	1,260,000.00
Borrowings raised	590,984,586.17	286,832,330.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	590,984,586.17	288,092,330.00
Repayment of borrowings	32,316,662.00	30,900,000.00
Interest and dividends paid	94,407,905.77	93,476,441.56
Including: Dividends paid by subsidiaries to non-controlling interests	245,000.00	
Cash used in other financing activities	15,224,062.82	12,142,998.09
Subtotal of cash used in financing activities	141,948,630.59	136,519,439.65
Net cash generated from/used in financing activities	449,035,955.58	151,572,890.35
4. Effect of foreign exchange rates changes on cash and cash equivalents	2,054,469.55	2,438,091.50
5. Net increase in cash and cash equivalents	-133,028,374.78	-490,792,510.62
Add: Cash and cash equivalents, beginning of the period	1,509,693,857.48	1,963,988,756.69
6. Cash and cash equivalents, end of the period	1,376,665,482.70	1,473,196,246.07

## 6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	H1 2023	H1 2022
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	65,620,304.10	25,384,592.62
Tax rebates	0.00	0.00
Cash generated from other operating activities	720,171,786.00	1,332,729,141.98
Subtotal of cash generated from operating activities	785,792,090.10	1,358,113,734.60
Payments for commodities and services	30,896,291.92	31,342,993.24
Cash paid to and for employees	31,086,528.03	35,011,651.40
Taxes paid	39,797,238.94	25,455,041.33
Cash used in other operating activities	294,025,250.18	1,183,602,910.44
Subtotal of cash used in operating activities	395,805,309.07	1,275,412,596.41
Net cash generated from/used in operating activities	389,986,781.03	82,701,138.19
2. Cash flows from investing activities:		

Proceeds from disinvestment	0.00	0.00
Return on investment	63,120.00	0.00
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	0.00	209.00
Net proceeds from the disposal of subsidiaries and other business units	0.00	0.00
Cash generated from other investing activities	0.00	0.00
Subtotal of cash generated from investing activities	63,120.00	209.00
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	152,169.34	390,961.75
Payments for investments	148,000,000.00	389,000,000.00
Net payments for the acquisition of subsidiaries and other business units	0.00	0.00
Cash used in other investing activities	0.00	0.00
Subtotal of cash used in investing activities	148,152,169.34	389,390,961.75
Net cash generated from/used in investing activities	-148,089,049.34	-389,390,752.75
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings raised	0.00	125,000,000.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	0.00	125,000,000.00
Repayment of borrowings	30,800,000.00	30,800,000.00
Interest and dividends paid	13,132,759.86	13,015,483.64
Cash used in other financing activities	0.00	1,227,250.00
Subtotal of cash used in financing activities	43,932,759.86	45,042,733.64
Net cash generated from/used in financing activities	-43,932,759.86	79,957,266.36
4. Effect of foreign exchange rates changes on cash and cash equivalents	38,215.73	20,809.20
5. Net increase in cash and cash equivalents	198,003,187.56	-226,711,539.00
Add: Cash and cash equivalents, beginning of the period	528,268,054.39	808,411,401.68
6. Cash and cash equivalents, end of the period	726,271,241.95	581,699,862.68

## 7. Consolidated Statements of Changes in Owners' Equity

H1 2023

Unit: RMB

Item	H1 2023														Non-controlli	Total owners'
	Equity attributable to owners of the Company as the parent												Subtotal			
	Share capi	Other equity instruments			Capital rese	Less: Trea	Other com	Specific rese	Surplus rese	General rese	Retained earn	Other				
	Pref	Perp	Oth													

	tal	erre d shar es	etua l bon ds	er	rves	sury stoc k	preh ensi ve inco me	rve	rves	rve	ings			ng inter ests	equi ty
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00				80,488,045.38		-3,854,377.95		48,886,605.81		3,691,056,182.73		4,412,555,547.97	56,255,522.46	4,468,811,070.43
Add:															
Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Adjustment for business combination under common control															
Other adjustments															
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00				80,488,045.38		-3,854,377.95		48,886,605.81		3,691,056,182.73		4,412,555,547.97	56,255,522.46	4,468,811,070.43
3. Increase/decrease in the period (“-” for decrease)					0.00	0.00	1,404,020.27	0.00	0.00	0.00	4,110,169.73		5,514,190.00	-6,502,188.58	-987,998.58
3.1 Total comprehensive income							1,404,020.27				220,903,444.63		222,307,464.90	-6,257,188.58	216,050,276.32
3.2 Capital increased and reduced by owners					0.00	0.00	0.00	0.00	0.00	0.00	1,644,822.69		1,644,822.69		1,644,822.69
3.2.1 Ordinary shares increased by owners													0.00		0.00
3.2.2 Capital increased by holders of other equity instruments													0.00		0.00
3.2.3 Share-based payments included in owners’													0.00		0.00

equity																	
3.2.4 Other											1,644,822.69						
3.3 Profit distribution																	
3.3.1 Appropriation to surplus reserves																	
3.3.2 Appropriation to general reserve																	
3.3.3 Appropriation to owners (or shareholders)																	
3.3.4 Other																	
3.4 Transfers within owners' equity																	
3.4.1 Increase in capital (or share capital) from capital reserves																	
3.4.2 Increase in capital (or share capital) from surplus reserves																	
3.4.3 Loss offset by surplus reserves																	
3.4.4 Changes in defined benefit schemes transferred to retained earnings																	
3.4.5 Other comprehensive income transferred to retained earnings																	
3.4.6 Other																	
3.5																	

Specific reserve															
3.5.1 Increase in the period													0.00		0.00
3.5.2 Used in the period													0.00		0.00
3.6 Other													0.00		0.00
4. Balance as at the end of the period	595,979,092.00	0.00	0.00	0.00	80,488,045.38	0.00	-2,450.357.68	0.00	48,886,605.81	0.00	3,695,166.352.46		4,418,069,973.797	49,753,333.88	4,467,823,071.85

H1 2022

Unit: RMB

Item	H1 2022														Non-controlling interests	Total owners' equity
	Equity attributable to owners of the Company as the parent															
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal			
	Prefere d shares	Perpetua l bonds	Other													
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00	0.00	0.00	0.00	146,986,167.70	0.00	-8,174,653.66	0.00	47,574,940.18	0.00	3,800,901,413.35		4,583,266,959.57	46,819,613.19	4,630,086,572.76	
Add: Adjustment for change in accounting policy																
Adjustment for correction of previous error																
Adjustment for business combination under common control																
Other adjustments																
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00	0.00	0.00	0.00	146,986,167.70	0.00	-8,174,653.66	0.00	47,574,940.18	0.00	3,800,901,413.35		4,583,266,959.57	46,819,613.19	4,630,086,572.76	
3. Increase/decrease in the period ("-" for decrease)					-66,498,122.32	0.00	2,063,279.42	0.00	-17,937,391.71	0.00	-362,926,701.89		-445,298,936.50	-8,241,129.48	-453,540,065.98	
3.1 Total comprehensive income							2,063,279.42				250,802,		252,865,	-9,50	243,364,	

							9.42				157.71		437.13	1,129.48	307.65
3.2 Capital increased and reduced by owners					-66,498,122.32	0.00	0.00	0.00	-17,937,391.71	0.00	208,463,077.04		292,898,591.07	1,260.00	291,638,591.07
3.2.1 Ordinary shares increased by owners													0.00	1,260.00	1,260.00
3.2.2 Capital increased by holders of other equity instruments													0.00		0.00
3.2.3 Share-based payments included in owners' equity													0.00		0.00
3.2.4 Other					-66,498,122.32				-17,937,391.71		208,463,077.04		292,898,591.07		292,898,591.07
3.3 Profit distribution											-405,265,782.56		-405,265,782.56		-405,265,782.56
3.3.1 Appropriation to surplus reserves													0.00		0.00
3.3.2 Appropriation to general reserve													0.00		0.00
3.3.3 Appropriation to owners (or shareholders)											-405,265,782.56		-405,265,782.56		-405,265,782.56
3.3.4 Other													0.00		0.00
3.4 Transfers within owners' equity													0.00		0.00
3.4.1 Increase in capital (or share capital) from capital reserves													0.00		0.00
3.4.2 Increase in capital (or													0.00		0.00



share capital) from surplus reserves																
3.4.3 Loss offset by surplus reserves													0.00			0.00
3.4.4 Changes in defined benefit schemes transferred to retained earnings													0.00			0.00
3.4.5 Other comprehensive income transferred to retained earnings													0.00			0.00
3.4.6 Other													0.00			0.00
3.5 Specific reserve													0.00			0.00
3.5.1 Increase in the period													0.00			0.00
3.5.2 Used in the period													0.00			0.00
3.6 Other													0.00			0.00
4. Balance as at the end of the period	595,979,092.00	0.00	0.00	0.00	80,488,045.38	0.00	-6,111,374.24	0.00	29,637,548.47	0.00	3,437,974.71	1.46	4,137,968,023.07	38,578,483.71	1	4,176,546,506.78

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

H1 2023

Unit: RMB

Item	H1 2023												Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other		
		Preferred shares	Perpetual bonds	Other									
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00				53,876,380.11		-2,742,841.65		48,886,605.81	1,105,473.319.87			1,801,472,556.14
Add: Adjustment for change in accounting policy													
Adjustment for correction of													

previous error												
Other adjustments												
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00				53,876,380.11		-2,742,841.65		48,886,605.81	1,105,473.319.87		1,801,472.556.14
3. Increase/decrease in the period (“-” for decrease)							-275,978.56			-31,917,534.27		-32,193,512.83
3.1 Total comprehensive income							-275,978.56			183.230,917.94		182.954,939.38
3.2 Capital increased and reduced by owners												
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners' equity												
3.2.4 Other												
3.3 Profit distribution										-215.148,452.21		-215.148,452.21
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)										-215.148,452.21		-215.148,452.21
3.3.3 Other												
3.4 Transfers within owners' equity												
3.4.1 Increase in capital (or												

share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												
3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the period	595,979,092.00				53,876,380.11		-3,018,820.21		48,886,605.81	1,073,555.785.60		1,769,279,043.31

H1 2022

Unit: RMB

Item	H1 2022											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
1. Balance as at the end of the Reporting Period of the prior year	595,979,092.00				53,876,380.11		-2,574,121.54		29,637,548.47	1,337,497.586.41		2,014,416,854.5
Add: Adjustment for change in accounting policy												

Adjustment for correction of previous error												
Other adjustments												
2. Balance as at the beginning of the Reporting Period of the year	595,979,092.00				53,876,380.11		-2,574,121.54		29,637,548.47	1,337,497.586.41		2,014,416,485.45
3. Increase/decrease in the period (“-” for decrease)							-118,365.58			-375.500,462.59		-375,618,828.17
3.1 Total comprehensive income							-118,365.58			29,765,319.97		29,646,954.39
3.2 Capital increased and reduced by owners												
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners' equity												
3.2.4 Other												
3.3 Profit distribution										-405,265,782.56		-405,265,782.56
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)										-405,265,782.56		-405,265,782.56
3.3.3 Other												
3.4 Transfers within owners' equity												

3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												
3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the period	595,979,092.00				53,876,380.11		-2,692,487.12		29,637,548.47	961,997,123.82		1,638,797,657.28

### III Company Profile

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

The Company is in the real estate sector. Its main business includes development of real estate and sale of commercial housing, construction and management of buildings, house rent, supervision of construction, domestic trading and materials supply and

marketing (excluding exclusive dealing and monopoly sold products and commodities under special control to purchase). Main products or services rendered mainly include the development and sales of commercial residential housing; property management; buildings and the building devices maintenance, garden afforestation and cleaning service; property leasing; supervise and management of the engineering; retails of the Chinese food, Western-style food and wines, and etc.

The financial statements were approved and authorized for issue by the 19<sup>th</sup> Meeting of the 10<sup>th</sup> Board of Directors of the Company on 25 August 2023.

The consolidation scope of the Company's consolidated financial statements was determined based on the control. There were 62 subsidiaries including Shenzhen Huangcheng Real Estate Co., Ltd., Dongguan Guomao Changsheng Real Estate Development Co., Ltd., Shenzhen International Trade Center Property Management Co., Ltd. included in the consolidation financial statements in this report. Please refer to the Note VIII and Note IX of the financial report for details.

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

### **1. Preparation Basis**

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

### **2. Continuation**

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

## **V. Important Accounting Policies and Estimations**

Indication of specific accounting policies and estimations:

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

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

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

### **2. Fiscal Period**

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

### **3. Operating Cycle**

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

*development project and classified by the assets and liabilities liquidity.*

#### **4. Standard Currency of Accounts**

The Company adopts Renminbi as a standard currency of accounts.

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

#### **1. Accounting Process of Business Combinations under the Same Control**

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

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

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

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

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

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

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

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

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

- 1) These transactions are reached concurrently or after the impact thereof on each other is taken into consideration.
- 2) These transactions may achieve a complete business result only as a whole.

- 3) The occurrence of a transaction depends on the occurrence of, at a minimum, one another transaction.
- 4) A transaction is considered uneconomical separately but is considered economical when other transactions are also taken into consideration.

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

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

In the consolidated financial statements, the remaining equity should be remeasured at fair value on the date of loss of control. The sum of the consideration obtained from the disposition of equity and the fair value of the residual equity minus the Company's portion of net assets in the former subsidiary calculated from the date of combination on an ongoing basis at the original shareholding ratio is included in the return on investment for the current period when the Company lost the control. Other comprehensive income related to the equity investments in the former subsidiary should be included in the return on investment or retained earnings for the current period when the Company lost the control.

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

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

If the disposal of investments made in its subsidiary results in a loss of control over the subsidiary, in the consolidated financial statements, the remaining equity should be remeasured at the fair value on the date of loss of control. The sum of the consideration obtained from the disposition of equity and the fair value of the residual equity minus the Company's portion of net assets in the former subsidiary calculated from the date of combination on an ongoing basis at the original shareholding ratio is included in the return on investment for the current period when the Company lost the control. Other comprehensive income related to the equity investments in the former subsidiary should be included in the return on investment or retained earnings for the current period when the Company lost the control.

## **6. Methods for Preparing Consolidated Financial Statements**

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

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

### **1. Identification and classification of joint arrangements**

A joint arrangement is an arrangement over which two or more parties have joint control. A joint arrangement has the following characteristics: (1) Each participant is bound by the arrangement; (2) two or more parties of the joint arrangement exercise joint



control over the arrangement. No one party can control the arrangement alone, and any party with joint control over the arrangement can prevent the other party or combination of parties from controlling the arrangement alone.

Joint control refers to the common control over a particular arrangement according to relevant agreement, and that the decisions on relevant activities under such arrangement are subject to unanimous consent from the parties sharing the joint control.

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

## 2. Accounting treatment of joint arrangements

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

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

## 8. Recognition Standard for Cash and Cash Equivalents

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

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

### (1) Accounting treatments for translation of foreign currency business

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

### (2) Translation of foreign currency financial statements

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

## 10. Financial Instruments

### 1. Recognition and derecognition of financial instruments

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

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

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

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

### 2. Classification and measurement of financial assets

At initial recognition, according to the business model of managing financial assets and the contractual cash flow characteristics of financial assets, financial assets of the Group are classified into the following categories: Financial assets measured at the amortized cost, financial assets measured at fair value through other comprehensive income of the current period, and financial assets measured at fair value through profit and loss for the current period. The subsequent measurement of financial assets depended on their categories.

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

#### (1) Financial assets measured at amortized cost

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

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

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

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

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

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

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

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

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

### 3. Classification and measurement of financial liabilities

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

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

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

The subsequent measurement of financial liabilities depended on their categories:

#### (1) Financial liabilities measured at amortized cost

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

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

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

### 4. Financial instrument offset

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

### 5. Impairment of financial instrument

## (1) Impairment measurement and accounting handling of financial instrument

Based on expected credit loss, the Company conducts impairment handling and confirms loss reserve for financial assets which is measured by amortized cost, debt instrument investment which is measured by fair value and whose change is calculated into other comprehensive profits, accounts receivable of rental, loan commitment which is beyond financial debt classified as the one which is measured by fair value and whose change is calculated into current profits and losses, financial debt which does not belong to the one which is measured by fair value and whose change is calculated into current profits or losses, or financial guarantee contract of financial debt which is formed when it does not belong to financial asset transfer and doesn't conform to confirmation condition of termination or keeps on being involved in transferred financial asset.

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

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

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

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

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

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

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

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

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

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

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

group		combining actual situation and prediction for future economic situation, the group's expected credit loss rate shall be accounted through exposure at default and the expected credit loss rate within the next 12 months or the entire life
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## (3) Accounts receivable with expected credit losses measured by groups

## ① Specific groups and method of measuring expected credit loss

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

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

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

## 6. Financial asset transfer

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

If the Group has neither transferred nor retained almost all the risks and rewards of its ownership of the transferred financial assets, it will be treated respectively according to the following circumstances: If the control over the financial assets is waived, relevant financial assets shall be derecognized, and the assets and liabilities arising from them shall be recognized; if the control over the financial assets is not waived, relevant financial assets shall be recognized based on the extent of continuing involvement with transferred financial assets, and related liabilities shall be recognized accordingly.

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

**11. Notes Receivable**

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

**12. Accounts Receivable**

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

### 13. Accounts Receivable Financing

Not applicable.

### 14. Other Receivables

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

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

### 15. Inventory

#### (1) Inventories Classification

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

#### (2) Cost Flow Assumption

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

#### (3) Recognition basis of Net Realizable Value of Inventory

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

#### (4) Inventory System for Inventories

Inventory system: Perpetual inventory system

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

- 1) Low-value Consumption Goods

One-off amortization method

- 2) Packing Articles

One-off amortization method

### 16. Contract Assets

The Company presents contract assets or contract liabilities on the balance sheet according to the relationship between the fulfillment of its contract performance obligations and its customers' payment. Considerations that the Company has the right to collect for

commodities transferred or services provided to customers (except for accounts receivable) are presented as contract assets.

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

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

### **17. Contract Costs**

Contract costs comprise contract performance cost and contract acquisition cost.

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

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

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

This cost is expected to be recovered.

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

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

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

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

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

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

### **18. Assets Held for Sale**

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

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

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

#### **19. Investments in Debt Obligations**

Not applicable.

#### **20. Investments in other Debt Obligations**

Not applicable.

#### **21. Long-term Receivable**

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

#### **22. Long-term Equity Investments**

##### **(1) Judgment of Joint Control and Significant Influences**

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

##### **(2) Recognition of Investment Cost**

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

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



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

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

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

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

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

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

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

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

#### 1) Individual financial statements

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

#### 2) Consolidated financial statements

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

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

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

subsidiary's equity investment shall be transferred into current investment income when the control ceases.

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

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

#### **(5) Impairment test method and impairment provision method**

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

### **23. Investment Property**

Measurement mode of investment real estates

Measurement of cost method

Depreciation or amortization method

1. The term "investment real estate" includes the right to use any land which has already been rented, the right to use any land which is held and prepared for transfer after appreciation, and the right to use any building which has already been rented.

2. The Company initially measures the investment property according to the costs, and adopts the cost method in the subsequent measurement of investment property, and adopts the same methods with fixed assets and intangible assets to withdraw depreciation or amortization. When there is any indication of impairment of investment property on the balance sheet date, corresponding provision for impairment shall be made according to the difference between the book value and recoverable amount.

### **24. Fixed Assets**

#### **(1) Recognized Standard of Fixed Assets**

The term "fixed assets" refers to the tangible assets that simultaneously possess the features as follows: they are held for the sake of producing commodities, rendering labor service, renting or business management; and their useful life is in excess of one fiscal year. No fixed asset may be recognized unless it simultaneously meets the conditions as follows: (1) The economic benefits are likely to flow into the enterprise; (2) The cost of the fixed asset can be measured reliably.

#### **(2) Depreciation Method**

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

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

Not applicable.

**25. Construction in Progress**

1. No construction in progress may be recognized unless it simultaneously meets the conditions as follows: (1) The economic benefits are likely to flow into the enterprise; (2) The cost of the fixed asset can be measured reliably. Construction in progress shall be measured according to the occurred actual costs before the assets available for the intended use.
2. When the construction in progress is available for the intended use, it shall be transferred to fixed assets according to the actual cost of the project. For construction in progress available for the intended use but not dealing with final accounts of completed project, it shall be transferred to fixed assets according to the estimated value first, and then adjust original temporarily estimated value based on the actual costs after the final accounts of completed project, but not adjust the depreciation that was already calculated.

**26. Borrowing Costs****1. Recognition Principle of Capitalization of Borrowing Costs**

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

**2. Capitalization Period of Borrowings Costs**

- (1) The borrowing costs shall not be capitalized unless they simultaneously meet the following requirements: 1) The asset disbursements have already incurred; 2) The borrowing costs have already incurred; 3) The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.
- (2) Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended. The borrowing costs incurred during such period shall be recognized as expenses, and shall be recorded into the profits and losses of the current period, till the acquisition and construction or production of the asset restarts.
- (3) When the acquisition and construction or production of a qualified asset eligible for capitalization are available for its intended use or sale, the capitalization of borrowing costs shall be stopped.

**3. Capitalized rate and amount of borrowing costs**

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

**27. Biological Assets**

Not applicable.

## 28. Oil and Gas Assets

Not applicable.

