



Shenzhen Properties Group

深房集团

**SHENZHEN SPECIAL ECONOMIC ZONE REAL ESTATE
& PROPERTIES (GROUP) CO., LTD.**

INTERIM REPORT 2023

2023-031

【August 2023】

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

Tang Xiaoping, the Company’s General Manager, Wang Jianfei, the Company’s Chief Financial Officer, and Zhou Hongpu, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the Financial Statements carried in this Report are factual, accurate and complete.

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

Certain descriptions about the Company’s operating plans or work arrangements for the future mentioned in this Report and its summary, the implementation of which is subject to various factors, shall NOT be considered as promises to investors. Therefore, investors and interested parties are reminded to be sufficiently aware of the risks involved and understand the differences between plans, forecasts and promises.

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

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

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Documents Available for Reference

1. The financial statements with the personal signatures and stamps of the Company's legal representative, Chief Financial Officer and head of the financial department; and
2. The originals of all the documents and announcements disclosed by the Company on Securities Times, China Securities Journal and Ta Kung Pao during the Reporting Period.

Definitions

Term	Definition
“Shenzhen SASAC” or the “Municipal SASAC”	The State-owned Assets Supervision and Administration Commission of the People’s Government of Shenzhen Municipal
SIHC	Shenzhen Investment Holdings Co., Ltd.
The “Company”, the “Group”, “SPG” or “we”	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires
Shenzhen Property Management	Shenzhen Property Management Co., Ltd.
Petrel Hotel	Shenzhen Petrel Hotel Co., Ltd.
Zhentong Engineering	Shenzhen Zhentong Engineering Co., Ltd.
Huazhan Construction Supervision	Shenzhen Huazhan Construction Supervision Co., Ltd.
Jianbang Group	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.
Chuanqi Real Estate Development	Shenzhen SPG Chuanqi Real Estate Development Co., Ltd.

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	SPG, SPG-B	Stock code	000029, 200029
Stock exchange for stock listing	Shenzhen Stock Exchange		
Company name in Chinese	深圳经济特区房地产(集团)股份有限公司		
Abbr. (if any)	深房集团		
Company name in English (if any)	ShenZhen Special Economic Zone Real Estate&Properties (Group).co.,Ltd.		
Abbr. (if any)	SPG		
Legal representative	Tang Xiaoping		

II Contact Information

	Board Secretary	Securities Representative
Name	Luo Yi	Hong Lu
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Email address	spg@sfjt.sihc.com.cn	spg@sfjt.sihc.com.cn

III Other Information

1. Contact Information of the Company

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

Applicable Not applicable

No change occurred to the said information in the Reporting Period, which can be found in the 2022 Annual Report.

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

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

Applicable Not applicable

The website of the stock exchange, the media and other websites where the Company's periodic reports are disclosed, as well as the place for keeping such reports did not change in the Reporting Period. The said information can be found in the 2022 Annual Report.

3. Other Information

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

Applicable Not applicable

IV Key Financial Information

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

Yes No

	H1 2023	H1 2022	Change (%)
Operating revenue (RMB)	263,616,779.07	366,184,498.90	-28.01%
Net profit attributable to the listed company's shareholders (RMB)	-37,118,182.81	145,128,330.14	-125.58%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	-42,468,909.15	17,139,162.56	-347.79%
Net cash generated from/used in operating activities (RMB)	-192,140,948.04	-548,115,143.34	64.95%
Basic earnings per share (RMB/share)	-0.0367	0.1435	-125.57%
Diluted earnings per share (RMB/share)	-0.0367	0.1435	-125.57%
Weighted average return on equity (%)	-0.94%	3.66%	-4.60%
	30 June 2023	31 December 2022	Change (%)
Total assets (RMB)	5,453,181,740.50	5,689,769,802.18	-4.16%
Equity attributable to the listed company's shareholders (RMB)	3,903,638,382.72	4,004,240,547.70	-2.51%

V Accounting Data Differences under Chinese Accounting Standards (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Net Profit and Equity Differences under CAS and IFRS

Applicable Not applicable

Unit: RMB

	Net profit attributable to the listed company's shareholders		Equity attributable to the listed company's shareholders	
	H1 2023	H1 2022	Ending amount	Beginning amount
Under CAS	-37,118,182.81	145,128,330.14	3,903,638,382.72	4,004,240,547.70
Adjusted as per IFRS				
Under IFRS	-37,118,182.81	145,128,330.14	3,903,638,382.72	4,004,240,547.70

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

Applicable Not applicable

No such differences for the Reporting Period.

3. Reasons for Accounting Data Differences Above

Applicable Not applicable

XI Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	3,750.50	
Government subsidies charged to current profit or loss (exclusive of government subsidies consistently given in the Company's ordinary course of business at fixed quotas or amounts as per government policies or standards)	123,732.31	Government grants received
Gain or loss on assets entrusted to other entities for investment or management	3,638,607.35	Change in fair value of monetary fund investments and return on investment
Gain or loss on contingencies unrelated to the Company's normal business operations	1,644,822.69	
Non-operating income and expense other than the above	-37,754.41	
Less: Income tax effects	22,432.10	
Total	5,350,726.34	

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

Applicable Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement

No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases for the Reporting Period.

Part III Management Discussion and Analysis

I Principal Activity of the Company in the Reporting Period

(I) Industry review for the Reporting Period

In the first half of 2023, as the economy and society fully returned to normal operations, macro policies took effect, and the national economy rebounded. The Central Government actively expressed support for the real estate sector to guide its healthy development. Various regulatory policies were relaxed, financing channels for real estate companies expanded, interest rate cuts supported residential mortgages, but the policy effects were somewhat delayed, and market confidence is expected to further recover.

(II) Review of the Company's operations in the Reporting Period

Facing an increasingly complex external context and tougher reform and development tasks in the Reporting Period, the Company conscientiously implemented the decisions and arrangements of the State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipality (Municipal SASAC) and Shenzhen Investment Holdings Co., Ltd. (SIHC). Under the leadership of the new leadership team, SPG employees worked in unity, took concrete actions, demonstrated the Company's resilience, and maintained an upward development trend. The main achievements are as follows:

1. Stable and orderly operations in the core business. The Company focused on project planning, schedule, and milestone management. Through BIM technology empowerment and adherence to high standards, we ensured the schedule and quality of projects under construction like SPG Guangmingli. We made full efforts to promote sales and marketing for projects. Since the opening in late April, the SPG Guangmingli project display centre has hosted over 1,000 customers. The Donghu Mingyuan project cleared out remaining units. We strengthened operations of our own properties, leveraged the development of "Buildings for Shenzhen-Hong Kong Specialty Industry" to promote leasing and operations for SPG Plaza's existing properties. In the first half of the year, newly leased areas were 2,374 square meters, renewed leased areas were 10,690 square meters, and the occupancy rate reached 74.21%. We intensified efforts to sell existing housing inventory. Properties like Floors 1-2 of Guoshang Mansion and Buildings 25 and 26 of Wenjin Garden were successfully listed on The Stock Exchange of Hong Kong Limited.

2. Made full efforts to tap potentials and expand. We thoroughly explored internal business potentials and managed affiliated enterprises. The newly signed construction contracts worth RMB142 million for Zhentong Engineering. We added RMB49.775 million in online signed sales for Shantou Branch, expanded supervision projects by 2 for Huazhan Construction Supervision, and turned losses into profits for Petrel Hotel. We vigorously activated internal stock resources, accelerated the land title confirmation for the "Xinfeng Building" project, and signed a transaction agreement with the counterparty for the sale of commercial land in Los

Angeles, USA. We proactively promoted land investment, tracked real estate market conditions, closely followed Shenzhen land auction dynamics, and continued land expansion research.

3. Accelerated exploration of future development. To implement high-quality development requirements, we systematically and deeply investigated the Company's current management status and external environment, and examined and revised the Group's "14th Five-Year" strategic plan from a higher perspective, clarifying future guidelines and strategic tasks to form a framework for the "14th Five-Year" strategic plan revision. We continued to strengthen tracking of the China Securities Regulatory Commission's adjustments to optimise equity financing policies for real estate enterprises, conducted research on future development accordingly, and strove to achieve synergistic breakthroughs in the process of supporting the controlling shareholder's development strategy.