## 29. Right-of-use Assets

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

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

1. The initial measurement amount of the lease obligation.
2. If a lease incentive exists for lease payments made on or before the commencement date of the lease term, the amount related to the lease incentive already taken is deducted.
3. Initial direct costs incurred.
4. Costs expected to be incurred by the Group for dismantling and removing the leased asset(s), restoring the premises where the leased asset(s) is/are located, or restoring the leased asset(s) to the status agreed in the leasing clauses. If the aforementioned costs are incurred for inventory production, relevant provisions of *Accounting Standard for Business Enterprises No.1 - Inventory* is applicable. The Group recognizes and measures the costs described in Item 4 above in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 13 - Contingencies*. The initial direct costs incurred refer to the incremental costs incurred to achieve the lease. Incremental costs are costs that would not have been incurred had the business not acquired the lease.

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

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

## 30. Intangible Assets

### (1) Pricing Method, Useful Life and Impairment Test

1. Intangible assets include right to use land sites, use right of software etc. and conduct the initial measurement according to the costs.
2. With regard to intangible assets with limited service life, it shall be amortized systematically and reasonably within their service life according to the expected implementation of economic interests related to the intangible assets. If it can't recognize the expected implementation reliably, it shall be amortized by straight-line method. The specific useful lives are as follows:

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

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

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

**(2) Accounting Policies of Internal R&D Expenses**

Not applicable.

**31. Impairment of Long-term Assets**

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

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

**32. Long-term Prepaid Expenses**

Long-term deferred expenses refer to general expenses with the amortized period over one year (one year excluded) that have occurred. Long-term prepaid expense shall be recorded into the account according to the actual accrual. Long-term prepaid expense shall be amortized averagely within benefit period or specified period. In case of no benefit in the future accounting period, the amortized value of such project that fails to be amortized shall be transferred into the profits and losses of the current period.

**33. Contract Liabilities**

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

**34. Payroll****(1) Accounting Treatment of Short-term Compensation**

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

**(2) Accounting Treatment of the Welfare after Demission**

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

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

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

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

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

recognized in other comprehensive income may be transferred within the equity scope.

### **(3) Accounting Treatment of Demission Welfare**

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

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

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

## **35. Lease Liabilities**

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

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

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

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

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

## **36. Provisions**

1. The obligation such as external guaranty, litigation or arbitration, product quality assurance, loss contract, pertinent to a contingencies shall be recognized as the provisions when the following conditions are satisfied simultaneously: ① That obligation is a current obligation of the enterprise; ② It is likely to cause any economic benefit to flow out of the enterprise as a result of performance of the obligation; and ③ The amount of the obligation can be measured in a reliable way.

2. The Company shall conduct the initial measurement to provisions according to the best estimate number needed for performing the related current obligation and recheck the carrying value of accrued liabilities on balance sheet date.

## **37. Share-based Payment**

Not applicable.

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

Not applicable.

### 39. Revenue

The Accounting Policy Adopted for Recognition and Measurement of Revenue

#### 1. Recognition of revenue

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

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

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

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

- 1) The customer gains and consumes the economic interests brought by the Company’s contract performance when the Company performs the contract.
- 2) The customer is able to control the assets in progress during the Company’s contract performance.
- 3) The assets produced during the Company’s contract performance have irreplaceable use, and the Company has the right to collect payment in respect of its completed contract performance accumulated as of now throughout the entire contract period.

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

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

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

- 1) The Company is entitled to the current right of payment collection in respect of the commodity. In other words, the customer has the current obligation to pay for the commodity.
- 2) The Company has transferred the legal ownership of the commodity to the customer. In other words, the customer has owned the legal ownership of the commodity.
- 3) The Company has transferred the physical commodity to the customer. In other words, the customer has taken physical possession of the commodity.
- 4) The Company has transferred the major risks and remunerations in respect of the ownership of the commodity. In other words, the customer has acquired the major risks and remunerations in respect of the ownership of the commodity.
- 5) The customer has accepted the commodity.
- 6) Other signs indicating that the customer has acquired control over the commodity.

Specific policies of the Company for recognizing revenue:

#### 1) Real Estate Sales Contracts

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

sold development products, the amount of income can be measured reliably, relevant economic benefits are likely to flow in, the relevant costs that have occurred or will occur can be measured reliably. Only recognizing the sales income realization under the following conditions: acquired the real estate completed and accepted as qualified (the completion and acceptance reports), signed an irreversible sales contract, obtained the buyer's payment certificate (for those who chose bank mortgage, the first installment and the full amount of bank mortgage must be required; All housing payment should be paid in case of refusal to adopt automatic payment for bank mortgage loan). The earlier one of house delivery time designated in the House Delivery Notice delivered (the delivery will be deemed completed if the owners fail to conduct pertinent procedures for their personal reasons within a designated period) and time when the owners complete the procedures of delivery in effect should be determined as the time when the revenue is recognised.

#### 2) Providing Labor Services

If the provision of labor services can be reliably estimated (all the following conditions are met: ① The amount of income can be measured reliably; ② The relevant economic benefits are likely to inflow to the Company; ③ The progress of the transaction can be reliably determined; ④ The cost incurred and to be incurred in the transaction can be measured reliably), it shall recognize the revenue from providing services employing the percentage-of-completion method, and confirm the completion of labor service according to the costs incurred as a percentage of the total estimated costs. If the Company can't, on the date of the balance sheet, reliably estimate the outcome of a transaction concerning the labor services it provides, it shall be handled under the following conditions: If the cost of labor services incurred is expected to be compensated, the revenue from the providing of labor services shall be recognized in accordance with the amount of the cost of labor services incurred, and the cost of labor services shall be carried forward at the same amount; If the cost of labor services incurred is not expected to compensate, the cost incurred should be included in the current profits and losses, and no revenue from the providing of labor services may be recognized.

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

#### 3) Transferring the Right to Use Assets

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

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

#### 4) Software sales revenue

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

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

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



## ② Revenue recognition and measurement methods for systems integration contracts

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

## ③ Revenue recognition and measurement methods for technical service revenue

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

## 5) Other Business Income

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

### 3. Measurement of Revenue

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

#### (1) Variable consideration

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

#### (2) Significant financing component

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

#### (3) Non-cash consideration

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

#### (4) Consideration payable to a customer

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

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

consideration payable to the customer.

Differences in accounting policies for the recognition of revenue caused by different business models for the same type of business  
Not applicable.

#### **40. Government Grants**

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

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

The government subsidies that are acquired for construction or form long-term assets in other ways according to government documents shall be defined as asset-related government subsidies. For those not specified in government documents, the judgment shall be made based on the compulsory fundamental conditions for acquiring the subsidies. If the subsidies are acquired with construction or the formation of long-term assets in other ways as fundamental conditions, they shall be recognized as asset-related government subsidies. For asset-related government subsidies, the carrying value of related assets shall be written down or recognized as deferred income. If asset-related government subsidies are recognized as deferred income, it shall be recorded into profits or losses by period in a reasonable and systemic manner within the life of related assets. Government subsidies measured at the nominal amount shall be directly recorded into current profits or losses. If related assets are sold, transferred, disposed of or destroyed before the end of their life, the undistributed balance of related deferred income shall be transferred into the profits or losses for the period of the asset disposal.

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

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

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

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

1. In accordance with the balance (the item not recognized as assets and liabilities can confirm their tax bases according to the tax law, the balance between the tax bases and its carrying amount) between the carrying amount of assets or liabilities and their tax bases, deferred tax assets and deferred tax liabilities should be recognized at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.

2. A deferred tax asset shall be recognized within the limit of taxable income that is likely to be obtained to offset the deductible temporary differences. At the balance sheet date, where there is strong evidence showing that sufficient taxable profit will be available against which the deductible temporary difference can be utilized, the deferred tax asset unrecognized in prior period shall be recognized.

3. The Company assesses the carrying amount of deferred tax asset at the balance sheet date. If it's probable that sufficient taxable profit will not be available against which the deductible temporary difference can be utilized, the Company shall write down the carrying amount of deferred tax asset, or reverse the amount written down later when it's probable that sufficient taxable profit will be available.

4. The current income tax and deferred income tax of the Company are recorded into the current gains and losses as income tax expenses or revenue, except in the following circumstances: (1) Business combination; (2) The transaction or event directly included in owner' equity.

## 42. Lease

### (1) Accounting Treatment of Operating Lease

#### 1. Lessee

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

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

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

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

#### 2. Lessor

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

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

### (2) Accounting Treatments of Financial Lease

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

### 43. Other Important Accounting Policies and Accounting Es timations

#### 1. Confirmation standard and accounting handling method for operation termination

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

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

### 44. Changes in Main Accounting Policies and Estimates

#### (1) Change of Accounting Policies

Applicable  Not applicable

#### (2) Changes in Accounting Estimates

Applicable  Not applicable

#### (3) Adjustments to Financial Statement Items at the Beginning of the Year of the First Implementation of the New Accounting Standards Implemented since 2023

Applicable  Not applicable

### 45. Other

In the Note of the financial statements, the data of the period-beginning refers to the financial statement data on 1 January 2023; the data of the period-end refers to the financial statement data on 30 June 2023; the Reporting Period refers to the H1 2023; the same period of last year refers to the H1 2022. The same to the Company as the parent.

## VI Taxes

### 1. Main Taxes and Tax Rates

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

	30% at once; levied according to lease: paid according to 12% of the rental income	
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%

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

Name	Income tax rate
Chongqing Shenzhen International Trade Center Property Management Co., Ltd.	15%
Shenzhen International Trade Center Property Management Co., Ltd. Chongqing Branch	15%
Shenzhen Facility Management Community Co., Ltd	15%
Shenzhen Guomao Catering Co., Ltd.	20%
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	20%
Shenzhen Julian Human Resources Development Co., Ltd.	20%
Shenzhen Huazhengpeng Property Management Development Co., Ltd.	20%
Shenzhen Jinhailian Property Management Co.,Ltd.	20%
Shenzhen Zhongtongda House Xiushan Service Co.,Ltd.	20%
Shenzhen Kangping Industry Co.,Ltd.	20%
Shenzhen Teacher Family Training Co., Ltd.	20%
Shenzhen Education Industry Co., Ltd.	20%
Shenzhen Yufa Industry Co., Ltd.	20%
Chongqing Aobo Elevator Co., Ltd.	20%
Shenzhen SZPRD Yanzihu Development Co., Ltd.	20%
Shenzhen SZPRD Fuyuantai Development Co., Ltd.	20%
Shenzhen Social Welfare General Company	20%
Shenzhen Fuyuanmin Property Management Co., Ltd.	20%
Shenzhen Meilong Industrial Development Co., Ltd.	20%
Shenzhen Sports Service Co., Ltd.	20%
Shenzhen Penghongyuan Industrial Development Co., Ltd.	20%
Shenzhen Tianque Elevator Technology Co., Ltd.	20%
Shenzhen Guoguan Electromechanical Device Co., Ltd.	20%
Shenzhen Shenshan Special Cooperation Zone Guomao Property Development Co., Ltd.	20%
Shenzhen Helinhua Construction Management Co., Ltd.	20%
Shenzhen Guomao Tongle Property Management Co., Ltd.	20%
Shenzhen International Trade Industry Space Service Co., Ltd.	20%
Shenzhen Foreign Trade Property Management Co., Ltd.	20%
Shenzhen Fubao Urban Resources Management Co., Ltd.	20%
Shenzhen Shenwu Elevator Co., Ltd.	20%

Shenzhen Shenfeng Property Cleaning Co., Ltd.	20%
Shandong International Trade Center Hotel Management Co., Ltd.	20%
Beijing Facility Home Technology Co., Ltd.	20%
Subsidiaries registered in Hong Kong area	16.50%
Subsidiaries registered in Vietnam area	20%
Other taxpaying bodies within the consolidated scope	25%

## 2. Tax Preference

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

On 19 December 2022, Shenzhen Facility Management Community Technology Co., Ltd. successfully passed the re-evaluation for its High-tech Enterprise Certificate. The company has been assigned certificate number GR202244204675, and the certificate is valid for three years. As per the tax laws and regulations, the company will be eligible for a preferential enterprise income tax rate of 15% for the year 2023.

As per the "Announcement on Income Tax Preferential Policies for Small and Micro Enterprises and Individual Industrial and Commercial Taxpayers" (Announcement No. 6 of 2023 of the Ministry of Finance and the State Taxation Administration) and the "Announcement of the State Taxation Administration on Matters Related to Collection and Administration of Income Tax Preferential Policies for Small Enterprises with Low Profits" (Announcement No. 6 of 2023 of the State Taxation Administration), for small and micro-profit enterprises, if their annual taxable income does not exceed RMB1 million from 1 January 2023 to 31 December 2024, the taxable income will be reduced by 12.5%, and the enterprise income tax rate will be 20%. Furthermore, as per the "Announcement on Further Implementing the Preferential Income Tax Policy for Small and Micro Enterprises" (Announcement No. 13 of 2022 of the Ministry of Finance and the State Taxation Administration), for small and micro-profit enterprises, if their annual taxable income exceeds RMB1 million but does not exceed RMB3 million from 1 January 2022 to 31 December 2024, the taxable income will be reduced by 25%, and the enterprise income tax rate will be 20%. This policy applies to 30 subsidiaries, including Shenzhen Guomao Catering Co., Ltd. (Guomao Catering) and Shenzhen Property Engineering and Construction Supervision Co., Ltd.

## 3. Other

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

Type of the revenue	General rate	Percentage charges of
Sales of house property	9%	5%
Rent of real estate	9%	5%

Property service	6%	3%
Catering service	6%	3%
Others	13%	--

## VII. Notes to Main Items of Consolidated Financial Statements

### 1. Monetary Assets

Unit: RMB

Item	Ending balance	Beginning balance
Cash on hand	42,693.32	43,833.00
Bank deposits	1,385,485,202.97	1,512,202,363.19
Other monetary funds	6,676,731.47	5,282,697.64
Total	1,392,204,627.76	1,517,528,893.83
Of which: total amount deposited overseas	63,964,312.71	66,436,595.66
Total amount of restriction in use by guaranteed, pledged or frozen	15,539,145.06	7,835,036.35

Other notes:

Among other monetary assets, the funds with limited use rights mainly include the margin and interest of RMB3,332,452.99; the funds with limited use rights in bank deposits mainly include the bank frozen funds of RMB6,476,231.24 and the interest on time deposits of RMB5,270,833.33, plus the balance of the bank margin account of RMB459,627.50. The above amount is not regarded as cash and cash equivalents due to restrictions on use.

### 2. Trading Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
Of which:		
Of which:		

Other notes:

### 3. Derivative Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance

Other notes:

### 4. Notes Receivable

#### (1) Notes Receivable Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Of which:										
Of which:										

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

Applicable Not applicable

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Others	

Of which significant amount of recovered or transferred-back bad debt provision for the current period:

Applicable Not applicable**(3) Notes Receivable Pledged by the Company at the Period-end**

Unit: RMB

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

Unit: RMB

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

Unit: RMB

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

**(6) Notes Receivable with Actual Verification for the Current Period**

Unit: RMB

Item	Written-off amount
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Of which, verification of significant notes receivable:

Unit: RMB

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

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

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawal of bad debt provision separately accrued	131,145,425.55	23.32%	110,207,671.91	84.03%	20,937,753.64	111,808,371.14	20.01%	109,689,294.54	98.10%	2,119,076.60
Of which:										
Accounts receivable withdrawal of bad debt provision of by group	431,328,190.78	76.68%	35,340,105.27	8.19%	395,988,085.51	447,078,385.18	79.99%	29,263,546.48	6.55%	417,814,838.70
Of which:										



Total	562,473,616.33	100.00%	145,547,777.18	25.88%	416,925,839.15	558,886,756.32	100.00%	138,952,841.02	24.86%	419,933,915.30
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Bad debt provision separately accrued: 110,207,671.91

Unit: RMB

Name	Ending balance			
	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and unrecoverable
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2,836,561.00	100.00%	Expected to be unrecoverable
Lunan Industry Corporation	2,818,284.84	2,818,284.84	100.00%	Expected to be unrecoverable
Shenzhen Hampoo Science & Technology Co., Ltd.	1,436,020.29	1,433,070.29	99.79%	Expected to be unrecoverable
Those with insignificant single amount for which bad debt provision separately accrued	30,243,231.37	9,308,427.73	30.78%	Uncollectible for a long period
<b>Total</b>	<b>131,145,425.55</b>	<b>110,207,671.91</b>		

Withdrawal of bad debt provision by group: 35,340,105.27

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Portfolio of credit risk features	253,508,004.18	25,162,778.29	9.93%
Portfolio of transactions with other related parties	177,820,186.60	10,177,326.98	5.72%
<b>Total</b>	<b>431,328,190.78</b>	<b>35,340,105.27</b>	

Notes to the determination basis for the group:

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

Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Ending balance
Within one year (including 1 year)	312,921,794.00
One to two years	88,024,382.29
Two to three years	15,229,615.66
More than three years	146,297,824.38
Three to four years	5,415,310.89
Four to five years	2,471,780.12
Over 5 years	138,410,733.37
<b>Total</b>	<b>562,473,616.33</b>

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period	Ending balance
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		Withdrawal	Reversed or recovered	Verification	Others	
Bad debt provision accrued by item	109,689,294.54	518,377.37				110,207,671.91
Withdrawal of bad debt provision by group	29,263,546.48	6,076,558.79				35,340,105.27
Total	138,952,841.02	6,594,936.16				145,547,777.18

Of which significant amount of recovered or transferred-back bad debt provision for the current period:

Unit: RMB

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

Unit: RMB

Item	Written-off amount
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Of which the verification of significant accounts receivable:

Unit: RMB

Name of the entity	Nature	Written-off amount	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes to verification of accounts receivable:

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

Unit: RMB

Name of the entity	Ending balance	Proportion to total ending balance of accounts receivable	Ending balance of bad debt provision
Shenzhen Bay Technology Development Co., Ltd.	107,824,285.09	19.17%	6,743,517.22
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	16.68%	93,811,328.05
Hebei Shenbao Investment Development Co., Ltd.	29,580,856.88	5.26%	887,425.71
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	10,072,563.13	1.79%	1,252,620.81
Shenzhen Shenfubao (Group) Co., Ltd.	4,153,519.42	0.74%	159,605.58
Total	245,442,552.57	43.64%	

### (5) Accounts Receivable Derecognized due to the Transfer of Financial Assets

### (6) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Accounts Receivable

## 6. Accounts Receivable Financing

Unit: RMB

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

Applicable Not applicable

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

Applicable Not applicable

Other notes:

## 7. Prepayment

### (1) Prepayment Listed by Aging Analysis

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	7,015,536.66	68.73%	98,477,532.46	98.14%
One to two years	1,807,120.94	17.70%	1,652,279.14	1.65%
Two to three years	1,173,932.28	11.50%	1,438.19	0.00%
More than three years	211,234.43	2.07%	210,556.77	0.21%
Total	10,207,824.31		100,341,806.56	

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

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

Name of the entity (fill in the full name)	Carrying amount	As % of the total ending balance of the prepayments (%)
Beijing Jingdong Century Information Technology Co., Ltd.	1,260,657.76	12.35%
China State Construction & Engineering 4th Bureau 5th Corp Limited	614,940.37	6.02%
Huaxia International Communications Engineering Supervision Co., Ltd.	510,389.00	5.00%
Jinan Electric Power Company of State Grid Shandong Electric Power Company	435,734.43	4.27%
Foshan Diosdragon Furniture Co., Ltd.	289,230.00	2.83%
Total	<b>3,110,951.56</b>	<b>30.48%</b>

Other notes:

## 8. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Interests receivable	0.00	0.00
Dividends receivable	0.00	0.00
Other receivables	624,876,343.49	639,903,523.33
Total	624,876,343.49	639,903,523.33

### (1) Interest Receivable

#### 1) Category of Interest Receivable

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

**2) Significant Overdue Interest**

Unit: RMB

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

**3) Withdrawal of Bad Debt Provision**Applicable Not applicable**(2) Dividend Receivable****1) Category of Dividend Receivable**

Unit: RMB

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

**2) Significant Dividends Receivable Aging over 1 Year**

Unit: RMB

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

Other notes:

**(3) Other Receivables****1) Category of Other Receivables by Account Nature**

Unit: RMB

Nature	Ending carrying amount	Beginning carrying amount
Security deposit	10,178,809.17	14,333,480.59
Margin	34,107,085.10	33,052,554.40
Reserve fund	669,713.78	315,131.82
Payment on behalf	4,524,986.31	7,861,406.33
External intercourse funds	647,238,111.03	645,712,452.33
Others	22,522,486.45	26,868,828.99
Total	719,241,191.84	728,143,854.46

**2) Withdrawal of Bad Debt Provision**

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance as at 1 January 2023	58,445,816.20		29,794,514.93	88,240,331.13
Balance as at 1 January 2023 in the current period				
Amount accrued for the current period	6,103,555.43		20,961.79	6,124,517.22
Balance as at 30 June	64,549,371.63		29,815,476.72	94,364,848.35

2023				
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Changes of carrying amount with significant amount changed of loss provision in the current period