4. Continuously consolidated the internal control foundation. Nearly 50 new management systems were formulated across the Company in the first half of the year. We optimized procurement and cost control systems, managed project costs throughout the entire process, conducted in-depth risk control and internal audits on capital usage and contract management, and continuously strengthened the internal control system foundation. Adhering to bottom-line thinking, in view of the growing risks in the industry, we made forward-looking assessments combining our project situations to effectively prevent and resolve operational risks and safeguard state-owned assets. We strengthened financial coordination to guarantee project development and operating capital needs, and persevered in production safety, petition management, public opinion monitoring and other efforts to create a harmonious and stable environment for development.

5. Party building provided cohesive strength. We adhered to high-quality Party building to lead high-quality development, giving full play to the Party organisation's leadership role in "setting the direction, managing the big picture, and ensuring implementation". We gradually built an internal Party supervision-led "mega supervision" system, with dedicated and business supervision mutually coordinated. We implemented responsibilities for Party management and governance, and continuously consolidated the Party building foundation in basic organisations, systems, and teams. Combining practice, we carried out in-depth education, focused strengths to solve problems and promote development, used "One Brand for One Enterprise" Party building brand as a carrier to pool internal strengths, and advanced the integration of Party building with business management.

The Company is subject to the information disclosure requirements for the real estate industry in the Disciplinary and Regulatory Guideline No. 3 of the Shenzhen Stock Exchange for Listed Companies—Industry-specific Information Disclosure.

Cumulative land bank:

Name of project/area	Site area (0,000 m ²)	Floor area (0,000 m ²)	Floor area available for development (0,000 m ²)
Xinfeng Building in Shantou	0.59	2.66	2.66
Linxinyuan Phase II	2.57	7.72	7.72
Linxinyuan Phase III	4.31	9.57	9.57

Linxinyuan Phase IV	3.23	6.45	6.45
Total	10.70	26.40	26.40

Development status of major projects:

City/region	Name of project	Location	Status	The Company's interest	Time for commencement of construction	% developed	% constructed	Site area (m ²)	Planned floor area with plot ratio (m ²)	Floor area completed in the Current Period (m ²)	Cumulatively completed floor area (m ²)	Expected total investment (RMB '0,000)	Cumulative investment (RMB '0,000)
Huizhou	Linxinyuan Phase I	Huiyang	Framework in construction	51.00%	11 June 2021	64%	64.00%	64,278	159,761			115,750	74,584
Shenzhen	SPG Guangmingli	Guangming District	Foundation pit being built	100.00%	19 January 2022	74%	74.00%	10,721	53,605			151,758	112,437

Sales status of major projects:

City/region	Name of project	Location	Status	The Company's interest	Floor area with plot ratio (m ²)	Floor area available for sale (m ²)	Cumulatively pre-sold/sold floor area (m ²)	Floor area pre-sold/sold in the Current Period (m ²)	Pre-sale/sales revenue generated in the Current Period (RMB'0,000)	Cumulatively settled floor area (m ²)	Floor area settled in the Current Period (m ²)	Pre-sale/sales revenue settled in the Current Period (RMB'0,000)
Shenzhen	Chuanqi Donghu Mingyuan	Luohu District	Ready for sale	100.00%	55,727	32,857	32,857	194	1,483	32,857	194	1,483
Shenzhen	Cuilinyuan	Longgang District	Ready for sale	100.00%	60,111	56,137	52,884			52,884		2,469
Shantou	Tianyuan Phase I	Chaoyang District	Ready for sale	100.00%	153,470	160,372	117,734	2,850	1,656	105,473	3,818	2,180
Shantou	Tianyuan Phase II	Chaoyang District	Ready for sale	100.00%	127,770	137,059	33,893	5,622	3,221	31,993	6,481	3,672
Huizhou	Linxinyuan Phase I	Huiyang District	On pre-sale	51.00%	159,761	159,761	2,792	2,236	2,558			

Rental status of major projects:

Name of project	Location	Use	The Company's interest	Rentable area (m ²)	Cumulative rented area	Average occupancy rate
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					(m ²)	
Real Estate Mansion	Shenzhen	Commercial	100.00%	3,413.88	3,413.88	100.00%
North Tower of Guoshang Mansion	Shenzhen	Commercial	100.00%	4,819.71	4,819.71	100.00%
Petrel Building	Shenzhen	Commercial	100.00%	22,475.47	22,475.47	100.00%
SPG Plaza	Shenzhen	Office building	100.00%	60747.69	32,333.08	53.23%
Podium of SPG Plaza	Shenzhen	Commercial	100.00%	19886.3	16,123.49	81.08%
Wenjin Garden	Shenzhen	Commercial	100.00%	3,531.60	3,531.60	100.00%

Primary land development:

Applicable Not applicable

Financing channels:

Financing channel	Ending balance of financings	Financing cost range/average financing cost	Maturity structure			
			Within 1 year	1-2 years	2-3 years	Over 3 years
Bank loans	161,876,610.82	3.70%-4.20%	19,983,173.22	79,432,000.00		62,461,437.60
Total	161,876,610.82		19,983,173.22	79,432,000.00		62,461,437.60

Development strategy and operating plan for the coming year:

In the second half of the year, the Company will anchor its annual key tasks and goals, focusing on completing the clearance of existing housing inventory, the construction and sales of the Guangmingli project, advancing the construction of “Buildings for Shenzhen-Hong Kong Specialty Industry”, and exploring new paths for future development. We will exert all efforts to “maintain sales, reduce inventory, prevent fluctuations, expand growth, improve quality, and enhance vitality”, effectively tackling the challenges of future development.

1. Prioritise “Sales Volume”. The Company will seize the market window, control marketing milestones, and strengthen marketing’s coordination and guidance for project sales across its affiliated enterprises. Through a multidimensional approach encompassing market analysis, product positioning, target audience identification, channel integration, and atmosphere enhancement, we will diversify customer acquisition and conversion methods. We are fully committed to achieving the annual sales target for the Guangmingli project and driving sales for projects such as Tianyuewan by the Shantou Branch.

2. Focus on “Reducing Inventory”. The Company will align with market demand, leverage resources from agency platforms, refine broad-based marketing incentives, explore self-developed customer channels, and strive to achieve the annual sales target for legacy projects. We will strengthen intermediary channel engagement and promotion, facilitating transactions for properties such as Guoshang, Yitai, and Wenjin Garden. Benchmarking against the market, we will proactively enhance existing products, intensify self-owned property leasing efforts, and endeavour to fulfill the overall annual task target.

3. Expand “Sales Growth”. The Company will consistently drive the activation of internal assets and unearth operational potential, continually expanding resources and performance in the core business. Following the annual task objectives set at the beginning of the year, we will focus on managing affiliated enterprise operations, maximizing potential, and striving to achieve the annual revenue target. Efforts will be made to

activate legacy internal resources and bolster core business reserves. We will vigorously advance the revision and development of the “14th Five-Year” strategic plan, guiding future corporate reform and development.

4. Enhance “Quality”. The Company will concentrate on elevating operational planning capabilities, centering on high-efficiency coordination of projects, cycles, and expertise across the entire spectrum of our core business. Operating plans will serve as the main thread, aiming for development progress and quality, focusing on key milestones, optimizing project organisation, and controlling development timelines to improve operational quality and efficiency. A comprehensive optimisation of the marketing system will be pursued from dimensions such as market research, product positioning, customer analysis, and channel integration, continuously enhancing marketing capabilities for new and existing projects. The construction of the organisational system and supportive capacity will be reinforced, actively securing specialised talents for future development, enhancing incentive and restraint mechanisms, and unlocking internal value creation.

5. Mitigate “Variable Risks”. The Company will thoroughly assess potential risks in investment and project expansion, establish risk assessment and early warning mechanisms, and minimise future project risks. We will proactively address and mitigate potential risks, explore financing channels, and ensure project funding requirements are met.

6. Boost “Energy”. The Company will persistently uphold its Party building responsibilities, strengthen ethical and clean governance, safeguard ideological positions, promote the deep integration of Party building and operations, and harness the “red engine” of Party building to drive high-quality development. We will translate the results of theme education into tangible work outcomes, leveraging the “One Brand for One Enterprise” Party building brand to explore new paths for integrating Party building and business, fortify our “battle fortress”, and strive to be the “pioneers of challenges”, continuously harnessing the guiding and safeguarding power of Party building.

Provision of guarantees for homebuyers on bank mortgages:

Applicable Not applicable

Project	Guarantee period	Guarantee amount (R MB'0,000)	Note
Shanglinyuan	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	49.35	
Cuilinyuan	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	2,148.92	
Chuanqi Donghu Mingyuan	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	1,229.46	
Tianyuewan	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	33,640.55	
Linxinyuan	Until the property ownership certificate is registered as collateral and handed over to bank for keeping	970.00	
Total		38,038.27	

Joint investments by directors, supervisors and senior management and the listed company (applicable for such investments where the directors, supervisors and senior management are the major source of investment):

Applicable Not applicable

Project	Type of investor	Investment amount (RMB)	As % of total investment	As % of the peak of project funds	Cumulative returns (RMB)	Disinvestment	Compatibility of actual investment and returns
Linxinyuan	Director, supervisor or senior management of the Company	8,950,000.00	39.25%	0.90%	0.00	N/A	N/A

II Core Competitiveness Analysis

As the earliest real estate developer founded in the Shenzhen Special Economic Zone, the Company helped build the early city, and has created a number of "first places" in the history of real estate development in China. For example, the first to use the paid state-owned land, the first to introduce the foreign investment for the cooperative land development, the first to raise development funds by means of pre-sale of buildings, the first to carry out public bidding for construction projects in accordance with international practices, the first to set up a property management company to the buildings and residences developed in an all-rounded manner, as well as winning the bid in the new China's first auction of land use rights held in the Shenzhen Special Economic Zone. After more than 40 years of development, the Company has grown into a business group with real estate development and operation as its main business, integrating engineering and construction, project supervision, asset management and other diversified operations. It has paid great efforts to the establishment of a modern enterprise HR management system and works hard in building a professional and high-quality development team. It also keeps improving the management mechanism and processes for project development. As a result, its planning, construction, cost control, sales ability and brand image have been effectively improved. More importantly, its main business operation ability and core competitiveness have been greatly enhanced.

The Company has been granted the titles of "Socially Responsible Company" and "Honest (Quality) Company" in the real estate sector of Shenzhen for two consecutive years. Additionally, it was selected as one of the "Most Valuable Brands for Investment of Chinese Listed Companies" and "Most Socially Responsible Brands of Chinese Listed Companies" in the 2022 Brand Power (Longcheng) Forum & the Fourth Conference on Top 500 Brands of Chinese Listed Companies.

III Core Business Analysis

Overview:

See contents under the heading "I Principal Activity of the Company in the Reporting Period" above.

Year-on-year changes in key financial data:

Unit: RMB

	H1 2023	H1 2022	Change (%)	Main reason for change
Operating revenue	263,616,779.07	366,184,498.90	-28.01%	Decreased revenue from property sales
Cost of sales	217,229,426.83	239,885,272.72	-9.44%	
Selling expense	8,790,640.18	10,726,031.33	-18.04%	

Administrative expense	23,453,199.45	33,013,300.52	-28.96%	Project development and staff structure adjustments
Finance costs	-612,267.71	-3,601,554.32	83.00%	Decreased bank balances and deposit interest income
Income tax expense	-2,580,629.05	59,036,968.69	-104.37%	Decreased gross profit
Net cash generated from/used in operating activities	-192,140,948.04	-548,115,143.34	-64.95%	Decreased payment of land value-added tax for the Chuanqi Donghu Mingyuan project
Net cash generated from/used in investing activities	138,197,734.83	255,526,904.00	-45.92%	A payment for the disposal of subsidiary was received in the same period of last year
Net cash generated from/used in financing activities	38,186,866.07			Additional bank loan in the current period
Net increase in cash and cash equivalents	-15,583,954.90	-292,337,340.43	94.67%	Decreased payment of land value-added tax for the Chuanqi Donghu Mingyuan project and receipt of payment for disposal of subsidiary

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

Applicable Not applicable

Net profit largely came from recurrent business operations in the current period, while in the same period of last year, exceptional gains such as income from the disposal of subsidiary were the primary sources of net profit.