Applicable  Not applicable

Disclosure by aging

Unit: RMB

Aging	Ending balance	Carrying amount
Within one year (including 1 year)	37,662,808.00	45,898,989.35
One to two years	49,059,147.91	582,305,977.29
Two to three years	547,938,076.57	32,848,373.42
More than three years	84,581,159.36	67,090,514.40
Three to four years	32,976,097.34	1,460,635.19
Four to five years	1,176,811.01	1,563,169.64
Over 5 years	50,428,251.01	64,066,709.57
Total	719,241,191.84	728,143,854.46

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Others	
Bad debt provision accrued by item	29,794,514.93	20,961.79				29,815,476.72
Withdrawal of bad debt provision by group	58,445,816.20	6,103,555.43				64,549,371.63
Total	88,240,331.13	6,124,517.22				94,364,848.35

Of which the bad debt provision recovered or transferred-back with significant amount during the current period:

Unit: RMB

Name of the entity	Amount reversed or recovered	Way of recovery

### 4) Particulars of the Actual Verification of Other Receivables during the Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant other receivables:

Unit: RMB

Name of the entity	Nature	Written-off amount	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions

Notes to the verification of other receivables:

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

Unit: RMB

Name of the entity	Nature	Ending balance	Aging	Proportion to total ending balance of other receivables %	Ending balance of bad debt provision
Shenzhen Xinhai Holding Co., Ltd. and the related	Intercourse funds	576,568,974.73	Within 1 year, one to five years	80.16%	17,297,069.25

party Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.					
Shenzhen Bangling Stock Cooperative Company	Security deposit and margin	30,000,000.00	Three to four years	4.17%	15,000,000.00
Shenzhen Bay Technology Development Co., Ltd.	Performance risk fund, margin	16,342,327.84	Within 1 year	2.27%	490,269.84
Shenzhen Qianhai Advanced Information Service Co., Ltd.	Intercourse funds	10,720,575.27	Within 1 year, one to two years	1.49%	321,617.26
Shenzhen Tianjun Industrial Co., Ltd.	Intercourse funds	10,000,000.00	Two to three years	1.39%	0.00
<b>Total</b>		<b>643,631,877.84</b>		<b>89.48%</b>	<b>33,108,956.35</b>

### 6) Accounts Receivable Involving Government Subsidies

Unit: RMB

Name of the entity	Project of government subsidies	Ending balance	Ending aging	Estimated recovering time, amount and basis

### 7) Derecognition of Other Receivables due to the Transfer of Financial Assets

### 8) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Other Receivables

Other notes:

### 9. Inventories

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

Yes

#### (1) Category of Inventory

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

Classification by nature:

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Depreciation reserves of inventories or impairment provision for contract performance costs	Carrying value	Carrying amount	Depreciation reserves of inventories or impairment provision for contract performance costs	Carrying value
R&D expenses	10,608,749,592.61	6,648,404.13	10,602,101,188.48	10,778,950,699.23	6,648,404.13	10,772,302,295.10
Developing properties	242,794,704.84		242,794,704.84	199,674,693.59		199,674,693.59
Contract performance	1,975,995.10		1,975,995.10	1,965,933.85		1,965,933.85

costs						
Raw materials	1,509,262.79	818,559.41	690,703.38	1,891,354.81	1,040,612.30	850,742.51
Inventory goods	2,557,484.48	2,094,300.39	463,184.09	2,536,973.19	2,094,300.39	442,672.80
Low-value consumables	271,124.75		271,124.75	97,885.52		97,885.52
Total	10,857,858,164.57	9,561,263.93	10,848,296,900.64	10,985,117,540.19	9,783,316.82	10,975,334,223.37

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

Unit: RMB

Project name	Time for commencement	Estimated date of completion	Estimated total investment	Beginning balance	Transferred to developing properties for the current period	Other decreased amount for the current period	Increase (R&D expenses) for the current period	Ending balance	Accumulated amount of interest capitalization	Of which: amount of capitalized interests for the current period	Capital resources
Lanhu Era project	7 January 2021	10 September 2026	8,400,000,000.00	4,686,202,152.53			166,311,560.57	4,852,513,713.10	298,611,761.36	60,308,251.38	Bank loans
SZPRD-Fuchang Garden Phase II (Fuhui Huayuan)	27 December 2018	15 May 2023	911,330,000.00	747,287,571.94	747,287,571.94			0.00			Others
Humen Sea Bay project	22 March 2022	30 April 2024	3,217,590,000.00	2,361,567,910.93			129,568,909.22	2,491,136,820.15	2,782,538.76	2,782,538.76	Bank loans
Guangming Yutang Shangfu project	7 March 2022	21 October 2024	2,658,680,000.00	1,792,278,782.42			46,065,390.79	1,838,344,173.21	583,458.34	583,458.34	Bank loans
Yupinluanshan (commercial and residential construction project of No. A117-12 land)				236,433,505.64			412,752.52	236,846,258.16			Others
Land of Hongqi Town, Haikou				6,648,404.13				6,648,404.13			Others
Shenhui Garden				37,256,048.16			31,716.38	37,287,764.54			Others
Fuyuantai project				12,754,337.65			1,468,717.00	14,223,054.65			Others
Yangzhou Shouxihu Ecological Health Valley project	6 March 2023	31 August 2026	3,774,790,000.00	863,966,304.45			231,250,626.85	1,095,216,931.30			Others
Others				34,555,681.38			1,976,791.99	36,532,473.37			Others

Total			18,962,390,000.00	10,778,950,699.23	747,287,571.94	0.00	577,086,465.32	10,608,749,592.61	301,977,758.46	63,674,248.48	
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Disclose main items of “Developing properties” in the following format:

Unit: RMB

Project name	Time of completion	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance	Accumulated amount of interest capitalization	Of which: amount of capitalized interests for the current period
SZPRD-Langqiao International	1 December 2012	3,447,316.75			3,447,316.75	83,077,702.96	
SZPRD-Hupan Yujing Phase I	1 June 2015	56,815,090.28		90,123.14	56,724,967.14		
SZPRD-Banshan Yujing Phase II	12 January 2022	3,607,397.06	64,327.91	47,625.68	3,624,099.29	10,446,911.43	
SZPRD-Songhu Langyuan	1 July 2017	24,200,327.47		271,385.28	23,928,942.19	27,205,315.95	
SZPRD-Hupan Yujing Phase II	1 November 2017	30,517,813.23		135,678.16	30,382,135.07	30,539,392.65	
SZPRD-Golden Collar's Resort	2 December 2019	72,260,564.44	4,270,881.01	8,633,730.49	67,897,714.96		
International Trade Center Plaza	1 December 1995	4,839,083.10			4,839,083.10	26,385,636.29	
Huangyuyuan A Area	1 June 2001	790,140.58			790,140.58		
Podium Building of Fuchang Building	1 November 1999	645,532.65			645,532.65		
Other items		2,551,428.03			2,551,428.03		
SZPRD-Fuchang Garden Phase II (Fuhui Huayuan)	15 May 2023		747,287,571.94	699,324,226.86	47,963,345.08		
Total		199,674,693.59	751,622,780.86	708,502,769.61	242,794,704.84	177,654,959.28	

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

Unit: RMB

Project name	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
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## (2) Falling Price Reserves of Inventory and Impairment Reserves for Contract Performance Costs

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

Classification by nature:

Unit: RMB

Item	Beginning balance	Increased amount of the current period		Decreased amount for the current period		Ending balance	Notes
		Withdrawal	Others	Transferred-back or charged-off	Others		



R&D expenses	6,648,404.13					6,648,404.13	
Raw materials	1,040,612.30			222,052.89		818,559.41	
Inventory goods	2,094,300.39					2,094,300.39	
Total	9,783,316.82			222,052.89		9,561,263.93	

Classification by nature:

Unit: RMB

Project name	Beginning balance	Increased amount of the current period		Decreased amount for the current period		Ending balance	Notes
		Withdrawal	Others	Transferred-back or charged-off	Others		
Land of Qiongsan, Hainan	6,648,404.13					6,648,404.13	
Total	6,648,404.13					6,648,404.13	

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

Project name	Period-begin	Current period	Carry-over in current period	Period-end
SZPRD-Golden Collar's Resort	341,681.06	-	31,076.48	310,604.58
Lanhushidai Project	238,303,509.98	60,308,251.38	-	298,611,761.36
SZPRD-Langqiao International	2,971,986.54	-	-	2,971,986.54
SZPRD-Hupan Yujing Phase I	1,249,515.42	-	7,148.32	1,242,367.10
Humen Sea Bay project	-	<b>2,782,538.76</b>	-	2,782,538.76
Guangming Yutang Shangfu project	-	<b>583,458.34</b>	-	583,458.34
<b>Total</b>	<b>242,866,693.00</b>	<b>63,674,248.48</b>	<b>38,224.80</b>	<b>306,502,716.68</b>

**(4) Inventory Restrictions**

Disclosing restricted inventory by project:

Unit: RMB

Project name	Beginning balance	Ending balance	Reason for restriction
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**10. Contract Assets**

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
SZPRD-Fuchang Garden Phase II (Fuhui Huayuan)	109,392,112.37		109,392,112.37			
Municipal engineering retention money	991,952.00		991,952.00	1,094,632.90		1,094,632.90

Total	110,384,064.37		110,384,064.37	1,094,632.90		1,094,632.90
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Amount of significant changes in carrying value of contract assets in the Current Period and reasons thereof:

Unit: RMB

Item	Change in amount	Reason(s)
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If the impairment provision for contract assets in accordance with the general model of expected credit losses, the information related to the impairment provision shall be disclosed by reference to the disclosure method of other receivables:

Applicable Not applicable

Withdrawal of impairment provision for contract assets in the Current Period:

Unit: RMB

Item	Withdrawal of the current period	Amount transferred-back for the current period	Write-off/verified for the current period	Reason
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Other notes:

### 11. Held-for-sale Assets

Unit: RMB

Item	Ending carrying amount	Impairment provision	Ending carrying amount	Fair value	Estimated disposal expense	Estimated disposal time
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Other notes:

### 12. Current Portion of Non-current Assets

Unit: RMB

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

Unit: RMB

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

Other notes:

### 13. Other Current Assets

Unit: RMB

Item	Ending balance	Beginning balance
Prepaid VAT	12,232,463.61	16,846,758.27
Deducted input tax	58,657,816.56	28,950,002.85
Prepaid income tax	33,200.38	1,436,395.15
Prepaid land VAT	0.00	16,438,505.72
Prepaid urban construction tax	37,292.33	1,156,118.20
Prepaid education surcharge	26,637.38	825,798.74
Immediate rebate of receivable software sales VAT	0.00	1,687.34
Total	70,987,410.26	65,655,266.27

Other notes:

### 14. Investments in Debt Obligations

Unit: RMB

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

Significant investments in debt obligations

Unit: RMB

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

Status of accrued depreciation reserves

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2023 in the current period				

Changes of carrying amount with significant amount changed of loss provision in the current period

Applicable Not applicable

Other notes:

**15. Other Investments in Debt Obligations**

Unit: RMB

Item	Beginning balance	Accrued interest	Change in fair value in the reporting period	Ending balance	Cost	Accumulated changes in fair value	Accumulated provision for losses recognized in other comprehensive income	Notes
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Significant other investments in debt obligations

Unit: RMB

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

Status of accrued depreciation reserves

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2023 in the current period				

Changes of carrying amount with significant amount changed of loss provision in the current period

Applicable Not applicable

Other notes:

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

Unit: RMB

Item	Ending balance	Beginning balance	Interval of
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	Carrying amount	Bad debt provision	Carrying value	Carrying amount	Bad debt provision	Carrying value	discount rate
Financing lease accounts	21,920,095.92		21,920,095.92	22,651,454.07		22,651,454.07	0.14
Of which: unrealized financing income	11,607,188.38		11,607,188.38	13,169,492.65		13,169,492.65	
Total	21,920,095.92		21,920,095.92	22,651,454.07		22,651,454.07	

Impairment of bad debt provision

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2023 in the current period				

Changes of carrying amount with significant amount changed of loss provision in the current period

Applicable Not applicable**(2) Derecognition of Long-term Receivables due to the Transfer of Financial Assets****(3) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Long-term Receivables**

Other notes:

**17. Long-term Equity Investment**

Unit: RMB

Investee	Beginning balance (carrying value)	Increase/decrease for the current period								Ending balance (Carrying Value)	Ending balance of depreciation reserve
		Addition investment	Reduced investment	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Others		
<b>I. Joint ventures</b>											
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	44,730,585.29			1,722,873.98						46,453,459.27	
Tian'an International Building Property Management Company of Shenzhen	7,037,952.31			82,895.33						7,120,847.64	
Subtotal	51,768,537.60			1,805,769.31						53,574,306.91	
<b>II. Associated enterprises</b>											
Shenzhen Wufang Ceramics	18,983,614.14									18,983,614.14	18,983,614.14

Industrial Co., Ltd.											
Shenzhen Kangfu Health Products Co., Ltd.	165,000.00									165,000.00	165,000.00
Shenzhen Xinghao Imitation Porcelain Co., Ltd.	756,670.68									756,670.68	756,670.68
Shenzhen Social Welfare Company Fuda Electronics Factory	326,693.24									326,693.24	326,693.24
Shenzhen Fulong Industry Development Co., Ltd.	1,684,350.00									1,684,350.00	1,684,350.00
Haonianhua Hotel	2,733,570.05									2,733,570.05	2,733,570.05
Shenzhen Education Fund Longhua Investment	500,000.00									500,000.00	500,000.00
Shenzhen Kangle Sports Club Huangfa Branch	540,060.00									540,060.00	540,060.00
Dankeng Village Plants of Fumin in Guanlan Town, Shenzhen City	1,168,973.20									1,168,973.20	1,168,973.20
Shenzhen Bull Entertainment Co., Ltd.	500,000.00									500,000.00	500,000.00
Shenzhen Lianhua Caitian Property Management Co., Ltd.	1,475,465.91									1,475,465.91	1,475,465.91
Shenzhen Yangyuan Industrial Co., Ltd.	1,030,000.00									1,030,000.00	1,030,000.00
Jiakaifeng Co., Ltd. Bao'an Company	600,000.00									600,000.00	600,000.00
Guiyuan Garage	350,000.00									350,000.00	350,000.00
Shenzhen Wuweiben Roof Greening Co., Ltd.	500,000.00									500,000.00	500,000.00
Shenzhen Yuan ping Plastic Steel Doors	240,000.00									240,000.00	240,000.00

Co., Ltd.											
Shenzhen Youfang Printing Co., Ltd.	100,000.00									100,000.00	100,000.00
Shenzhen Lusheng Industrial Development Co., Ltd.	100,000.00									100,000.00	100,000.00
CSCEC Intelligent Parking Technology Co., Ltd.	28,012,899.71			51,619.01			63,120.00			28,001,398.72	
Subtotal	59,767,296.93			51,619.01			63,120.00			59,755,795.94	31,754,397.22
Total	111,535,834.53			1,857,388.32			63,120.00			113,330,102.85	31,754,397.22

Other notes:

## 18. Other Equity Instrument Investment

Unit: RMB

Item	Ending balance	Beginning balance
Gintian Industry (Group) Co., Ltd.	635,355.65	887,838.64
Total	635,355.65	887,838.64

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

Unit: RMB

Project name	Dividend income recognized	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes included other comprehensive income	Reason for other comprehensive income transferred to retained earnings
Gintian Industry (Group) Co., Ltd.			2,955,000.66		Not for business transaction purposes	

Other notes:

## 19. Other Non-current Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

## 20. Investment Property

### (1) Investment Property Adopting the Cost Measurement Mode

 Applicable
  Not applicable

Unit: RMB

Item	Houses and buildings	Land use right	Construction in progress	Total
I. Original carrying value				
1. Beginning balance	861,702,509.37	14,495,902.20	37,192,716.83	913,391,128.40

2. Increased amount for the current period	20,847,883.84	0.00	0.00	20,847,883.84
(1) Outsourcing				
(2) Transfer from inventory/fixed assets/construction in progress	20,847,883.84	0.00	0.00	20,847,883.84
(3) Business combination increase				
3. Decreased amount for the current period	-393,459.16	0.00	0.00	-393,459.16
(1) Disposal				
(2) Other transfer				
(3) Exchange adjustment	-393,459.16	0.00	0.00	-393,459.16
4. Ending balance	882,943,852.37	14,495,902.20	37,192,716.83	934,632,471.40
II. Accumulative depreciation and accumulative amortization				
1. Beginning balance	472,271,039.79	13,360,585.89	21,996,763.54	507,628,389.22
2. Increased amount for the current period	17,963,132.97	0.00	3,002,225.94	20,965,358.91
(1) Withdrawal or amortization	17,963,132.97	0.00	3,002,225.94	20,965,358.91
3. Decreased amount for the current period	-373,786.21	0.00	0.00	-373,786.21
(1) Disposal				
(2) Other transfer				
(3) Exchange adjustment	-373,786.21	0.00	0.00	-373,786.21
4. Ending balance	490,607,958.97	13,360,585.89	24,998,989.48	528,967,534.34
III. Depreciation reserves				
1. Beginning balance				
2. Increased amount for the current period				
(1) Withdrawal				
3. Decreased amount for the current period				
(1) Disposal				
(2) Other transfer				
4. Ending balance				
IV. Carrying value				
1. Ending carrying value	392,335,893.40	1,135,316.31	12,193,727.35	405,664,937.06
2. Beginning carrying value	389,431,469.58	1,135,316.31	15,195,953.29	405,762,739.18

**(2) Investment Property Adopting the Fair Value Measurement Mode**

Applicable Not applicable

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

Investment properties measured in fair value by project disclosure:

Unit: RMB

Project name	Location	Time of completion	Floor area (m <sup>2</sup> )	Lease income during this reporting period	Beginning fair value	Closing fair value	Range of fair value changes	Reason for fair value changes and report index
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Whether the Company has new investment properties in construction period measured in fair value

Yes No

Whether the Company has new investment properties measured in fair value

Yes No

**(3) Investment Property Failed to Accomplish Certification of Property**

Unit: RMB

Item	Carrying value	Reason
507 Unit, Block No. 6, Maguling	23,334.11	The house is used for property management, once occupied by the third party, a property management company, now has been recovered, but hasn't handled the warrant yet.
Meilin land		Obtained after the success in the last instance in 2017, relevant certifications of property are in the procedure
Total	23,334.11	

Other notes:

Note: As at 30 June 2023, the original carrying value of Meilin land was RMB3,885,469.40, the accumulated accrued depreciation was RMB3,885,469.40, and the carrying value was RMB0.

**21. Fixed Assets**

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	72,977,952.16	82,745,172.12
Total	72,977,952.16	82,745,172.12

**(1) List of Fixed Assets**

Unit: RMB

Item	Houses and buildings	Machinery equipment	Transportation vehicle	Decoration of the fixed assets	Other machinery	Total
I. Original carrying value:						
1. Beginning balance	129,859,285.29	6,457,738.92	19,461,561.97	37,715,645.88	57,075,135.08	250,569,367.14
2. Increased amount for the current period		100,458.85	405,630.12		1,921,221.97	2,427,310.94
(1) Purchase		100,458.85	405,630.12		1,921,221.97	2,427,310.94
(2) Transfer from construction in progress						
(3) Business combination increase						



3. Decreased amount for the current period	5,482,998.10	15,950.00	304,900.00		933,964.58	6,737,812.68
(1) Disposal or scrap		15,950.00	304,900.00		933,964.58	1,254,814.58
(2) Others	5,482,998.10					5,482,998.10
4. Ending balance	124,376,287.19	6,542,247.77	19,562,292.09	37,715,645.88	58,062,392.47	246,258,865.40
II. Accumulative depreciation						
1. Beginning balance	95,882,680.45	2,648,956.94	13,790,571.17	18,649,255.82	36,777,013.48	167,748,477.86
2. Increased amount for the current period	1,073,376.55	368,465.41	899,185.22	3,739,759.14	3,329,303.47	9,410,089.79
(1) Withdrawal	1,073,376.55	368,465.41	899,185.22	3,739,759.14	3,329,303.47	9,410,089.79
3. Decreased amount for the current period	2,751,867.91	15,950.00	265,516.90		844,319.60	3,877,654.41
(1) Disposal or scrap		15,950.00	265,516.90		844,319.60	1,125,786.50
(2) Others	2,751,867.91					2,751,867.91
4. Ending balance	94,204,189.09	3,001,472.35	14,424,239.49	22,389,014.96	39,261,997.35	173,280,913.24
III. Depreciation reserves						
1. Beginning balance	75,717.16					75,717.16
2. Increased amount for the current period						
(1) Withdrawal						
3. Decreased amount for the current period	75,717.16					75,717.16
(1) Disposal or scrap	75,717.16					75,717.16
4. Ending balance						
IV. Carrying value						
1. Ending carrying value	30,172,098.10	3,540,775.42	5,138,052.60	15,326,630.92	18,800,395.12	72,977,952.16
2. Beginning carrying value	33,900,887.68	3,808,781.98	5,670,990.80	19,066,390.06	20,298,121.60	82,745,172.12

**(2) List of Temporarily Idle Fixed Assets**

Unit: RMB

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

Unit: RMB

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

Unit: RMB

Item	Carrying value	Reason
Room 406, 2 units, Hulunbuir Guangxia Digital Building	2,274,041.26	Property rights disputes before, now have won a lawsuit with certification of the property being processed.
Room 401, 402, Sanxiang Business Building Office Building	614,187.20	The office building will be removed due to the project adjustment and a high-rise office building will be established nearby the present address. The existing property shall be replaced after the completion of the new office building. Thus, the certification of the property is failed to transact.
Total	2,888,228.46	

Other notes:

**(5) Proceeds from Disposal of Fixed Assets**

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

**22. Construction in Progress**

Unit: RMB

Item	Ending balance	Beginning balance
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**(1) List of Construction in Progress**

Unit: RMB

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

**(2) Changes in Significant Construction in Progress during the Current Period**

Unit: RMB

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

Unit: RMB

Item	Amount withdrawn	Reason for withdrawal
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Other notes:

**(4) Engineering Materials**

Unit: RMB

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

Other notes:

**23. Productive Living Assets****(1) Productive Living Assets Adopting Cost Measurement Mode**
Applicable Not applicable

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

Unit: RMB

Item	Houses and buildings	Total
I. Original carrying value		
1. Beginning balance	96,978,273.81	96,978,273.81
2. Increased amount for the current period	10,643,690.71	10,643,690.71
(1) New Leases	10,643,690.71	10,643,690.71
3. Decreased amount for the current period	17,761,164.68	17,761,164.68
(1) Expiration of lease contract	1,297,675.17	1,297,675.17
(2) Lease termination	10,175,574.13	10,175,574.13
(3) Others	6,287,915.38	6,287,915.38
4. Ending balance	89,860,799.84	89,860,799.84
II. Accumulative depreciation		
1. Beginning balance	26,809,858.16	26,809,858.16
2. Increased amount for the current period	10,342,761.89	10,342,761.89
(1) Withdrawal	10,342,761.89	10,342,761.89
3. Decreased amount for the current period	3,068,278.39	3,068,278.39
(1) Disposal		
Lease termination	3,068,278.39	3,068,278.39
4. Ending balance	34,084,341.66	34,084,341.66
III. Depreciation reserves		
1. Beginning balance		
2. Increased amount for the current period		
(1) Withdrawal		
3. Decreased amount for the current period		
(1) Disposal		
4. Ending balance		
IV. Carrying value		
1. Ending carrying value	55,776,458.18	55,776,458.18
2. Beginning carrying value	70,168,415.65	70,168,415.65

Other notes:

**26. Intangible Assets****(1) List of Intangible Assets**

Unit: RMB

Item	Land use right	Patent right	Non-patent technologies	Software use rights	Total
I. Original carrying value					

1. Beginning balance				3,060,312.13	3,060,312.13
2. Increased amount for the current period					
(1) Purchase					
(2) Internal R&D					
(3) Business combination increase					
3. Decreased amount for the current period					
(1) Disposal					
4. Ending balance				3,060,312.13	3,060,312.13
II. Accumulated amortization					
1. Beginning balance				1,790,929.22	1,790,929.22
2. Increased amount for the current period				323,300.59	323,300.59
(1) Withdrawal				323,300.59	323,300.59
3. Decreased amount for the current period					
(1) Disposal					
4. Ending balance				2,114,229.81	2,114,229.81
III. Depreciation reserves					
1. Beginning balance					
2. Increased amount for the current period					
(1) Withdrawal					
3. Decreased amount for the current period					
(1) Disposal					
4. Ending balance					
IV. Carrying value					
1. Ending carrying value				946,082.32	946,082.32
2. Beginning carrying value				1,269,382.91	1,269,382.91

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

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

Unit: RMB

Item	Carrying value	Reason
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Other notes:

## 27. Development Costs

Unit: RMB

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

Other notes:

## 28. Goodwill

### (1) Original Carrying Value of Goodwill

Unit: RMB

Name of the invested units or events generating goodwill	Beginning balance	Increase for the current period		Decrease for the current period		Ending balance
		Formed by business combination		Disposal		
Shenzhen Facility Management Community Technology Co., Ltd.	9,446,847.38					9,446,847.38
Total	9,446,847.38					9,446,847.38

### (2) Depreciation Reserves of Goodwill

Unit: RMB

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

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

Carrying value of goodwill	Assets group or combination of assets groups			
	Main composition	Carrying value	Recognition method	Changes in current period
9,446,847.38	Shenzhen Facility Management Community Technology Co., Ltd.	21,490,611.97	Assets group or combination of assets groups capable of generating cash flows independently in consideration of benefits from synergies of business combination and the management's administration and monitoring of production and operating activities.	No

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

Influence of goodwill impairment testing

Other notes:

## 29. Long-term Prepaid Expense

Unit: RMB

Item	Beginning balance	Increased amount of the current period	Amortization amount of the current period	Other decreased amount	Ending balance

Decoration fee	21,980,602.46	1,990,869.21	4,357,979.80	21,985.79	19,591,506.08
Total	21,980,602.46	1,990,869.21	4,357,979.80	21,985.79	19,591,506.08

Other notes:

**30. Deferred Income Tax Assets/Deferred Income Tax Liabilities****(1) Deferred Income Tax Assets Had Not Been Off-set**

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	91,518,925.24	19,529,639.19	72,321,489.09	15,066,804.41
Internal unrealized profit	438,745,107.84	109,686,276.96	439,263,809.16	109,815,952.29
Deductible losses	930,939,553.18	232,593,025.59	1,159,867,308.26	288,683,459.58
Accrued land VAT	3,865,285,968.24	966,321,492.06	3,838,271,429.24	959,567,857.31
Estimated profit calculated at pre-sale revenue of property enterprises	94,559,293.40	23,639,823.35	35,766,814.24	8,941,703.56
Other accrued expenses	6,301,806.64	1,422,129.16	4,512,525.55	974,808.89
Total	5,427,350,654.54	1,353,192,386.31	5,550,003,375.54	1,383,050,586.04

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

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
The carrying value of fixed assets was larger than the tax basis	696,675.48	174,168.87	967,914.16	241,978.54
Total	696,675.48	174,168.87	967,914.16	241,978.54

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

Unit: RMB

Item	Ending off-set amount of deferred income tax assets and liabilities	Ending balance of deferred income tax assets and liabilities	Beginning off-set amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets and liabilities
Deferred income tax assets		1,353,192,386.31		1,383,050,586.04
Deferred income tax liabilities		174,168.87		241,978.54

**(4) List of Unrecognized Deferred Income Tax Assets**

Unit: RMB

Item	Ending balance	Beginning balance
Deductible temporary differences	48,268,108.72	52,448,071.36
Deductible losses	515,895,750.67	508,734,563.66
Total	564,163,859.39	561,182,635.02

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

Unit: RMB

Year	Ending amount	Beginning amount	Notes
2023	265,603,820.64	265,603,820.64	The deductible losses of 2018
2024	124,895,242.05	124,895,242.05	The deductible losses of 2019
2025	22,711,013.85	22,711,013.85	The deductible losses of 2020
2026	14,238,807.00	14,238,807.00	The deductible losses of 2021
2027	81,285,680.12	81,285,680.12	The deductible losses of 2022
2028	7,161,187.01		The deductible losses of 2023
Total	515,895,750.67	508,734,563.66	

Other notes:

### 31. Other Non-current Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Prepayment for purchase of fixed assets, investment properties and intangible assets	1,291,779.31		1,291,779.31	115,779.31		115,779.31
Others	2,635,093.77		2,635,093.77	2,635,093.77		2,635,093.77
Total	3,926,873.08		3,926,873.08	2,750,873.08		2,750,873.08

Other notes:

### 32. Short-term Borrowings

#### (1) Category of Short-term Borrowings

Unit: RMB

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

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

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

Unit: RMB

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

### 33. Trading Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Of which:		
Of which:		

Other notes:

### 34. Derivative Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

**35. Notes Payable**

Unit: RMB

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

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

Unit: RMB

Item	Ending balance	Beginning balance
Engineering construction expense payable	353,407,806.68	484,123,042.01
Estimated payables	2,712,921.63	32,863,907.25
Others	141,395,031.89	91,296,439.26
Total	497,515,760.20	608,283,388.52

**(2) Significant Accounts Payable Aged over 1 Year**

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Shenzhen Municipal Bureau of Planning and Land	25,000,000.00	Historical problems
China Construction Fourth Engineering Division Corp., Ltd.	12,017,672.83	Unsettled
Shanghai Mingpeng Construction Group Co., Ltd.	5,976,705.79	Unsettled
Shenzhen Ruihe Construction Decoration Co., Ltd.	2,753,369.98	Unsettled
Shenzhen HONGTAO Group Co., Ltd.	2,569,572.34	Unsettled
Total	48,317,320.94	

Other notes:

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

Unit: RMB

Item	Ending balance	Beginning balance
Rental	1,209,185.48	2,260,847.31
Total	1,209,185.48	2,260,847.31

**(2) Significant Advances from Customers Aged over 1 Year**

Unit: RMB

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

**38. Contract Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
House payment in advance	47,733,616.21	857,317,217.99
Property fee in advance	33,209,460.24	15,740,950.87
Other payments in advance	38,816,647.12	47,769,871.95
Total	119,759,723.57	920,828,040.81

Significant changes in the amount of carrying value and the reason in the Reporting Period

Unit: RMB



Item	Change in amount	Reason(s)
SZPRD-Fuchang Garden Phase II (Fuhui Huayuan)	-840,878,470.63	The carried down qualified for revenue carried forward was carried forward to income from principal businesses.
SZPRD-Golden Collar's Resort	28,343,180.03	Sales payment collection from the project in the current period
Total	-812,535,290.60	

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

The proceeds information of top five advance sale amount:

Unit: RMB

No.	Project name	Beginning balance	Ending balance	Estimated date of completion	Advance sale proportion
1	SZPRD-Golden Collar's Resort	15,574,706.92	43,917,886.95	25 December 2019	96.00%
2	Guangming Yutang Shangfu project	0.00	2,986,620.19	1 December 2024	1.70%
3	SZPRD-Hupan Yujing Phase II	716,422.02	707,247.71	30 November 2017	96.00%
4	SZPRD-Banshan Yujing Phase II	110,921.17	74,430.17	12 January 2022	100.00%
5	SZPRD-Hupan Yujing Phase I	36,697.25	36,697.25	1 June 2015	88.24%

### 39. Payroll Payable

#### (1) List of Payroll Payable

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
I. Short-term salary	234,726,107.97	423,623,999.36	467,829,214.52	190,520,892.81
II. Post-employment benefit-defined contribution plans	1,650,684.05	35,124,716.34	34,223,858.31	2,551,542.08
III. Termination benefits	2,749,600.00		2,749,600.00	
Total	239,126,392.02	458,748,715.70	504,802,672.83	193,072,434.89

#### (2) List of Short-term Salary

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
1. Salary, bonus, allowance, subsidy	216,273,079.86	371,317,457.31	413,685,247.77	173,905,289.40
2. Employee welfare	1,408,479.54	530,327.31	809,484.30	1,129,322.55
3. Social insurance	71,070.35	15,509,848.67	15,281,606.04	299,312.98
Of which: Medical insurance premiums	60,059.54	13,198,732.10	12,994,566.26	264,225.38
Work-related injury insurance premiums	1,263.70	643,673.04	626,227.56	18,709.18
Maternity insurance	2,154.62	786,269.22	779,285.91	9,137.93
Other commercial insurances	7,592.49	881,174.31	881,526.31	7,240.49
4. Housing fund	1,279,643.31	13,741,572.37	13,742,470.35	1,278,745.33
5. Labor union budget and employee education budget	11,352,966.60	8,376,367.18	8,179,570.54	11,549,763.24

8. Non-monetary benefits	4,340,868.31	14,148,426.52	16,130,835.52	2,358,459.31
Total	234,726,107.97	423,623,999.36	467,829,214.52	190,520,892.81

**(3) List of Defined Contribution Plans**

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
1. Basic pension insurance	145,676.75	29,593,189.67	29,245,239.63	493,626.79
2. Unemployment insurance premiums	4,125.03	711,810.87	700,545.89	15,390.01
3. Supplementary pension payment	1,500,882.27	4,797,985.48	4,256,342.47	2,042,525.28
Others		21,730.32	21,730.32	
Total	1,650,684.05	35,124,716.34	34,223,858.31	2,551,542.08

Other notes:

**40. Taxes Payable**

Unit: RMB

Item	Ending balance	Beginning balance
VAT	14,088,568.40	15,392,042.91
Consumption tax	0.00	0.00
Enterprise income tax	32,630,161.71	57,096,046.69
Personal income tax	4,576,871.47	3,141,049.35
Urban maintenance and construction tax	1,132,969.70	1,464,551.01
Land appreciation tax	3,865,285,968.16	3,838,271,429.24
Land use tax	941,954.40	153,626.98
Property tax	5,712,733.63	600,966.66
Educational surcharge	464,449.41	707,668.15
Local educational fee	432,570.90	383,745.82
Others	133,425.21	67,220.00
Total	3,925,399,672.99	3,917,278,346.81

Other notes:

**41. Other Payables**

Unit: RMB

Item	Ending balance	Beginning balance
Interest payable	0.00	0.00
Dividends payable	227,351,128.25	12,202,676.04
Other payables	1,476,775,808.27	1,502,883,156.41
Total	1,704,126,936.52	1,515,085,832.45

**(1) Interest Payable**

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

List of the significant overdue unpaid interest:

Unit: RMB

Entity	Overdue amount	Overdue reason
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Other notes:

**(2) Dividends Payable**

Unit: RMB

Item	Ending balance	Beginning balance
Ordinary stock dividends	227,351,128.25	12,202,676.04
Total	227,351,128.25	12,202,676.04

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

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

**(3) Other Payables**

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

Unit: RMB

Item	Ending balance	Beginning balance
Security deposit	339,025,828.61	316,108,932.91
Margin	19,211,060.35	13,585,641.99
Collection on behalf	4,350,525.30	3,596,458.33
Intercourse funds	814,319,067.66	855,267,729.70
Accrued expenses	237,339,978.52	224,646,116.70
Payment on behalf	14,727,817.67	19,052,869.33
Others	47,801,530.16	70,625,407.45
Total	1,476,775,808.27	1,502,883,156.41

**2) Significant Other Accounts Payable Aging over One Year**

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Shenzhen Pason Aluminum Technology Co., Ltd.	196,416,155.45	Did not submit the payment application for historical reasons
Shenzhen Hengyu (Group) Co., Ltd.	162,000,000.00	Unsettled
Shenzhen Bay Technology Development Co., Ltd.	154,415,543.77	Unsettled
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	42,296,665.14	Intercourse fund without specific payment term
Shenzhen Toutiao Technology Co., Ltd.	12,424,072.07	Lease term not expired
Total	567,552,436.43	

Other notes:

**42. Held-for-sale Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

**43. Current Portion of Non-current Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
Current portion of long-term borrowings	201,663,040.96	196,645,408.45
Lease obligation matured within 1 Year	21,006,002.41	22,213,358.37
Total	222,669,043.37	218,858,766.82

Other notes:

**44. Other Current Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
Tax to be charged off	3,392,989.52	83,991,786.83
Total	3,392,989.52	83,991,786.83

Increase/decrease of the short-term bonds payable:

Unit: RMB

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

Other notes:

**45. Long-term Borrowings****(1) Category of Long-term Borrowings**

Unit: RMB

Item	Ending balance	Beginning balance
Pledged loans	3,187,796,390.00	3,156,782,344.00
Mortgage loans	553,453,878.17	
Credit loan	431,200,000.00	462,000,000.00
Total	4,172,450,268.17	3,618,782,344.00

Note to the category of long-term borrowings:

The pledged borrowings at the period-end [1] were used to develop the Lanhushidai project of Shenzhen Rongyao Real Estate Development Co., Ltd., a subsidiary of the Company (hereinafter referred to as "Rongyao Real Estate") with the duration from 29 November 2019 to 20 November 2024. And 69% equity of Rongyao Real Estate held by the Company was pledged and the guarantee mode was the joint liability guaranty.

The pledge borrowings at the period-end [2] were used to acquire 100% of five property management enterprises. They are Shenzhen Property Management Co., Ltd., Shenzhen Foreign Trade Property Management Co., Ltd., Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd. and Shenzhen Free Trade Zone Security Service Co., Ltd. by the Company's subsidiary Shenzhen International Trade Center Property Management Co., Ltd. with the duration from 18 May 2022 to 26 April 2027. And the 100% equity of these five enterprises held by Shenzhen International Trade Center Property Management Co., Ltd.

The pledged loans [3] at the period-end were used to develop the Humen Sea Bay Garden project of Dongguan Wuhe Real Estate Co., Ltd., a subsidiary of the Company, with the duration from 30 March 2023 to 5 August 2027. All accounts receivable of Dongguan Wuhe Real Estate Co., Ltd. in next five years was pledged.

The mortgage loans [1] at the period-end were used to develop the Humen Sea Bay Garden project of Dongguan Wuhe Real Estate Co., Ltd., a subsidiary of the Company, with the duration from 30 March 2023 to 5 August 2027. The land use right of Humen Sea Bay Garden project held by Dongguan Wuhe Real Estate Co., Ltd. was pledged.

The mortgage loans [2] at the period-end were used to develop the Guangming Yutang Shangfu project of Shenzhen Guangming Wuhe Real Estate Co., Ltd., a subsidiary of the Company, with the duration from 24 May 2023 to 25 April 2028. The land use right of Guangming Yutang Shangfu project held by Shenzhen Guangming Wuhe Real Estate Co., Ltd. was pledged.

The mortgage loans [3] at the period-end were used to develop the Lanhushidai project of Shenzhen Rongyao Real Estate Development Co., Ltd., a subsidiary of the Company (hereinafter referred to as "Rongyao Real Estate") with the duration from 30 March 2023 to 30 March 2026. The land use right of Lanhushidai project held by Rongyao Real Estate was pledged and the Company provided joint and several liability guarantee..

The credit borrowings at the period-end were used for the transaction payment of equity of Shenzhen Toukong Property Management Co., Ltd. with the duration from 18 May 2020 to 10 May 2025.

Other notes, including interest rate range:

## 46. Bonds Payable

### (1) Bonds Payable

Unit: RMB

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

Unit: RMB

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

### (3) Convertible Conditions and Time for Convertible Corporate Bonds

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

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

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

Unit: RMB

Outstanding financial instruments	Period-beginning		Increase for the current period		Decrease for the current period		Period-end	
	Number	Carrying value	Number	Carrying value	Number	Carrying value	Number	Carrying value

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

Other notes:

## 47. Lease Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease payments	99,694,102.14	119,208,080.55
Less: Unrecognized financing expense	-15,762,599.86	-19,031,438.63
Less: Lease liabilities due within 1 year (filled in with negative number)	-21,006,002.41	-22,213,358.37
Total	62,925,499.87	77,963,283.55

Other notes:

## 48. Long-term Payables

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

### (1) Long-term Payables Listed by Nature

Unit: RMB

Item	Ending balance	Beginning balance
Total	0.00	0.00

Other notes:

### (2) Specific Payables

Unit: RMB

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

## 49. Long-term Payroll Payable

### (1) List of Long-term Payroll Payable

Unit: RMB

Item	Ending balance	Beginning balance
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### (2) Changes in Defined Benefit Plans

Obligation present value of defined benefit plans:

Unit: RMB

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

Unit: RMB

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

Unit: RMB

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

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

Other notes:

## 50. Provisions

Unit: RMB

Item	Ending balance	Beginning balance	Reason for formation
Pending litigation	766,612.52	766,612.52	Xuansheng property management fee lawsuit
Total	766,612.52	766,612.52	

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

Refer to Note XIV-2 for details.