Breakdown of operating revenue:

Unit: RMB

	H1 2023		H1 2022		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	263,616,779.07	100%	366,184,498.90	100%	-28.01%
By operating division					
Property sales	72,404,365.93	27.47%	228,409,271.55	62.38%	-34.91%
Engineering and construction	149,278,954.13	56.63%	103,248,547.59	28.20%	28.43%
Rental service	35,655,793.46	13.53%	16,729,533.24	4.57%	8.96%
Property management	1,579,444.44	0.60%	11,075,828.00	3.02%	-2.42%
Other	4,698,221.11	1.78%	6,721,318.52	1.84%	-0.06%
By product category					
Residential units	71,997,900.22	27.31%	223,833,107.28	61.13%	-33.82%
Shops and parking lots	406,465.71	0.15%	4,576,164.27	1.25%	-1.10%
Other	191,212,413.14	72.53%	137,775,227.35	37.62%	34.91%
By operating segment					
Guangdong Province	263,276,484.95	99.87%	318,380,165.32	86.95%	12.92%
Other regions in	0.00	0.00%	47,804,333.58	13.05%	-13.05%

China					
Overseas	340,294.12	0.13%	0.00	0.00%	0.13%

Operating division, product category or operating segment contributing over 10% of operating revenue or operating profit:

Applicable Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Property sales	72,404,365.93	49,079,740.50	32.21%	-68.30%	-52.94%	-22.13%
Engineering and construction	149,278,954.13	146,071,686.99	2.15%	44.58%	44.62%	-0.02%
Rental service	35,655,793.46	18,005,836.85	49.50%	113.13%	-4.71%	62.44%
Property management	1,579,444.44	1,266,665.08	19.80%	-85.74%	-88.24%	17.03%
Other	8,634,903.49	2,805,497.41	67.51%	28.47%	-42.94%	40.66%
By product category						
Residential units	71,997,900.22	48,682,064.04	32.38%	-67.83%	-51.52%	-22.76%
Shops and parking lots	406,465.71	397,676.46	2.16%	-91.12%	-89.77%	-12.86%
Other	195,149,095.52	168,149,686.33	13.84%	41.64%	24.02%	12.25%
By operating segment						
Guangdong Province	265,244,826.14	217,229,426.83	18.10%	-16.69%	12.51%	-21.26%

Main business data of the most recent period restated according to changed statistical caliber for the Reporting period

Applicable Not applicable

IV Non-Core Business Analysis

Applicable Not applicable

V Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	30 June 2023		31 December 2022		Change in percentage (%)	Reason for any significant change
	Amount	As a % of total assets	Amount	As a % of total assets		
Monetary assets	182,290,539.13	3.34%	197,663,949.74	3.47%	-0.13%	
Accounts receivable	55,880,663.33	1.02%	63,580,422.16	1.12%	-0.10%	
Inventories	4,239,904,684.21	77.75%	4,257,109,614.31	74.82%	2.93%	Development of projects
Investment property	554,694,578.33	10.17%	566,873,915.07	9.96%	0.21%	
Long-term equity investments	93,927.64	0.00%	93,927.64	0.00%	0.00%	
Fixed assets	20,677,375.65	0.38%	21,425,475.05	0.38%	0.00%	
Right-of-use assets	166,069.10	0.00%	232,496.72	0.00%	0.00%	

Short-term borrowings	45,050,727.80	0.83%	51,138,077.62	0.90%	-0.07%	
Contract liabilities	34,256,336.95	0.63%	43,533,467.29	0.77%	-0.14%	
Long-term borrowings	141,893,437.60	2.60%	54,261,000.00	0.95%	1.65%	Additional bank loan in the current period
Lease liabilities	12,377.36	0.00%	53,885.23	0.00%	0.00%	
Accounts payable	398,857,036.04	7.31%	434,601,559.67	7.64%	-0.33%	
Taxes payable	37,570,635.93	0.69%	190,951,185.99	3.36%	-2.67%	Payment of land VAT of Donghu Mingyuan in the current period
Other payables	555,065,599.75	10.18%	574,331,340.84	10.09%	0.09%	