## 51. Deferred Income

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance	Reason for formation
Total	0.00			0.00	

Item involving government grants:

Unit: RMB

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

## 52. Other Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Utility specific fund	636,774.81	634,414.79
Housing principle fund	16,201,175.98	15,105,690.42
House warming deposit	6,466,131.01	7,058,030.03
Electric Equipment Maintenance fund	4,019,415.44	4,019,415.44
Deputed maintenance fund	53,418,040.46	53,798,172.96
Follow-up investment of employees for Lanhushidai project	40,000,000.00	40,000,000.00
Others	7,510,304.23	7,393,196.15
<b>Total</b>	<b>128,251,841.93</b>	<b>128,008,919.79</b>

Other notes:

### 53. Share Capital

Unit: RMB

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

Other notes:

### 54. Other Equity Instruments

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

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

Unit: RMB

Outstanding financial instruments	Period-beginning		Increase for the current period		Decrease for the current period		Period-end	
	Number	Carrying value	Number	Carrying value	Number	Carrying value	Number	Carrying value

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

Other notes:

### 55. Capital Reserve

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
Other capital reserves	80,488,045.38			80,488,045.38
<b>Total</b>	<b>80,488,045.38</b>			<b>80,488,045.38</b>

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

### 56. Treasury Shares

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
Total	0.00			0.00

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

**57. Other Comprehensive Income**

Unit: RMB

Item	Beginning balance	Amount for the current period						Ending balance
		Amount before deducting income tax for the current period	Less: recorded in other comprehensive income in prior period and transferred in profit or loss in the current period	Less: recorded in other comprehensive income in prior period and transferred in retained earnings in the current period	Less: Income tax expense	Attributable to the Company as the parent after tax	Attributable minority shareholders after tax	
I. Other comprehensive income that may not be reclassified to profit or loss	-2,742,841.65	-275,978.56				-275,978.56		-3,018,820.21
Changes in fair value of other equity instrument investment\	-2,742,841.65	-275,978.56				-275,978.56		-3,018,820.21
II. Other comprehensive income that may subsequently be reclassified to profit or loss	-1,111,536.30	1,679,998.83				1,679,998.83		568,462.53
Differences arising from translation of foreign currency - denominated financial statements	-1,111,536.30	1,679,998.83				1,679,998.83		568,462.53
Total of other comprehensive income	-3,854,377.95	1,404,020.27				1,404,020.27		-2,450,357.68

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

**58. Specific Reserve**

Unit: RMB

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

**59. Surplus Reserves**

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
Statutory surplus reserves	48,521,202.68			48,521,202.68
Discretionary surplus reserves	365,403.13			365,403.13
Total	48,886,605.81			48,886,605.81

Notes, including changes and reason of change:

**60. Retained Earnings**

Unit: RMB

Item	Current period	Previous period
Beginning balance of retained profits before adjustments	3,691,056,182.73	3,800,901,413.35
Beginning balance of retained profits after	3,691,056,182.73	3,800,901,413.35



adjustments		
Add: Net profit attributable to owners of the Company as the parent	220,903,444.63	250,802,157.71
Dividends of common shares payable	215,148,452.21	
Others	-1,644,822.69	-208,463,077.04
Ending retained profits	3,695,166,352.46	3,437,974,711.46

List of adjustment of beginning retained profits:

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

## 61. Operating Revenue and Cost of Sales

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Principal business	1,838,535,192.23	1,348,203,616.26	1,972,677,481.97	1,067,980,872.62
Others	66,929,440.62	23,956,267.99	15,622,358.27	671,710.70
Total	1,905,464,632.85	1,372,159,884.25	1,988,299,840.24	1,068,652,583.32

Relevant information of revenue:

Unit: RMB

Category of contracts	Segment 1	Segment 2	Total
Product categories	1,905,464,632.85		1,905,464,632.85
Of which:			
Real estate	1,053,881,874.68		1,053,881,874.68
Property management	773,181,325.02		773,181,325.02
Leasing business	78,401,433.15		78,401,433.15
Classification by operating region	1,905,464,632.85		1,905,464,632.85
Of which:			
Shenzhen	1,736,158,823.32		1,736,158,823.32
Other regions	169,305,809.53		169,305,809.53
Market or customer type			
Of which:			
Contract type			
Of which:			
Classification by time of commodity transfer			
Of which:			
Classification by contract term			
Of which:			
Classification by sales channel			

Of which:				
Total				

Information about performance obligations:

On 30 June, 2023, the transaction price assigned to unfulfilled (or partially fulfilled) performance obligations was estimated to be RMB120 million, which is mainly expected future revenue of transaction prices that have not met the delivery conditions stipulated in sales contracts of real estate. The Company is expected to achieve the planned sales revenue within one or two years when the house property is completed and passes the acceptance, which meets the delivery conditions stipulated in sales contracts, and when the customers acquire the control rights of relevant goods or services on a pilot basis.

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

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB119,759,723.56 at the period-end, among which RMB62,270,248.99 was expected to be recognized in 2023, RMB12,104,375.25 was expected to be recognized in 2024, and RMB45,385,099.32 was expected to be recognized in 2025.

Other notes:

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

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

Unit: RMB

No.	Project name	Income balance
1	Fuchang Garden Phase II	965,944,812.30
2	Golden Collar's Resort	66,354,012.36
3	Songhu Langyuan	781,769.51
4	Hupan Yujing Phase II	250,872.47
5	Banshan Yujing Phase II	57,027.52

## 62. Taxes and Surtaxes

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Urban maintenance and construction tax	5,234,580.49	6,451,246.20
Educational surcharge	2,245,496.54	2,793,502.94
Property tax	5,879,679.55	2,296,167.11
Land use tax	1,017,014.81	
Vehicle and vessel usage tax	18,361.26	14,176.80
Stamp duty	531,098.01	1,998,247.74
Land appreciation tax	28,694,726.98	378,694,384.75
Local educational fee	1,500,541.14	1,827,584.76
Other taxes	69,287.25	155,409.51
Total	45,190,786.03	394,230,719.81

Other notes:

## 63. Selling Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Agency fee	26,078.00	989,571.51
Consultancy and sales service charges	2,385,496.26	2,384,890.28
Advertising expenses	3,855,726.14	954,193.61
Employee remuneration	4,649,571.85	3,422,942.15

Others	2,170,424.80	3,607,260.96
<b>Total</b>	<b>13,087,297.05</b>	<b>11,358,858.51</b>

Other notes:

#### 64. Administrative Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee remuneration	109,945,612.07	107,934,307.26
Administrative office cost	14,020,387.30	13,369,249.80
Assets amortization and depreciation expense	13,134,121.00	12,231,294.86
Litigation costs	5,611,455.50	1,823,824.81
Others	6,476,608.31	8,342,381.32
<b>Total</b>	<b>149,188,184.18</b>	<b>143,701,058.05</b>

Other notes:

#### 65. Development Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee remuneration	1,466,686.36	2,511,310.90
Office cost	47,920.50	3,395.00
R&D material expense	1,592.92	25,050.00
Others	194,851.66	149,969.50
<b>Total</b>	<b>1,711,051.44</b>	<b>2,689,725.40</b>

Other notes:

#### 66. Finance Costs

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Finance costs	31,827,441.32	36,281,087.17
Less: Interest income (filled in with negative number)	-7,930,755.87	-9,179,453.97
Foreign exchange gains or losses	-523,791.38	-1,610,359.72
Others	819,510.87	2,601,004.28
<b>Total</b>	<b>24,192,404.94</b>	<b>28,092,277.76</b>

Other notes:

#### 67. Other Income

Unit: RMB

Sources	Amount for the current period	Amount for the previous period
Government grants related to income	950,093.18	3,006,828.76
Return of auxiliary expense for individual income tax withheld	390,379.71	240,710.82
Additional deduction of VAT	2,741,411.22	3,186,192.45
Rebate of VAT	738,782.96	372,713.96
Tax and fee relief	812,133.08	

Others	37,288.76	
Total	5,670,088.91	6,806,445.99

**68. Investment Income**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Long-term equity investment income accounted by equity method	1,857,388.32	859,534.38
Interest income earned on other investment in debt obligations during the holding period		87,379.67
Total	1,857,388.32	946,914.05

Other notes:

**69. Net Gain on Exposure Hedges**

Unit: RMB

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

**70. Gain on Changes in Fair Value**

Unit: RMB

Sources	Amount for the current period	Amount for the previous period

Other notes:

**71. Credit Impairment Loss**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Bad debt loss	-13,610,779.58	-14,462,076.54
Total	-13,610,779.58	-14,462,076.54

Other notes:

**72. Asset Impairment Loss**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
II. Inventory falling price loss and impairment provision for contract performance costs	2,045.93	3,302.47
Total	2,045.93	3,302.47

Other notes:

**73. Asset Disposal Income**

Unit: RMB

Sources	Amount for the current period	Amount for the previous period
Gains on disposal of fixed assets	115,810.85	-41,452.49
Gains on disposal of other assets	58,568.84	

**74. Non-operating Income**

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount recorded in the current non-recurring profit or loss
Government grants		17,500.00	
Gains on damage and scrap of non-current assets	5,568.23		5,568.23
Confiscated income	652,311.27	916,961.90	652,311.27
Payments unable to clear	56,282.77	874,963.88	56,282.77
Others	-919,060.30	736,642.68	-919,060.30
<b>Total</b>	<b>-204,898.03</b>	<b>2,546,068.46</b>	<b>-204,898.08</b>

Government grants recorded into current profit or loss

Unit: RMB

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

Other notes:

## 75. Non-operating Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount recorded in the current non-recurring profit or loss
Donation		19,300.00	
Losses from damage and scrap of non-current assets	17,136.15	101,068.85	17,136.15
Penalty and fine for delaying payment	78,886.53	1,050,960.64	78,886.53
Others	261,695.71	246,257.35	261,695.71
<b>Total</b>	<b>357,718.39</b>	<b>1,417,586.84</b>	<b>357,718.39</b>

Other notes:

## 76. Income Tax Expense

### (1) List of Income Tax Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Current income tax expense	48,971,626.96	173,064,812.19
Deferred income tax expense	29,847,648.80	-80,409,607.93
<b>Total</b>	<b>78,819,275.76</b>	<b>92,655,204.26</b>

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

Unit: RMB

Item	Amount for the current period
Total profit	293,465,531.81
Current income tax expense accounted at statutory/applicable tax rate	73,366,382.95

Influence of applying different tax rates by subsidiaries	-2,534,219.08
Influence of income tax before adjustment	5,804,661.91
Influence of non-deductible costs, expenses and losses	392,153.23
Effect of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the current period	1,790,296.75
Income tax expense	78,819,275.76

Other notes:

## 77. Other Comprehensive Income

Refer to Note for details.

## 78. Cash Flow Statement

### (1) Cash Generated from Other Operating Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Large intercourse funds received	49,072,300.25	376,141,428.59
Interest income	7,930,755.87	8,168,660.77
Net margins, security deposit and various special funds received	45,287,205.39	47,722,607.40
Other small receivables	24,479,612.17	29,754,454.20
Total	126,769,873.68	461,787,150.96

Notes:

### (2) Cash Used in Other Operating Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Paying administrative expense in cash	30,693,136.34	24,801,083.99
Paying selling expense in cash	8,054,091.33	9,594,684.62
Payment of utility expense and various collecting payments on behalf of others	49,083,846.80	70,071,543.78
Other small payments	34,041,223.54	1,997,036.36
Amount of newly limited funds	5,455,416.01	
Total	127,327,714.02	106,464,348.75

Notes:

### (3) Cash Generated from Other Investing Activities

Unit: RMB

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

### (4) Cash Used in Other Investing Activities

Unit: RMB

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

### (5) Cash Generated from Other Financing Activities

Unit: RMB

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

**(6) Cash Used in Other Financing Activities**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Payment for lease liabilities	15,224,062.82	12,142,998.09
Total	15,224,062.82	12,142,998.09

Notes:

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

Unit: RMB

Supplemental information	Amount during the current period	Previous period
1. Reconciliation of net profit to net cash flows generated from operating activities:		
Net profit	214,646,256.05	241,301,028.23
Add: Provision for impairment of assets	13,608,733.65	14,458,774.07
Depreciation of fixed assets, oil-gas assets, and productive biological assets	30,375,573.61	46,813,436.13
Depreciation of right-of-use assets	10,342,761.89	11,367,505.45
Amortization of intangible assets	323,300.59	390,983.97
Amortization of long-term prepaid expenses	4,357,979.80	3,085,317.14
Losses from disposal of fixed assets, intangible assets and other long-lived assets (gains represented by "-")	-174,379.69	41,452.49
Losses from scrap of fixed assets (gains represented by "-")	17,136.15	101,068.85
Losses from changes in fair value (gains represented by "-")		
Finance costs (gains represented by "-")	24,192,404.94	28,092,277.76
Investment loss (gains represented by "-")	-5,385,588.91	-6,806,445.99
Decrease in deferred income tax assets (gains represented by "-")	29,858,199.73	-80,319,053.48
Increase in deferred income tax liabilities (decrease represented by "-")	-67,809.67	-68,469.92
Decrease in inventory (gains represented by "-")	127,259,375.62	-761,934,290.05
Decrease in accounts receivable generated from operating activities (gains represented by "-")	-13,839,646.61	-44,432,489.46
Increase in accounts payable used in operating activities (decrease represented by "-")	-1,015,535,955.30	151,914,673.72
Others		
Net cash flows from operating activities	-580,021,658.15	-395,994,231.09
2. Significant investing and financing activities without involvement of cash receipts and payments		
Conversion of debt to capital		
Convertible corporate bonds matured within one year		
Fixed asset under finance lease		
3. Net increase/decrease of cash and cash equivalent:		
Closing balance of cash	1,376,665,482.70	1,473,196,246.07
Less: Opening balance of cash	1,509,693,857.48	1,963,988,756.69
Add: Closing balance of cash equivalents		

Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-133,028,374.78	-490,792,510.62

**(2) Net Cash Paid for Acquisition of Subsidiaries**

Unit: RMB

	Amount
Of which:	
Of which:	
Add: Cash or cash equivalents paid in the current period for business combinations incurred in prior periods	1,644,822.69
Of which:	
Shenzhen Property Management Co., Ltd.	1,644,822.69
Net cash paid for acquisition of subsidiaries	1,644,822.69

Other notes:

**(3) Net Cash Received from Disposal of the Subsidiaries**

Unit: RMB

	Amount
Of which:	
Of which:	
Of which:	

Other notes:

**(4) Cash and Cash Equivalents**

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	1,376,665,482.70	1,509,693,857.48
Of which: Cash on hand	42,693.32	43,833.00
Bank deposits on demand	1,373,278,510.90	1,506,148,081.54
Other monetary assets on demand	3,344,278.48	3,501,942.94
III. Ending balance of cash and cash equivalents	1,376,665,482.70	1,509,693,857.48

Other notes:

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

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

Not applicable.

**81. Assets with Restricted Ownership or Right of Use**

Unit: RMB

Item	Ending carrying amount	Reason for restriction
Monetary capital	15,539,145.06	Note 1 - Note 9
Land use right of Fumin New Village, Futian District	542,507,314.43	Note 10
Total	558,046,459.49	

Other notes:

[Note 1]: In terms of monetary assets with restricted right to use at the period-end, there was RMB2,200,000.00 as the banker's letter of margin for Shenzhen Shenfubao Property Development Co., Ltd., a subsidiary of the Company.



[Note 2]: In terms of monetary assets with restricted right to use at the period-end, there was an advance payment guarantee of RMB459,627.50 issued by the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. in December 2021 for the upgrading and reconstruction of the smart park of Shenzhen Bay Eco-Technology Park and the software platform development contract.

[Note 3]: In terms of monetary assets with restricted right to use at the period-end, there was RMB3,000,000.00 in the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. blocked by the court due to pre-litigation preservation for contract disputes.

[Note 4]: In terms of monetary assets with restricted right to use at the period-end, there was a loan deposit of RMB1,132,452.99 provided as mortgage loan guarantees for commercial housing purchasers and paid by the Company as a real estate developer according to real estate business practices.

[Note 5]: In terms of monetary assets with restricted right to use at the period-end, there was RMB5,270,833.33 of interest on unexpired term deposits accrued at the period-end.

[Note 6]: In terms of monetary assets with restricted right to use at the period-end, there was RMB90,000.00 of blocked fund in a dispute over a house purchase and sales contract for Shenzhen Property Group Xuzhou Dapeng Real Estate Development Co., Ltd., a subsidiary of the Company.

[Note 7]: In terms of monetary assets with restricted right to use at the period-end, there was RMB129,315.23 in the account of the subsidiary company Shenzhen Property Engineering and Construction Supervision Co., Ltd. The account was in a receiving-only status because the legal person change formalities had not been completed by the period-end.

[Note 8]: In terms of monetary assets with restricted right to use at the period-end, there was an deposit for POS of RMB1,500.00 in the Shandong Shengguomao Real Estate Management Co., Ltd.

[Note 9]: In terms of monetary assets with restricted right to use at the period-end, there was RMB3,255,416.01 of regulated pre-sale proceeds for the real estate projects of Shenzhen Guangming Wuhe Real Estate Co., Ltd., a subsidiary of the Company.

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

## 82. Foreign Currency Monetary Items

### (1) Foreign Currency Monetary Items

Unit: RMB

Item	Closing foreign currency balance	Exchange rate	Ending balance converted to RMB
Monetary capital			65,099,169.94
Of which: USD	120,000.00	7.2208	866,496.00
EUR			
HKD	62,829,561.91	0.9218	57,916,290.17
VND	20,574,539,964.00	0.000307	6,316,383.77
Accounts prepaid	9,221.19		8,500.09
Of which: HKD	9,221.19	0.9218	8,500.09
Other payables	3,506,725.97		3,232,500.00
Of which: HKD	3,506,725.97	0.9218	3,232,500.00
Accounts receivable			
Of which: USD			
EUR			
HKD			
Long-term borrowings			
Of which: USD			
EUR			
HKD			

Other notes:

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

Applicable Not applicable

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

### 83. Arbitrage

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

### 84. Government Grants

#### (1) Basic Information on Government Grants

Unit: RMB

Category	Amount	Listed items	Amount recorded in the current profit or loss
Financial assistance for high-tech enterprise training	120,000.00	Other income	120,000.00
Waste classification subsidy	156,000.00	Other income	156,000.00
Employment subsidy	99,950.19	Other income	99,950.19
The subsidy for stabilizing employment	34,254.40	Other income	34,254.40
Other subsidies	89,888.59	Other income	89,888.59
Bonus for "Beautiful Home"	450,000.00	Other income	450,000.00
Total	950,093.18		950,093.18

#### (2) Return of Government Grants

Applicable Not applicable

Other notes:

### 85. Other

## VIII. Change of Consolidation Scope

### 1. Business Combination Not under the Same Control

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

Unit: RMB

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

Other notes:

#### (2) Combination Cost and Goodwill

Unit: RMB

Combination cost	
-Cash	
-Fair value of non-cash assets	
-Fair value of debt issued or assumed	
-Fair value of equity securities issued	
-Fair value of contingent consideration	
-Fair value of equity interests held before the purchase date	
-Other	

Total combination costs	
Less: share in the fair value of identifiable net assets acquired	
The amount of goodwill/combination cost less than the share in the fair value of identifiable net assets acquired	

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

The main formation reason for the large goodwill:

Other notes:

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

Unit: RMB

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

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

Contingent liability of acquiree undertaken in the business combination:

Other notes:

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

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

Yes No

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

### (6) Other Notes

## 2. Business Combination under the Same Control

### (1) Business Combination under the Same Control during the Current Period

Unit: RMB

Combined party	Proportion of the equity	Basis	Combination date	Recognition basis of combination date	Income from the period-begin to the combination date of the acquiree	Net profits from the period-begin to the combination date of the acquiree	Income of the acquiree during the period of comparison	Net profits of the acquiree during the period of comparison

Other notes:

**(2) Combination Cost**

Unit: RMB

Combination cost					
--Cash					
--Carrying value of non-cash assets					
--Carrying value of debt issued or assumed					
--Denomination value of equity securities issued					
--Contingent consideration					

Contingent liabilities and changes thereof:

Other notes:

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

Unit: RMB

	Combination date	End of the previous period
Assets:		
Monetary capital		
Accounts receivable		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Borrowings		
Accounts payable		
Net assets		
Less: non-controlling interests		
Net assets acquired		

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

Other notes:

**3. Counter Purchase**

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

**4. Disposal of Subsidiary**

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

Yes No

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

Yes No

## 5. Changes in Combination Scope for Other Reasons

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

Zhanjiang Branch of Shenzhen Properties & Resources Development (Group) Ltd. was deregistered in the current period.

## 6. Other

## IX. Equity in Other Entities

### 1. Equity in Subsidiaries

#### (1) Compositions of the Group

Name of subsidiaries	Main operating place	Place of registration	Business nature	Shareholding percentage (%)		Way of gaining
				Directly	Indirectly	
Shenzhen Huangcheng Real Estate Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Wuhe Industry Investment Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Facility Management Community Technology Co., Ltd.	Shenzhen	Shenzhen	Software and information technology services		35.00%	Business combination not under the same control
Beijing Facility Home Technology Co., Ltd.	Beijing	Beijing	Software and information technology services		17.85%	Business combination not under the same control
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	Xuzhou	Xuzhou	Real estate	100.00%		Set-up
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	Dongguan	Dongguan	Real estate	100.00%		Set-up
SZPRD Yangzhou Real Estate Development Co., Ltd.	Yangzhou	Yangzhou	Real estate	100.00%		Set-up
Shenzhen International Trade Center Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Guomaomei Life Service Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Shandong Shengguomao Real Estate Management Co., Ltd.	Jinan	Jinan	Real estate		100.00%	Set-up
Chongqing Shengguomao Real Estate Management Co., Ltd.	Chongqing	Chongqing	Real estate		100.00%	Set-up
Chongqing Aobo Elevator Co., Ltd.	Chongqing	Chongqing	Service industry		100.00%	Set-up
Chongqing Tianque Elevator Technology Co., Ltd.	Shenzhen	Shenzhen	Service industry		100.00%	Set-up
Shenzhen Guoguan Electromechanical Device Co., Ltd.	Shenzhen	Shenzhen	Service industry		100.00%	Set-up
Shenzhen Guomao Catering Co., Ltd.	Shenzhen	Shenzhen	Accommodation and catering		100.00%	Set-up
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	Shenzhen	Shenzhen	Service industry	100.00%		Set-up
SZPRD Commercial Operation Co., Ltd.	Shenzhen	Shenzhen	Service industry	100.00%		Set-up
Shum Yip Properties Development Co., Ltd.	Hong Kong	Hong Kong	Real estate	100.00%		Set-up
Wayhang Development Co., Ltd.	Hong Kong	Hong Kong	Real estate		100.00%	Set-up
Chief Link Properties Co., Ltd.	Hong	Hong	Real estate		70.00%	Set-up

	Kong	Kong				
Syndis Investment Co., Ltd.	Hong Kong	Hong Kong	Real estate		70.00%	Business combination not under the same control
Yangzhou Shouxihu Jingyue Property Development Co., Ltd.	Yangzhou	Yangzhou	Real estate		51.00%	Set-up
Shandong International Trade Center Hotel Management Co., Ltd.	Jinan	Jinan	Real estate		100.00%	Set-up
Shenzhen Shenshan Special Cooperation Zone Guomao Property Development Co., Ltd.	Shenzhen	Shenzhen	Real estate		65.00%	Set-up
Shenzhen Guomao Tongle Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		51.00%	Set-up
Shenzhen Rongyao Real Estate Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	69.00%		Business combination not under the same control
Shenzhen ITC Technology Park Service Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Julian Human Resources Development Co., Ltd.	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Huazhengpeng Property Management Development Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Jinghengtai Real Estate Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Business combination under the same control
Shenzhen Penghongyuan Industrial Development Co., Ltd.	Shenzhen	Shenzhen	Accommodation and catering		100.00%	Business combination under the same control
Shenzhen Jinhailian Property Management Co., Ltd.	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Social Welfare Co., Ltd.	Shenzhen	Shenzhen	Sanitation and social work		100.00%	Business combination under the same control
Shenzhen Fuyuanmin Property Management Limited Liability Company	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Meilong Industrial Development Co., Ltd.	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Guomao Shenlv Garden Co., Ltd.	Shenzhen	Shenzhen	Public facilities management services		90.00%	Business combination under the same control
Shenzhen Jiayuan Property Management Co.,	Shenzhen	Shenzhen	Real estate		54.00%	Business

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

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

Notes of shareholding percentage in subsidiaries different from voting percentage:

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

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

Basis of controlling significant structural entities incorporated in the scope of combination:

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

Other notes:

## (2) Significant Non-wholly-owned Subsidiary

Unit: RMB

Name of subsidiaries	Shareholding proportion of non-controlling interests	The profit or loss attributable to the non-controlling interests for the current period	Declaring dividends distributed to non-controlling interests for the current period	Balance of non-controlling interests at the period-end
Shenzhen Rongyao Real Estate Development Co., Ltd.	31.00%	-6,632,248.29		-2,083,026.51
Yangzhou Wuhe Real Estate Co., Ltd.	33.00%	-658,432.42		14,920,336.76
Yangzhou Shouxihu Jingyue Property Development Co., Ltd.	49.00%	670,563.20		7,168,978.90
Shenzhen Guomao Shenlv Garden Co., Ltd.	10.00%	274,411.75		3,911,252.10

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

Other notes:



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

Unit: RMB

Name of subsidiaries	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shenzhen Rongyao Real Estate Development Co., Ltd.	5,745,977,117.37	155,181,308.75	5,901,158,426.12	237,999,312.86	5,567,005,771.06	5,805,005,083.92	5,566,299,658.85	148,957,829.54	5,715,257,488.39	237,683,829.61	5,360,025,967.25	5,597,709,796.86
Yangzhou Wuhe Real Estate Co., Ltd.	1,099,431,037.38	1,648,461.14	1,101,079,498.52	1,055,866,356.82		1,055,866,356.82	1,003,117,568.27	923,562.28	1,004,041,130.55	956,832,739.09		956,832,739.09
Yangzhou Shouxihu Jingyue Property Development Co., Ltd.	20,731,894.92	924,279.06	21,656,173.98	6,847,326.21	178,278.59	7,025,604.80	20,620,873.64	957,140.53	21,578,014.17	8,192,080.81	123,860.50	8,315,941.31
Shenzhen Guomao Shenlv Garden Co., Ltd.	38,909,502.76	667,055.47	39,576,558.23	29,390,561.94	213,213.97	29,603,775.91	37,872,874.87	687,238.86	38,560,113.73	31,146,187.72	185,261.19	31,331,448.91

Unit: RMB

Name of subsidiaries	Amount for the current period				Amount for the previous period			
	Operating Revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Rongyao Real Estate Development Co., Ltd.		-21,394,349.33	-21,394,349.33	-132,065,318.90		-23,400,642.21	-23,400,642.21	-33,317,053.14
Yangzhou Wuhe Real Estate Co., Ltd.		-1,995,249.76	-1,995,249.76	-48,773,537.38		-473,135.33	-473,135.33	97,048.38
Yangzhou Shouxihu Jingyue Property Development Co., Ltd.	20,845,157.30	1,368,496.32	1,368,496.32	-186,738.66	18,564,214.66	497,456.52	497,456.52	-2,196,922.04
Shenzhen Guomao Shenlv Garden Co., Ltd.	10,211,925.25	2,744,117.50	2,744,117.50	2,459,431.35	7,774,594.39	-54,237.49	-54,237.49	-676,213.24

Other notes:

**(4) Significant restrictions on leveraging the assets and liquidating the liabilities of the business consortium****(5) Financial support or other support provided to structural entities incorporated into the scope of consolidated financial statements**

Other notes:

## 2. The Transaction of the Company with Its Owner's Equity Share Changing but the Company Still Controls the Subsidiary

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

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

Unit: RMB

Purchase cost/disposal consideration	
-Cash	
-Fair value of non-cash assets	
Total purchase cost/disposal consideration	
Less: Share of net assets of subsidiaries based on percentage of equity acquired/disposed of	
Difference	
Of which: Adjusting capital reserve	
Adjusting surplus reserve	
Adjusting retained profits	

Other notes:

## 3. Equity in Joint Ventures or Associated Enterprises

### (1) Significant Joint Ventures or Associated Enterprises

Name	Main operating place	Place of registration	Business nature	Shareholding percentage (%)		Accounting treatment of the investment to joint venture or associated enterprise
				Directly	Indirectly	
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	Shenzhen	Shenzhen	Warehouse service	25.00%	25.00%	Equity method
Tian'an International Building Property Management Company of Shenzhen	Shenzhen	Shenzhen	Property management	50.00%		Equity method
CSCEC Intelligent Parking Technology Co., Ltd.	Shenzhen	Shenzhen	Commercial services	10.00%		Equity method

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

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

### (2) Main Financial Information of Significant Joint Ventures

Unit: RMB

	Closing balance/amount of the current period		Opening balance/amount of the previous period	
	Shenzhen Jifa Warehouse Co., Ltd.	Tian'an International Building Property Management Company of Shenzhen	Shenzhen Jifa Warehouse Co., Ltd.	Tian'an International Building Property Management Company of Shenzhen
Current assets	10,055,352.57	59,891,252.36	6,110,801.95	58,848,700.91
Of which: Cash and cash equivalents	9,263,658.15	38,883,807.33	4,923,260.32	37,841,255.88
Non-current assets	85,788,615.62	42,049.96	86,342,531.70	46,757.57
Total assets	95,843,968.19	59,933,302.32	92,453,333.65	58,895,458.48
Current liabilities	2,937,049.65	29,200,886.66	2,992,163.07	28,404,537.12

Non-current liabilities		16,490,720.38		16,415,016.74
Total liabilities	2,937,049.65	45,691,607.04	2,992,163.07	44,819,553.86
Equity of non-controlling interests				
Equity attributable to shareholders of the Company as the parent	92,906,918.54	14,241,695.28	89,461,170.58	14,075,904.62
Net assets shares calculated at the shareholding proportion	46,453,459.27	7,120,847.64	44,730,585.29	7,037,952.31
Adjusted items				
- Goodwill				
--Unrealized profit of intra-company transaction				
--Other				
Carrying value of equity investment to joint ventures	46,453,459.27	7,120,847.64	44,730,585.29	7,037,952.31
Fair values of equity investments of joint ventures with quoted prices				
Operating Revenue	6,690,430.68	8,731,790.54	4,516,455.33	8,483,323.41
Financial expenses	-7,666.55	43,267.67	-5,293.01	41,255.86
Income tax expense	1,154,005.86	55,263.55	523,182.56	54,163.40
Net profit	3,445,747.96	165,790.66	1,569,547.71	149,521.04
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	3,445,747.96	165,790.66	1,569,547.71	149,521.04
Dividends received from the joint venture in the current period				

Other notes:

### (3) Main Financial Information of Significant Associated Enterprises

Unit: RMB

	Closing balance/amount of the current period	Opening balance/amount of the previous period
	CSCEC	CSCEC
Current assets	267,993,271.29	235,089,462.02
Non-current assets	6,672,968.51	3,014,735.77
Total assets	274,666,239.80	238,104,197.79
Current liabilities	112,739,886.93	77,303,723.18
Non-current liabilities	34,777.90	24,777.90
Total liabilities	112,774,664.83	77,333,501.08
Equity of non-controlling interests		
Equity attributable to shareholders of the	161,891,574.97	160,770,696.71

Company as the parent		
Net assets shares calculated at the shareholding proportion	16,189,157.50	16,077,069.67
Adjusted items		
- Goodwill		
--Unrealized profit of intra-company transaction		
--Other		
Carrying value of investment to associated enterprises	16,189,157.50	16,077,069.67
Fair value of equity investments in associated enterprises with publicly quoted prices		
Operating Revenue	48,983,120.89	
Net profit	516,190.10	
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	516,190.10	
Dividends received from the associates in the current period	63,120.00	

Other notes:

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

Unit: RMB

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

Other notes:

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

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

Unit: RMB

Name	The cumulative recognized losses in previous accumulatively derecognized	The derecognized losses (or the share of net profit) in current period	The accumulative unrecognized losses in current period

Other notes:

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

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

### 4. Significant Common Operation

Name	Main operating	Place of	Business nature	Proportion/Share portion

	place	registration		Directly	Indirectly
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Notes to holding proportion or share portion in common operation different from voting proportion:

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

Other notes:

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

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

## 6. Others

## X. Risks Associated with Financial Instruments

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

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

### i. Classification of financial instruments

#### 1. The carrying value of financial assets on the balance sheet date

(1) 30 June 2023

Financial asset project	Financial assets measured at the amortized cost	Financial assets at fair value through profit or loss for the current period	Financial assets measured at fair value through other comprehensive income	Total
Monetary assets	1,392,204,627.76			1,392,204,627.76
Notes receivable				
Accounts receivable	416,925,839.15			416,925,839.15
Other receivables	624,876,343.49			624,876,343.49
Long-term receivables	21,920,095.92			21,920,095.92
Other equity investments			635,355.65	635,355.65

(2) 31 December 2022

Item	Financial assets measured at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value and changes included in other comprehensive income	Total
Monetary capital	1,517,528,893.83			1,517,528,893.83
Notes receivable				
Accounts receivable	419,933,915.30			419,933,915.30

Item	Financial assets measured at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value and changes included in other comprehensive income	Total
Other receivables	639,903,523.33			639,903,523.33
Long-term receivables	22,651,454.07			22,651,454.07
Other equity instrument investments			887,838.64	887,838.64

## 2. The carrying value of financial liabilities on the balance sheet date

## (1) 30 June 2023

Item	Financial liabilities at fair value through profit or loss	Other financial liabilities	Total
Accounts payable		497,515,760.20	497,515,760.20
Other payables		1,704,126,936.52	1,704,126,936.52
Current portion of non-current liabilities		201,663,040.96	201,663,040.96
Long-term borrowings		4,172,450,268.17	4,172,450,268.17

## (2) 31 December 2022

Item	Financial liabilities at fair value through profit or loss	Other financial liabilities	Total
Accounts payable		608,283,388.52	608,283,388.52
Other payables		1,515,085,832.45	1,515,085,832.45
Current portion of non-current liabilities		196,645,408.45	196,645,408.45
Long-term borrowings		3,618,782,344.00	3,618,782,344.00

## ii. Credit risk

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

## 1. Credit Risk Management Practice

## (1) Credit Risk Evaluation Method

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

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

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

## (2) Definition of Default and Credit Impairment-Assets

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

## 1) Quantitative Standard

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

## 2) Qualitative Criteria

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

## 2. Measurement of Expected Credit Loss

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

3. Refer to Note VII-i, VII-v, VII-viii for details of the reconciliation statements of beginning balance and ending balance of financial instrument loss provision.

## 4. Credit Risk Exposure and Credit Risk Concentration

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

## (1) Monetary assets

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

## (2) Accounts receivable

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

Due to the Company merely trades with the authorized third party with good credit, the guarantee is not required. Credit risk concentration is managed in accordance with the customers. As at 30 June 2023, there were certain credit concentration risks in the Company, and 43.64% of the accounts receivable of the Company (54.09% on 31 December 2022) came from the top 5 customers by balance. The Company hasn't held any guarantee or other credit enhancement for balance of accounts receivable.

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

## iii. Liquidity risk

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

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

Financial liabilities classified by remaining maturity

Item	Amount at the end of this current period				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	More than three years
Banking borrowings	4,172,450,268.17	4,537,732,044.74	200,674,442.04	3,641,854,238.12	695,203,364.58
Accounts payable	497,515,760.20	497,515,760.20	497,515,760.20		
Other payables	1,704,126,936.52	1,704,126,936.52	1,691,924,260.48		12,202,676.04
Other non-current liabilities due within 1 year	201,663,040.96	201,663,040.96	201,663,040.96		
Total	6,575,756,005.85	6,941,037,782.42	2,591,777,503.68	3,641,854,238.12	707,406,040.62

(Continued)

Item	Opening balance				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	More than three years
Banking borrowings	3,618,782,344.00	3,998,835,011.38	190,669,039.72	3,648,297,102.30	159,868,869.36

Accounts payable	608,283,388.52	608,283,388.52	608,283,388.52		
Other payables	1,515,085,832.45	1,515,085,832.45	1,502,883,156.41		12,202,676.04
Current portion of other non-current liabilities	196,645,408.45	196,645,408.45	196,645,408.45		
Total	5,938,796,973.42	6,318,849,640.80	2,498,480,993.10	3,648,297,102.30	172,071,545.40

## iv. Market risk

Market risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in market prices. Market risk mainly includes interest rate risk and foreign exchange risk.

## 1. Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments arising from changes in market interest rates. Interest-bearing financial instruments with fixed interest rates may bring the fair value interest rate risk to the Company, while those with floating interest rate may bring the cash flow interest rate risk to the Company. The Company will determine the proportion between the financial instruments with fixed interest rate and those with floating interest rate in combination with market environment, and maintain an appropriate portfolio of financial instruments through regular review and monitoring. The interest rate risk of cash flows facing the Company is mainly related to the bank loans calculated by floating interest rate of the Company.

As at 30 June 2023, under the assumption of other fixed variables with 50 basis points changed in interest rate, the bank loan of RMB4,368,583,592.17 (RMB3,809,915,668.00 on 31 December 2022) calculated at floating rate would not result in significant influence on total profit and shareholders' equity of the Company.

## 2. Foreign exchange risk

Foreign exchange risk refers to the risk that may lead to the changes of fair value of financial instruments or future cash flows due to fluctuation in exchange rate. The risk of changes of exchange rate facing the Company is mainly related to foreign currency monetary assets and liabilities of the Company. The Company operates in mainland China, and the main activities are recorded by RMB. Thus, the foreign exchange market risk undertaken is insignificant for the Company.

**XI. Disclosure of Fair Value****1. Ending Fair Value of Assets and Liabilities at Fair Value**

Unit: RMB

Item	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
I. Consistent Fair Value Measurement	--	--	--	--
(III) Other equity instrument investment	635,355.65			635,355.65
The total amount of assets consistently measured at fair value	635,355.65			635,355.65
II. Inconsistent Fair Value Measurement	--	--	--	--

**2. Basis for Determining the Market Price of Continuous and Non-continuous Level 1 Fair Value Measurement Items**

The other equity instrument held by the Company was shares of listed companies whose fair value was determined based on the closing price on the stock exchange as of 30 June 2023.

**3. Continuous and Non-continuous Level 2 Fair Value Measurement Items, Valuation Techniques Used, and The Qualitative and Quantitative Information of Important Parameters****4. Continuous and Non-continuous Level 3 Fair Value Measurement Items, Valuation Techniques Used, and The Qualitative and Quantitative Information of Important Parameters**



## 5. Continuous and Non-continuous Level 3 Fair Value Measurement Items, Information On The Adjustment Between The Opening and Closing Carrying Value, and Sensitivity Analysis of Unobservable Parameters

## 6. Explain the Reason for Conversion and the Governing Policy when the Conversion Happens if Conversion Happens among Consistent Fair Value Measurement Items at Different Levels

## 7. Changes in the Valuation Technique in the Current Period and the Reason for Such Changes

## 8. The Fair Value of Financial Assets and Financial Liabilities not Measured at Fair Value

## 9. Others

## XII. Related Party and Related-party Transactions

### 1. Information Related to the Company as the Parent of the Company

Name of the Company as the parent	Place of registration	Business nature	Registered capital	Proportion of share held by the Company as the parent against the Company (%)	Proportion of voting rights owned by the Company as the parent against the Company (%)
Shenzhen Investment Holdings Co., Ltd.	Shenzhen	Limited liability company (solely-owned by the state)	RMB31,859 million	56.96%	56.96%

Notes: Information on the Company as the parent

(1) The parent company of the Company is Shenzhen Investment Holdings Co., Ltd. (hereinafter referred to as "SIHC"), a newly-established and organized state-owned capital investment company based on the original three state-owned assets management companies in October 2004, and its main function is to manage the partial municipal state-owned companies according to the authorization of Municipal SASAC. As a government department, Shenzhen State-owned Assets Supervision and Administration Bureau manages Shenzhen Investment Holdings Co., Ltd. on behalf of People's Government of Shenzhen Municipality.

(2) During the Reporting Period, SIHC, the controlling shareholder of the Company, transferred 38,037,890 ordinary shares of the Company in unlimited circulation (representing 6.382% of the total share capital of the Company) held by SIHC to Shenzhen State-owned Equity Management Co., Ltd. for free to replenish the social security funds. Shenzhen State-owned Equity Management Co., Ltd. is a newly established wholly-owned subsidiary of SIHC to manage the transferred state-owned equity in a special account. After the registration of the free transfer, SIHC held 301,414,637 shares of the Company, accounting for 50.575% of the total share capital of the Company, and Shenzhen State-owned Equity Management Co., Ltd. held 38,037,890 shares of the Company, accounting for 6.382% of the total share capital of the Company.

The final controller of the Company is Shenzhen State-owned Assets Supervision and Administration Committee of Shenzhen Government.

Other notes:

### 2. Subsidiaries of the Company

Refer to Note IX-1.

### 3. Information on the Joint Ventures and Associated Enterprises of the Company

Refer to Note IX-3.

Information on other joint venture or associated enterprise of occurring related-party transactions with the Company in Current Period, or forming balance due to related-party transactions made in previous period:

Name	Relationship with the Company
------	-------------------------------

Other notes:

### 4. Information on Other Related Parties

Name of other related party	Relationship with the Company
Shenzhen Xinhai Holding Co., Ltd.	The Company as the parent of Xinhai Rongyao of subsidiary Rongyao Real Estate by non-controlling interests
Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	Subsidiary Rongyao Real Estate by non-controlling interests

Yangzhou Lvfa Real Estate Co., Ltd.	Subsidiary Yangzhou Wuhe by non-controlling interests
Shenzhen Wufang Ceramics Industrial Co., Ltd.	Associated enterprise of the Company
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	Joint venture of the Company
Tian'an International Building Property Management Company of Shenzhen	Joint venture of the Company
Shenzhen Shenfubao (Group) Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Environmental Protection Technology Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Guarantee Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Infinova Limited	Subsidiary of the Company as the parent of the Company
Shenzhen Convention & Exhibition Center Management Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Sports Center Operation Management Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	Subsidiary of the Company as the parent of the Company
GUOREN PROPERTY AND CASUALTY INSURANCE CO., LTD.	Subsidiary of the Company as the parent of the Company
Shenzhen Branch of GUOREN PROPERTY AND CASUALTY INSURANCE CO., LTD.	Parent company's sub-subsubsidiary
Shenzhen Shentou Property Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Water Planning and Design Institute Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen Bay Area International Hotel Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen SME Venture Capital Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of the Company
Shenyue United Investment Co., Ltd.	Wholly-owned sub-subsubsidiary of the Company as the parent of

	the Company
Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Shantou Special Cooperation Zone Branch of Shenzhen Water Planning and Design Institute Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Infinova Smart Park Technology Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Meibainian Garment Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Tianjun Industrial Co., Ltd.	Parent company's grandson company
Shenzhen Shendan Credit Enhancement Financing Guarantee Co., Ltd.	Parent company's grandson company
Shenzhen Foreign Service Group Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Free Trade Zone Life Service Co., Ltd.	Parent company's grandson company
Hebei Shenbao Investment Development Co., Ltd.	Parent company's grandson company
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Infinova Renyong Information Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Total Logistics Service Co., Ltd.	Parent company's grandson company
Shenzhen SDG Service Co., Ltd.	Parent company's grandson company
Research Institute of Tsinghua University in Shenzhen	Parent company's subsidiary
Shenzhen Talent Recruitment International Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen People's Congress Cadre Training Center	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Rule of Law Training Center	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen South Certification Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Properties Group (SPG) Longgang Development Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Eternal Asia Deep Supply Chain Management Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Petrel Hotel Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Cultural Business Development Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Construction Development (Group) Company	Subsidiary of the Company as the parent of the Company
China Kunpeng Industry Source Innovation Center (Shenzhen) Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Special Zone Literature Magazine Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Investment Holdings Development Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Transportation Station Development Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen High-tech Invest and Venture Capital Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Xingye Logistics Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Investment Building Hotel Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shantou Huafeng Real Estate Development Co., Ltd.	Parent company's sub-subsidiary
Shantou Hualin Real Estate Development Co., Ltd.	Parent company's sub-subsidiary

Shantou Branch of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	Parent company's sub-subsiidiary
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Parent company's sub-subsiidiary

Other notes:

## 5. List of Related-party Transactions

### (1) Information on Acquisition of Goods and Reception of Labor Service

Information on acquisition of goods and reception of labor service

Unit: RMB

Related parties	Content of the related-party transaction	Amount for the current period	The approval trade credit	Whether exceed trade credit or not	Amount for the previous period
Shenzhen Bay Technology Development Co., Ltd.	Management service fee	37,673,707.61	81,600,000.00	No	43,219,580.55
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Project architectural design service	2,809,568.52			
Shenzhen Branch of GUOREN PROPERTY AND CASUALTY INSURANCE CO., LTD.	Insurance	1,647,215.68	2,582,000.00	No	909,945.52
Shenzhen Shendan Credit Enhancement Financing Guarantee Co., Ltd.	Guarantee fee				1,061,950.00
Shenzhen Guarantee Group Co., Ltd.	Guarantee fee				13,656.60
Shenzhen Shenfubao (Group) Co., Ltd.	Catering service	71,780.00			26,911.00
Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	Management service fee	1,262,625.00			
Shenzhen Foreign Service Group Co., Ltd.	Outsourcing service charges	-521,707.00			2,650,014.74
Shenzhen Meibainian Garment Co., Ltd.	Apparel procurement				2,241.00
Shenzhen Water Planning and Design Institute Co., Ltd.	Consultant service expense				53,320.00
Shenzhen SDG Service Co., Ltd.	Property service fee	107,804.26			29,165.85
Shenzhen Talent Recruitment International Co., Ltd.	Recruitment service fee				51,686.00
Shenzhen People's Congress Cadre	Training service fee	1,780.00			378,811.00

Training Center					
Shenzhen Rule of Law Training Center	Training service fee	2,070.00			
Shenzhen South Certification Co., Ltd.	Consultant service expense	24,528.30			
Shenzhen Properties Group (SPG) Longgang Development Co., Ltd.	Management service fee	1,088,750.00			1,033,370.00
Shenzhen Eternal Asia Deep Supply Chain Management Co., Ltd.	Beverage procurement	41,916.00			29,940.00
Shenzhen Infinova Renyong Information Co., Ltd.	Intelligent engineering expense	358,900.00			

Information of sales of goods and provision of labor service

Unit: RMB

Related parties	Content of the related-party transaction	Amount for the current period	Amount for the previous period
Shenzhen Branch of GUOREN PROPERTY AND CASUALTY INSURANCE CO., LTD.	Property service fee	170,719.10	
Hebei Shenbao Investment Development Co., Ltd.	Project payment for water and electricity	23,027,002.91	6,583,247.61
Hebei Shenbao Investment Development Co., Ltd.	Property service fee	7,099,846.48	4,607,506.85
Shenyue United Investment Co., Ltd.	Property service fee	406,380.98	241,740.58
Shenzhen Guarantee Group Co., Ltd.	Property service fee	2,084,729.13	
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Property service fee	1,404,545.54	875,587.86
Shenzhen Convention & Exhibition Center Management Co., Ltd.	Property service fee	2,753,262.17	1,884,845.11
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	Property service fee	16,981.15	1,326,301.15
Shenzhen Total Logistics Service Co., Ltd.	Property service fee	2,986,212.81	1,530,379.26
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Property service fee	531,066.72	516,023.58
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Project payment for water and electricity	232,110.15	1,359,633.03
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Property service fee	37,938.18	36,227.22
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Project payment for water and electricity	4,954.72	87,654.97

Shenzhen Fubao Industrial Park Operation Co., Ltd.	Property service fee	36,566.00	41,148.39
Shenzhen Environmental Protection Technology Group Co., Ltd.	Project payment for water and electricity	90,016.79	41,030.00
Shenzhen Environmental Protection Technology Group Co., Ltd.	Property service fee	3,031,960.52	2,642,172.56
Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	Project payment for water and electricity	46,550.75	
Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	Property service fee	800,000.00	3,529,946.35
Shenzhen Shenfubao (Group) Co., Ltd.	Project payment for water and electricity	2,538,287.16	1,064,220.19
Shenzhen Shenfubao (Group) Co., Ltd.	Property service fee	1,626,536.11	2,957,378.73
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Project payment for water and electricity		53,761.47
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Property service fee	78,872.95	38,550.76
Shenzhen Shantou Special Cooperation Zone Branch of Shenzhen Water Planning and Design Institute Co., Ltd.	Property service fee	11,025.00	11,025.00
Shenzhen Sports Center Operation Management Co., Ltd.	Property service fee	2,224,191.34	
Shenzhen Investment Holdings Co., Ltd.	Project payment for water and electricity	352,220.28	
Shenzhen Investment Holdings Co., Ltd.	Property service fee	3,160,290.91	7,169,148.87
Shenzhen Bay Area International Hotel Co., Ltd.	Property service fee	5,408,353.56	14,100,000.00
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Property service fee	184,818.24	
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Property service fee	117,789.97	
Shenzhen SME Venture Capital Co., Ltd.	Property service fee		654,516.23
Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	Property service fee	284,223.66	163,100.40
Shenzhen Bay Technology Development Co., Ltd.	Property service fee	33,767,155.69	19,066,931.69
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Property service fee	1,113,311.43	1,323,523.65
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Project payment	699,857.70	
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Project payment for water and electricity	3,355,528.67	1,211,630.16
Shenzhen Infinova Limited	Property service fee	207,342.68	117,241.67
Shenzhen Infinova Smart Park Technology Co., Ltd.	Software service expense	143,838.00	

China Shenzhen Foreign Trade (Group) Corp. Ltd.	Property service fee	1,337,989.45	
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Supervision service fee	332,075.47	
Shenzhen Tsinghua University Research Institute	Property service fee	497,261.99	508,363.77
Shenzhen Xingye Logistics Co., Ltd.	Property service fee	5,504.59	
Shenzhen Investment Building Hotel Co., Ltd.	Supervision service fee	35,377.36	
China Kunpeng Industry Source Innovation Center (Shenzhen) Co., Ltd.	Property service fee	687,677.12	209,433.96
Shenzhen Special Zone Literature Magazine Co., Ltd.	Property service fee	25,692.48	24,826.42
Shenzhen Investment Holdings Development Co., Ltd.	Property service fee	56,628.61	46,157.46
Shenzhen Cultural Business Development Co., Ltd.	Property service fee	187,580.44	215,394.13
Shenzhen Talent Recruitment International Co., Ltd.	Property service fee	186,707.86	167,823.58
Shenzhen Construction Development (Group) Company	Property service fee	85,617.92	85,786.57
Shenzhen South Certification Co., Ltd.	Property service fee	30,931.60	30,875.00
Shenzhen High-tech Invest and Venture Capital Co., Ltd.	Property service fee		279,021.13
Shantou Huafeng Real Estate Development Co., Ltd.	Property service fee	1,167,500.69	1,200,494.18
Shantou Hualin Real Estate Development Co., Ltd.	Property service fee	1,761.75	
Shantou Branch of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.	Property service fee	219.45	
Shenzhen Petrel Hotel Co., Ltd.	Property service fee	150,943.40	169,811.35
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Property service fee	102,532.66	

Notes to acquisition of goods and reception of labor service

## (2) Information on Related-party Trusteeship/Contract

Lists of trusteeship/contract of the Company:

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Income recognized in this current period
Shenzhen Shentou Property Development Co., Ltd.	ShenZhen Properties & Resources Development (Group) Ltd.	Investment properties	6 November 2019	5 November 2025	Market pricing	30,678,719.66
Shenzhen Shenfubao (Group) Co., Ltd.	Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Property	1 January 2023	31 December 2023	Market pricing	1,191,399.36

Notes:

Lists of entrust/contractee

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Charge recognized in this current period
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Notes:

**(3) Information on Related-party Lease**

The Company was lessor:

Unit: RMB

Name of lessee	Category of leased assets	The lease income confirmed in the current period	The lease income confirmed in the previous period
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Investment properties	906,136.48	957,280.87
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Investment properties	656,167.79	693,203.39

The Company was lessee:

Unit: RMB

Name of lessor	Category of leased assets	Rental expense of simplified short-term leases and low-value asset leases (if applicable)		Variable lease payments that are not covered in the measurement of the lease liabilities (if applicable)		Rent payable		Interest expense on lease liabilities borne		Added right-of-use assets	
		Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period
Shenzhen Shentou Property Development Co., Ltd.	Investment properties					341,790.05	132,734.00	32,655.78	57,353.26		
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Investment properties						54,243.00		4,765.04		
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Investment properties	7,381.56									
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context	Investment properties	104,000.00	435,714.27			330,000.00		44,091.30			



otherwise requires											
Shenzhen Petrel Hotel Co., Ltd.	Investment property	24,048.77	14,898.50								

Notes:

**(4) Information on Related-party Guarantee**

The Company was guarantor:

Unit: RMB

Secured party	Amount of guarantee	Start date	End date	Execution accomplished or not
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The Company was secured party

Unit: RMB

Guarantor:	Amount of guarantee	Start date	End date	Execution accomplished or not
Guoren P&C	82,093,413.89	26 June 2022	30 April 2024	Not
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	16,750,000.00	29 March 2022	28 March 2025	Not
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	36,850,000.00	29 March 2022	28 March 2026	Not
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	13,400,000.00	29 March 2022	28 March 2027	Not
Shenzhen Credit Guarantee Group Co., Ltd.	2,895,117.51	1 May 2022	1 May 2023	Yes

Notes:

**(5) Information on Inter-bank Lending of Capital of Related Parties**

Unit: RMB

Related parties	Amount	Start date	Maturity date	Note
Borrowing				
Lending				

**(6) Information on Assets Transfer and Debt Restructuring by Related Party**

Unit: RMB

Related parties	Content of the related-party transaction	Amount for the current period	Amount for the previous period
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**(7) Information on Remuneration for Key Management Personnel**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Remuneration for key management personnel	5,467,228.36	5,059,171.07

**(8) Other Related-party Transactions****6. Accounts Receivable and Payable of Related Party****(1) Accounts Receivable**

Unit: RMB

Project name	Related parties	Ending balance		Beginning balance	
		Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Accounts receivable	Hebei Shenbao Investment Development Co., Ltd.	29,580,856.88	887,425.71	15,856,697.13	475,700.91
	Shenyue United Investment Co., Ltd.	1,880,281.69	89,321.49	1,545,493.83	46,364.81
	Shenzhen Guarantee Group Co., Ltd.			69,764.97	2,092.95
	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	2,955,686.43	255,635.55	3,292,961.84	177,657.15
	Shenzhen Convention & Exhibition Center Management Co., Ltd.	311,415.85	23,213.48	1,379,512.79	55,256.38
	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	10,072,563.13	1,252,620.81	10,072,563.13	674,112.86
	Shenzhen Total Logistics Service Co., Ltd.	842,576.52	25,277.30	779,745.46	23,392.36
	Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.			114,435.00	3,433.05
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	1,063,169.24	82,335.08	1,811,138.85	104,774.17
	Shenzhen Fubao Industrial Park Operation Co., Ltd.	306,960.04	9,208.80	307,714.39	9,231.43
	Shenzhen Environmental Protection Technology Group Co., Ltd.	2,325,047.53	69,751.43	1,331,881.42	39,956.44
	Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	917,263.67	66,998.66	917,263.67	66,998.66
	Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	3,254,324.58	112,615.34	2,454,324.58	88,615.34
	Shenzhen Shenfubao (Group) Co., Ltd.	4,153,519.42	159,605.58	3,699,118.44	145,973.55
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	13,983.54	419.51	55.70	1.67
	Shenzhen Shentou Property Development Co., Ltd.	3,607,013.37	108,210.40	1,500,297.75	45,008.93
	Shenzhen Investment Holdings Co., Ltd.	3,991,522.56	139,974.08	6,623,892.25	218,945.16
	Shenzhen Bay Area International Hotel Co., Ltd.			51,312,666.65	1,539,380.00

	Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	156,427.62	4,692.83	116,061.39	3,481.84
	Shenzhen Bay Technology Development Co., Ltd.	107,824,285.09	6,746,937.22	131,203,332.93	3,936,099.99
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.	220,039.50	6,601.19		
	Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	1,743,182.23	52,295.47	811,111.70	24,333.35
	Shenzhen Infinova Smart Park Technology Co., Ltd.	140,000.00	9,600.00	320,000.00	9,600.00
	Shenzhen Tsinghua University Research Institute	84,632.14	3,393.22	113,107.19	3,393.22
	China Shenzhen Foreign Trade (Group) Corp. Ltd.	607,166.50	18,215.00		
	China Kumpeng Industry Source Innovation Center (Shenzhen) Co., Ltd.	366,352.02	10,990.56	226,669.33	6,800.08
	Shenzhen Special Zone Literature Magazine Co., Ltd.	27,234.00	817.02		
	Shenzhen Investment Holdings Development Co., Ltd.	9,675.93	217.56	7,251.89	217.56
	Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	846,991.69	25,409.75		
	Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	452,061.02	13,561.83		
	Shenzhen Infinova Limited	11,792.64	353.78		
	Shenzhen Talent Recruitment International Co., Ltd.	41,516.85	1,245.51		
	Shenzhen South Certification Co., Ltd.	7,986.28	239.59		
	Shenzhen Transportation Station Development Co., Ltd.	4,608.64	138.26		
	Shenzhen High-tech Invest and Venture Capital Co., Ltd.	50.00	5.00	50.00	1.50
Total		177,820,186.60	10,177,326.98	235,867,112.28	7,700,823.36
Contract assets	Hebei Shenbao Investment Development Co., Ltd.	298,930.06		373,225.04	
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	337,422.67		337,422.67	

	Shenzhen Fubao Industrial Park Operation Co., Ltd.	26,457.15		26,457.15	
	Shenzhen Environmental Protection Technology Group Co., Ltd.			28,385.93	
	Shenzhen Shenfubao (Group) Co., Ltd.	43,500.00		43,500.00	
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	14,649.15		14,649.15	
	Shenzhen Investment Holdings Co., Ltd.	139,004.56		139,004.56	
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.	50,169.55		50,169.55	
	Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	46,418.86		46,418.86	
Total		956,552.00		1,059,232.91	
Other receivables	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	199,678.53	10,458.60	121,714.92	5,080.85
	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	100,000.00	10,000.00	100,000.00	10,000.00
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	102,583.54	3,077.51	2,583.54	77.51
	Shenzhen Qianhai Advanced Information Service Co., Ltd. <sup>1</sup>	10,720,575.27	321,617.26	10,720,575.27	321,617.26
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	350,000.00	10,500.00		
	Shenzhen Shentou Property Development Co., Ltd.	81,233.00	81,233.00	81,233.00	81,233.00
	Shenzhen Investment Holdings Co., Ltd.	685,740.90	157,127.32	685,740.90	112,893.70
	Shenzhen Xinhai Holding Co., Ltd.	201,499,990.18	6,044,999.71	201,499,990.18	6,044,999.71
	Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	375,068,984.55	11,252,069.54	375,068,984.55	11,252,069.54
	Shenzhen Tianjun Industrial Co., Ltd.	10,000,000.00		10,000,000.00	
	Shenzhen Bay Technology Development Co., Ltd.	16,342,327.84	490,269.84	4,159,687.50	124,790.63
	Shenzhen Wufang Ceramics Industrial Co., Ltd.	1,747,264.25	1,747,264.25	1,747,264.25	1,747,264.25

	China Shenzhen Foreign Trade (Group) Corp. Ltd.			3,734.83	373.48
	Shenzhen Convention & Exhibition Center Management Co., Ltd.	1,000.00	30.00		
Total		616,899,378.06	20,128,647.03	604,191,508.94	19,700,399.93

Note 1: The other receivables of the Company to Shenzhen Qianhai Advanced Information Service Co., Ltd. (hereinafter referred to as “Qianhai Advanced”) are advance money paid in advance due to the demolition of Lanhushidai Project. According to the joint and several guarantee commitment letter signed by Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd., Xinhai Rongyao is jointly and severally liable for the tax and interest advanced by the Company. Out of prudence, the Company's transactions to Qianhai Advanced are disclosed.

## (2) Accounts Payable

Unit: RMB

Project name	Related parties	Ending carrying amount	Beginning carrying amount
Accounts payable	Shenzhen Shentou Property Development Co., Ltd.	891,120.88	787,002.77
	Shenzhen Infinova Renyong Information Co., Ltd.	25,203.84	25,203.84
	Shenzhen General Institute of Architectural Design and Research Co., Ltd.	527,200.00	1,199,653.20
	Shenzhen SDG Service Co., Ltd.	282,144.00	282,144.00
Total		1,725,668.72	2,294,003.81
Other payables	Shenzhen Guarantee Group Co., Ltd.	1,494,841.29	1,494,841.29
	Shenzhen Free Trade Zone Life Service Co., Ltd.	4,850.00	4,850.00
	Shenzhen Fubao Industrial Park Operation Co., Ltd.	6,951.26	11,579.00
	Shenzhen Shenfubao (Group) Co., Ltd.	2,835,952.63	2,503,870.62
	Shenzhen Shentou Property Development Co., Ltd.	8,793,493.79	10,126,517.16
	Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	687,525.00	687,525.00
	Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	562,521.00	562,521.00
	Shenzhen SME Venture Capital Co., Ltd.		339,760.59
	Shenzhen Bay Technology Development Co., Ltd.	154,415,543.77	179,966,045.36
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.	360,752.18	360,752.18
	Shenzhen Infinova Limited	144,219.02	144,219.02
	China Shenzhen Foreign Trade (Group) Corp. Ltd.	132,509.60	265,018.43
	Shenzhen Real Estate Jifa Warehousing Co., Ltd.	42,296,665.14	42,296,665.14
	Tian'an International Building Property Management Company of Shenzhen	5,214,345.90	5,214,345.90
	Shenzhen Investment Holdings Co., Ltd.		868,934.14
	Shenzhen Foreign Service Group Co., Ltd.		1,101,949.83
	Yangzhou Lvfa Real Estate Co., Ltd.	345,072,717.79	313,705,372.89
	Shenzhen Cultural Business Development Co., Ltd.	773,680.00	773,680.00
	Shenzhen Construction Development (Group) Company	152,227.00	152,227.00

	Shenzhen Talent Recruitment International Co., Ltd.	147,132.37	147,132.37
	Shenzhen South Certification Co., Ltd.	34,002.15	34,002.15
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	225,912.89	
Total		563,355,842.78	560,761,809.07

## 7. Commitments of Related Party

## 8. Other

## XIII. Stock Payment

### 1. The Overall Situation of Share-based Payments

Applicable  Not applicable

### 2. Equity-settled Share-based Payments

Applicable  Not applicable

### 3. Cash-settled Share-based Payments

Applicable  Not applicable

### 4. Modification and Termination of Share-based Payments

### 5. Others

## XIV. Commitments and Contingency

### 1. Significant Commitments

Significant commitments on balance sheet date

Signed large amount contract under performing or to be performed

Item	Amount of Current Period	Same period of last year
Commitments signed but hasn't been recognized in large amount	2,132,088,014.66	1,034,954,205.35

## 2. Contingency

### (1) Significant Contingency on Balance Sheet Date

(1) The action about transferring Jiabin Building contentious matter

In 1993, the Company signed Right of Development Transfer Contract of Jiabin Building with Shenzhen Jiyong Property Development Co., Ltd. (hereinafter referred to as "Jiyong Company"). Since the contract was not effectively executed, the Company subsequently filed a series of lawsuits against the parties involved in the project, but the outcome was not favorable to the Company. Therefore, the Company calculated and withdrew bad-debt provisions for accounts receivable amounting to RMB93.81 million from Jiyong Company in full in past years for the transfer of Jiabin Building. On 31 October 2018, Shenzhen Intermediate People's Court made a civil award and ruled that the Company's application for the bankruptcy of Jiyong Company would not be accepted. The Company appealed against the ruling. On 29 April 2019, the Guangdong Provincial Higher People's Court ruled to reject the Company's appeal and maintain the original ruling. As of the issuance date of the report, there is no new progress in the case.

(2) The arbitration case of property contract dispute of Software Park Phase I between the Fourth Owners' Committee of Shenzhen Nanshan District Software Park (Applicant) and Shenzhen ITC Technology Park Service Co., Ltd. (Respondent 1, hereinafter referred to as the "ITC Technology Park Company") and its High-tech Zone Branch (Respondent 2) for Software Park I

In February and March 2021, High-tech Zone Branch of ITC Technology Park Company and Shenzhen ITC Technology Park Service Co., Ltd. received arbitration notices respectively of the case [2021] Shengguozhongshou No. 541 and [2021] Shengguozhongshou No. 1063. The Fourth Owners' Committee of Shenzhen Nanshan District Software Park applied for the following award: 1. Respondent 1 shall return RMB9,893,677.82 and fund occupation fee of RMB3,272,665.99 (temporarily calculated from 1 July 2012 to 31 January 2021), totaling RMB13,166,343.81; Respondent 1 shall bear the attorney's fee of RMB30,000.00; Respondent 2 shall return RMB31,077,017.59 and RMB635,929.44 of fund occupation fee (temporarily calculated from 1 July 2020 to 31 January 2021), totaling RMB31,712,947.03; Respondent 2 shall bear the attorney's fee of RMB300,000.00. The total amount of the above is RMB45,209,290.84.

On 21 August 2022, the Arbitration Tribunal held the second hearing to inquire about the audit report issued by the third-party auditor and the details of the case, on 5 September 2022, Jun & Partners responded to the Special Audit Report of Case No. 541 and Case No. 1063. The arbitration awards on two cases were given on 23 and 24 March 2023 respectively. According to the conclusion of arbitration awards, the High-tech Zone Branch of Shenzhen ITC Technology Park Service Co., Ltd. should return approximately

RMB540,000 of public revenue to the Owners' Committee of Shenzhen Nanshan District Software Park (in spite of RMB32 million requested by the Owners' Committee) and bear a part of arbitration fee; in regard to the arbitration case between the ITC Technology Park Company and the Owners' Committee of Shenzhen Nanshan District Software Park, all requests of the latter have been rejected by the arbitration tribunal (in spite of RMB13 million requested by the Owners' Committee). The Owners' Committee, which is carrying out election of new members, cannot provide any receipt account. Therefore, the respondents are communicating with the applicant's attorney on details of execution.

(3) Litigation case about Shenzhen Basepoint Intelligent Co., Ltd.

On 20 August 2017, Shenzhen Facility Management Community Technology Co., Ltd. signed Software Service Contract on China Merchants Property Intelligent Facility Management Platform with China Merchants. Meanwhile, the company procured a RMB3 million facility management system (consisting of 31 items) from Basepoint for the project. During delivery of the project, only 11 items of the system delivered by Basepoint passed the acceptance inspection, leaving the full delivery unfinished. Therefore, the Company failed to reach a consensus with Basepoint on payment, and the latter sued the Company in 2021, making RMB3 million of the Company's fund locked up. According to the judgment of first instance on 10 August 2022, the Company should compensate RMB3 million to Basepoint. The Company refused to accept the first instance judgment and instituted an appeal for second instance in 2022. The second instance is expected to start on 11 August 2023.

(4) Property management fee litigation case regarding Shenzhen Xuansheng Industrial Development Co., Ltd.

Haiwai Lianyi Building, No. 12 Yingchun Road, Luohu District, Shenzhen City, is partly owned by the United Front Work Department of the Shenzhen Municipal Committee, and Shenzhen Jinhailian Property Management Co., Ltd. is authorized by the United Front Work Department of the Shenzhen Municipal Committee to manage the property. On 31 December 2006, Jinhailian and Shenzhen Xuansheng Industrial Development Co., Ltd. signed the *Property Management Agreement of "Haiwai Lianyi Building"*, which agreed that Xuansheng would provide property management services to Jinhailian and Jinhailian would pay the corresponding property management fees to Xuansheng.

On 7 January 2020, Xuansheng signed the *Agreement* with Jinhailian and the outsider Shenzhen Shengxin Hotel Management Co., Ltd. and agreed that the three parties reached an agreement on the management fee, principal maintenance fee, and electricity fee owed to Xuansheng from 1 July 2017 to 31 December 2019 on the 5th-8th floor of Haiwai Lianyi Building by Jinhailian as follows: 1) The management fee, principal The amount of maintenance fee and electricity fee is RMB696,033.73; 2) Jinhailian will return the above arrears repayment date before 22 January 2020; 3) Out of friendly relationship, if Jinhailian cannot return the above arrears before 22 January 2020, then Shengxin Hotel is willing to advance from the rent payable to Jinhailian; 4) If due to objective reasons, Shengxin Hotel cannot complete the lease surrender, Xuansheng will refund this advance in total, and Jinhailian will still return the outstanding amount. However, both Jinhailian and Shengxin Hotel failed to fulfill their payment obligations as agreed in the said agreement. In this regard, Xuansheng issued a *Notice of Demand for Payment of Arrears* on 13 January 2022 and an *Attorney's Letter* to Jinhailian on 15 August 2022, demanding to fulfill its obligation to pay a property management fee, principal maintenance fee, and electricity fee totaling RMB696,033.73. On 1 September 2022, Xuansheng appealed to the Shenzhen Luohu District People's Court.

As of 31 December 2022, Jinhailian expects to pay RMB766,612.52 (including: property management fee, principal maintenance fee, and electricity fee totaling RMB696,033.73 and overdue interest of RMB70,578.79).

On 12 January 2023, the People's Court of Luohu District, Shenzhen, issued a judgment of first instance, which ruled that Shenzhen Jinhailian Property Management Co., Ltd. shall pay Shenzhen Xuansheng Industrial Development Co., Ltd. a total of RMB696,033.73 for a property management fee, principal maintenance fee, and electricity fee for the period from 1 July 2017 to 31 December 2019, and interest for late payment. Jinhailian appealed against the result of the first trial. During the second trial conducted on line, Shenzhen Intermediate People's Court rejected all requests appealed by Jinhailian and upheld the judgment of the first trial.

(5) Others

As a real estate developer, the Company provides mortgage loan guarantees and pays loan deposits for commercial housing purchasers according to the operation practice of the real estate industry. By 30 June, 2023, the balance of the deposit not discharged with guarantee was RMB63,292,452.99, which would be discharged when the mortgage loans are paid off.

**(2) Explanation shall be given even if there is no significant contingency for the Company to disclose**

There was no significant contingency in the Company to disclose.

**3. Others**

**XV. Events after Balance Sheet Date**

**1. Significant Non-adjustment Matters**

Unit: RMB

Item	Contents	Influence number to the financial position and operating results	Reason of inability to estimate influence number
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**2. Distribution of Profit**

**3. Sales Return**

#### 4. Notes to Other Events after Balance Sheet Date

##### XVI. Other Significant Events

##### 1. The Accounting Errors Correction in Previous Period

##### (1) Retrospective Restatement

Unit: RMB

Content	Processing program	Name of the influenced report items during comparison period	Accumulative impact

##### (2) Prospective Application

Content	Processing program	Reason for adopting prospective application

##### 2. Debt Restructuring

##### 3. Assets Replacement

##### (1) Non-monetary Assets Exchange

##### (2) Other Assets Replacement

##### 4. Pension Plans

##### 5. Discontinued Operations

Unit: RMB

Item	Revenue	Costs	Total profit	Income tax expense	Net profit	Profit from discontinued operations attributable to owners of the Company as the parent
Zhanjiang Branch of Shenzhen Properties & Resources Development (Group) Ltd. deregistered	0.00	-5,073.06	61,355.83	0.00	61,355.83	61,355.83

Other notes:

##### 6. Segment Information

##### (1) Determination Basis and Accounting Policies of Reportable Segment

In accordance with the internal organization structure, management requirements and internal report system, the Company identifies the reportable segment based on the business segment, and assesses the operational performance of real estate sales, property management and catering service. The assets and liabilities sharing with other segments shall be proportionally distributed among segments by scales.

##### (2) The Financial Information of Reportable Segment

Unit: RMB

Item	Real estate	Property management	Leasing business	Offset among segment	Total
Operating Revenue	1,053,881,874.68	773,181,325.02	78,401,433.15		1,905,464,632.85



Operating cost	695,191,661.52	635,461,652.02	41,506,570.71		1,372,159,884.25
Total assets	13,299,291,495.21	1,710,738,121.43	489,507,593.11		15,499,537,209.75
Total liabilities	10,449,500,028.22	511,639,802.46	70,574,307.22		11,031,714,137.90

**(3) If there Was no Reportable Segment, or the Total Amount of Assets and Liabilities of Each Reportable Segment Could not Be Reported, Relevant Reasons Shall Be Clearly Stated**

**(4) Other notes**

**7. Other Significant Transactions and Events with Influence on Investors' Decision-making**

**8. Other**

**XVII. Notes of Main Items in the Financial Statements of the Company as the Parent**

**1. Accounts Receivable**

**(1) Listed by Category**

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawal of Bad debt provision separately accrued	96,702,269.40	96.80%	96,702,269.40	100.00%		96,702,269.40	94.67%	96,702,269.40	100.00%	
Of which:										
Accounts receivable withdrawal of bad debt provision of by group	3,201,456.76	3.20%	482,401.07	15.07%	2,719,055.69	5,447,776.99	5.33%	310,734.28	5.70%	5,137,042.71
Of which:										
Total	99,903,726.16	100.00%	97,184,670.47	97.28%	2,719,055.69	102,150,046.39	100.00%	97,013,003.68	94.97%	5,137,042.71

Bad debt provision separately accrued: RMB96,702,269.40

Unit: RMB

Name	Ending balance			
	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and unrecoverable
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2,836,561.00	100.00%	Long aging and expected unrecoverable
Luohu District Economic Development Company	54,380.35	54,380.35	100.00%	Long aging and expected unrecoverable
Total	96,702,269.40	96,702,269.40		

Withdrawal of bad debt provision by group: 482401.07

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Portfolio of credit risk features	3,201,456.76	482,401.07	15.00%
Portfolio of transactions with other related parties			
Total	3,201,456.76	482,401.07	

Notes to the determination basis for the group:

Withdrawal of bad debt provision by group: RMB482,401.07

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Within 1 year	1,413,114.27	42,393.43	3.00%
1-2 years	604,586.55	60,458.66	10.00%
2-3 years	1,061,644.99	318,493.50	30.00%
3-4 years	122,110.95	61,055.48	50.00%
Total	3,201,456.76	482,401.07	

Notes to the determination basis for the group:

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

Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Ending balance
Within one year (including 1 year)	1,413,114.27
One to two years	604,586.55
Two to three years	1,061,644.99
More than three years	96,824,380.35
Three to four years	122,110.95
Over 5 years	96,702,269.40
Total	99,903,726.16

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Others	
Bad debt provision accrued by item	96,702,269.40				96,702,269.40	
Withdrawal of bad debt provision by group	310,734.28	171,666.79			482,401.07	
Total	97,013,003.68	171,666.79			97,184,670.47	

Of which significant amount of recovered or transferred-back bad debt provision for the current period:

Unit: RMB

Name of the entity	Amount reversed or recovered	Way of recovery

**(3) Accounts Receivable Written-off in Current Period**

Unit: RMB

Item	Written-off amount
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Of which the verification of significant accounts receivable:

Unit: RMB

Name of the entity	Nature	Written-off amount	Reason for verification	Verification procedures performed	Whether occurred because of related-party transactions
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Notes to verification of accounts receivable:

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

Unit: RMB

Name of the entity	Ending balance	Proportion to total ending balance of accounts receivable	Ending balance of bad debt provision
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93.90%	93,811,328.05
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2.84%	2,836,561.00
Shenzhen Feihuang Industrial Co., Ltd.	769,919.05	0.77%	230,975.72
Shenzhen Meige Xiazi Catering Management Co., Ltd.	542,366.40	0.54%	162,709.92
Shenzhen Pengxin Property Management Co., Ltd.	255,875.00	0.26%	7,676.25
Total	98,216,049.50	98.31%	

**(5) Accounts receivable derecognized due to the transfer of financial assets****(6) The Amount of the Assets and Liabilities Formed due to the Transfer and the Continued Involvement of Accounts Receivable**

Other notes:

**2. Other Receivables**

Unit: RMB

Item	Ending balance	Beginning balance
Dividend receivable	151,433,108.41	151,433,108.41
Other receivables	4,444,939,247.02	5,010,963,761.04
Total	4,596,372,355.43	5,162,396,869.45

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

Unit: RMB

Item	Ending balance	Beginning balance
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**2) Significant Overdue Interest**

Unit: RMB

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

**3) Withdrawal of Bad Debt Provision**□Applicable Not applicable**(2) Dividend Receivable****1) Category of Dividend Receivable**

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
Shenzhen Jinghengtai Real Estate Development Co., Ltd.	151,433,108.41	151,433,108.41
Total	151,433,108.41	151,433,108.41

**2) Significant Dividends Receivable Aging over 1 Year**

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason	Whether occurred impairment and its judgment basis

**3) Withdrawal of Bad Debt Provision**□Applicable Not applicable

Other notes:

**(3) Other Receivables****1) Category of Other Receivables by Account Nature**

Unit: RMB

Nature	Ending carrying amount	Beginning carrying amount
Guaranteed deposit	2,240,927.00	2,537,789.00
Payment on behalf		
External intercourse funds	23,202,397.67	23,374,171.34
Intercourse funds to subsidiary	4,451,506,190.80	5,017,542,623.59
Total	4,476,949,515.47	5,043,454,583.93

**2) Withdrawal of Bad Debt Provision**

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2023	8,997,495.81		23,493,327.08	32,490,822.89
Balance of 1 January 2023 in the current period				
Withdrawal of the current period	31,429.94		-511,984.38	-480,554.44
Balance as at 30 June 2023	9,028,925.75		22,981,342.70	32,010,268.45

Changes of carrying amount with significant amount changed of loss provision in the current period

□Applicable Not applicable

Disclosure by aging

Unit: RMB

Aging	Ending balance
Within one year (including 1 year)	4,444,878,230.56
One to two years	11,200.00
Two to three years	40,849.05
More than three years	32,019,235.86
Three to four years	69,600.00
Over 5 years	31,949,635.86
Total	4,476,949,515.47

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Others	
Other receivables	32,490,822.89	-480,554.44				32,010,268.45
Total	32,490,822.89	-480,554.44				32,010,268.45

Of which the bad debt provision recovered or transferred-back with significant amount during the current period:

Unit: RMB

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

Unit: RMB

Item	Written-off amount
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Of which the verification of significant other receivables:

Unit: RMB

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

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

Unit: RMB

Name of the entity	Nature	Ending balance	Aging	Proportion to total ending balance of other receivables %	Ending balance of bad debt provision
Dongguan Wuhe Real Estate Co., Ltd.	Intercourse funds to subsidiary	2,113,760,170.00	Within 1 year	47.21%	
Shenzhen Guangming Wuhe Real Estate Co., Ltd.	Intercourse funds to subsidiary	1,471,000,000.00	Within 1 year	32.86%	
Yangzhou Wuhe Real Estate Co., Ltd.	Intercourse funds to subsidiary	700,614,325.72	Within 1 year	15.65%	
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	Intercourse funds to subsidiary	40,568,374.85	Within 1 year	0.91%	
Shum Yip Properties Development Co., Ltd.	Intercourse funds to subsidiary	106,409,390.56	Over 5 years	2.38%	6,652,394.80
Total		4,432,352,261.13		99.01%	6,652,394.80

**6) Accounts Receivable Involving Government Subsidies**

Unit: RMB

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

Other notes:

**3. Long-term Equity Investment**

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Investment to subsidiaries	1,433,799,880.39	65,834,000.00	1,367,965,880.39	1,436,329,880.39	68,364,000.00	1,367,965,880.39
Investment to joint ventures and associated enterprises	100,559,319.77	18,983,614.14	81,575,705.63	98,765,051.45	18,983,614.14	79,781,437.31
Total	1,534,359,200.16	84,817,614.14	1,449,541,586.02	1,535,094,931.84	87,347,614.14	1,447,747,317.70

**(1) Investment to Subsidiaries**

Unit: RMB

Investee	Beginning balance (carrying value)	Increase/decrease for the current period				Ending balance (Carrying value)	Ending balance of depreciation reserve
		Additional investment	Reduced investment	Withdrawal of impairment provision	Others		
Shenzhen Huangcheng Real Estate Co., Ltd.	35,552,671.93					35,552,671.93	
Shenzhen Wuhe Industry Investment Development Co., Ltd.	44,950,000.00					44,950,000.00	
SZPRD Yangzhou Real Estate Development Co., Ltd.	50,000,000.00					50,000,000.00	
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	20,000,000.00					20,000,000.00	
Shenzhen International Trade Center Property Management Co., Ltd.	195,337,851.23					195,337,851.23	
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	3,000,000.00					3,000,000.00	
SZPRD Commercial Operation Co., Ltd.	63,509,120.32					63,509,120.32	
Shum Yip Properties Development Co., Ltd.							15,834,000.00
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.							50,000,000.00
Shenzhen Rongyao Real Estate Development Co., Ltd.	508,000,000.00					508,000,000.00	
Shenzhen ITC Technology Park Service Co., Ltd.							
SZPRD Urban Renewal Co., Ltd.	77,474,479.29					77,474,479.29	
Dongguan Wuhe Real Estate Co., Ltd.	50,000,000.00					50,000,000.00	

Shenzhen Guangming Wuhe Real Estate Co., Ltd.	50,000,000.00						50,000,000.00	
Shenzhen Wuhe Urban Renewal Co., Ltd.	236,641,757.62						236,641,757.62	
Yangzhou Wuhe Real Estate Co., Ltd.	33,500,000.00						33,500,000.00	
Total	1,367,965,880.39						1,367,965,880.39	65,834,000.00

**(2) Investment to Joint Ventures and Associated Enterprises**

Unit: RMB

Investee	Beginning balance (carrying value)	Increase/decrease for the current period								Ending balance (Carrying value)	Ending balance of depreciation reserve	
		Additional investment	Reduced investment	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Others			
<b>I. Joint ventures</b>												
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	44,730,585.29			1,722,873.98							46,453,459.27	
Tian'an International Building Property Management Company of Shenzhen	7,037,952.31			82,895.33							7,120,847.64	
Subtotal	51,768,537.60			1,805,769.31							53,574,306.91	
<b>II. Associated enterprises</b>												
Shenzhen Wufang Ceramics Industrial Co., Ltd.												18,983,614.14
CSCEC Intelligent Parking Technology Co., Ltd.	28,012,899.71			51,619.01			63,120.00				28,001,398.72	
Subtotal	28,012,899.71			51,619.01			63,120.00				28,001,398.72	18,983,614.14
Total	79,781,437.31			1,857,388.32			63,120.00				81,575,705.63	18,983,614.14

**(3) Other Notes****4. Operating Revenue and Cost of Sales**

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Principal business	995,033,423.48	697,320,050.39	23,251,320.73	16,550,326.74
Others	8,588,500.36	711,099.38	8,338,349.86	659,988.00

Total	1,003,621,923.84	698,031,149.77	31,589,670.59	17,210,314.74
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Relevant information of revenue:

Unit: RMB

Category of contracts	Segment 1	Segment 2		Total
Product categories				
Of which:				
Real estate business	974,533,312.66			974,533,312.66
House leasing business	29,088,611.18			29,088,611.18
Classification by operating region				
Of which:				
Shenzhen	1,003,621,923.84			1,003,621,923.84
Market or customer type				
Of which:				
Contract type				
Of which:				
Classification by time of commodity transfer				
Of which:				
Classification by contract term				
Of which:				
Classification by sales channel				
Of which:				
Total	1,003,621,923.84			1,003,621,923.84

Information about performance obligations:

The income of the parent company in current period was income from the business of real estate and lease.

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

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB0.00 at the period-end, among which RMB\_\_ was expected to be recognized in \_\_, RMB\_\_ was expected to be recognized in \_\_, and RMB\_\_ was expected to be recognized in \_\_.

Other notes:

## 5. Investment Income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Long-term equity investment income accounted by equity method	1,857,388.32	859,534.38
Entrusted loans interest		76,724,135.18
Total	1,857,388.32	77,583,669.56

## 6. Other



**XVIII. Supplementary Materials****1. Items and Amounts of Non-recurring Profit or Loss**

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gains/losses from the disposal of non-current assets (inclusive of provision for impairment of assets write-offs)	174,379.69	
Government grants recorded in the current profit or loss (except for those acquired in the ordinary course of company's business, in line with national policies and regulations, or granted continuously according to certain standard quotas or amounts)	501,658.00	
Other non-operating income and expense other than the above	-562,616.42	
Less: Income tax effects	31,670.01	
Non-controlling interests effects	23,017.77	
Total	58,733.49	--

Details of other profit and loss items in line with the definition of non-recurring gains and losses:

Applicable Not applicable

There are no other profit and loss items in line with the definition of non-recurring gains and losses in the Company.

Note to defining the non-recurring profit and loss items listed in the *Explanatory Notice of Information Disclosure by Companies Offering Securities to the Public No. 1 - Non-recurring Profit and Loss Items* as recurring profit and loss items

Applicable Not applicable

**2. Return on Equity and Earnings Per Share**

Profit as of reporting period	Weighted average ROE (%)	EPS	
		EPS-basic	EPS-diluted
Net profit attributable to ordinary shareholders of the Company	4.92%	0.3707	0.3707
Net profit attributable to ordinary shareholders of the Company after deduction of non-recurring profit or loss	4.92%	0.3706	0.3706

**3. Accounting Data Differences under PRC GAAP and Those under IFRSs****(1) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with International Accounting Standards and Chinese Accounting Standards**

Applicable Not applicable

**(2) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with Domestic Accounting Standards and Chinese Accounting Standards**

Applicable Not applicable

**(3) Explain Reasons for the Differences between Accounting Data Under Domestic and Overseas Accounting Standards; for Any Adjustment Made to the Difference Existing in the Data Audited by the Foreign Auditing Agent, Such Foreign Auditing Agent's Name Shall Be Clearly Stated.****4. Others**