2. Major Assets Overseas

Applicable Not applicable

3. Assets and Liabilities at Fair Value

Applicable Not applicable

Unit: RMB

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Cumulative fair-value changes charged to equity	Impairment allowance for the Reporting Period	Purchased in the Reporting Period	Sold in the Reporting Period	Other changes	Ending amount
Financial assets								
1. Held-for-trading financial assets (excluding derivative financial assets)	408,154,361.42	3,477,115.56				136,638,508.21		274,992,968.77
4. Investments in other equity instruments	13,839,235.57		352,055.06					14,191,290.63
Total of the above	421,993,596.99	3,477,115.56	352,055.06	0.00	0.00	136,638,508.21	0.00	289,184,259.40
Financial liabilities	0.00							0.00

Other change

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

Yes No

4. Restricted Asset Rights as at the Period-End

Item	Ending carrying value	Reasons
Monetary assets	5,674,439.78	Project of public facilities inside and surrounding the urban renewal project of Longgang District, Shenzhen-construction funds
Inventories	965,000,000.00	Lands mortgaged for project development loans
Monetary assets	388,115.74	Frozen in a lawsuit case
Accounts receivable	45,050,727.80	Put in pledge for short-term borrowings
Total	1,016,113,283.32	

VI Investment Analysis

1. Total Investments Made

Applicable Not applicable

2. Significant Equity Investments Made in the Reporting Period

Applicable Not applicable

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

Applicable Not applicable

4. Financial Investments

(1) Securities Investments

Applicable Not applicable

No such cases in this Reporting Period

(2) Investment in Derivative Financial Instruments

Applicable Not applicable

No such cases in this Reporting Period

5. Use of Funds Raised

Applicable Not applicable

No such cases in this Reporting Period

VII Sale of Major Assets and Equity Interests

1. Sale of Major Assets

Applicable Not applicable

No such cases in this Reporting Period

2. Sale of Major Equity Interests

Applicable Not applicable

VIII Principal Subsidiaries and Joint Stock Companies

Applicable Not applicable

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

Unit: RMB

Company name	Relationship with the Company	Main business scope	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Subsidiary	Development of real estate	2,800,000.00	1,491,957,625.03	-19,769,341.08	0.00	-4,072,785.25	-4,072,785.25
Shenzhen SPG Chuanqi Real Estate Development Co., Ltd.	Subsidiary	Development of real estate	30,000,000.00	1,138,192,024.84	992,339,172.23	0.00	-1,842,727.01	-1,842,727.01
Shenzhen SPG Longgang Development Co., Ltd.	Subsidiary	Development of real estate	30,000,000.00	107,426,973.70	58,461,951.25	4,062,693.36	548,923.64	859,592.64
Shantou SEZ, Wellam FTY, Building Development, Co., Ltd.	Subsidiary	Development of real estate	91,226,120.44	85,268,682.06	35,546,282.68	176,190.48	-54,758,534.76	-54,758,534.76
Shantou Huafeng Real Estate Development Co., Ltd.	Subsidiary	Development of real estate	80,000,000.00	806,150,699.31	17,728,461.45	54,475,318.71	138,083.09	103,562.32
Great Wall Estate Co., Inc. (U.S.)	Subsidiary	Rental services	2,051,146.00	20,170,752.91	-93,266,727.89	340,294.12	-142,447.83	-142,447.83
Shenzhen Zhentong Engineering Co., Ltd.	Subsidiary	Installation	10,000,000.00	282,567,892.90	20,620,413.10	150,144,506.81	273,084.09	254,677.82
Shenzhen Petrel	Subsidiary	Rental services	30,000,000.00	44,040,875.42	36,941,391.53	7,685,132.35	22,759.58	17,069.68

Hotel Co., Ltd.		and property management						
Shenzhen Huazhan Construction Supervision Co., Ltd.	Subsidiary	Construction supervision	8,000,000.00	9,993,923.73	9,655,166.68	944,339.63	- 712,985.53	- 712,985.53
Xin Feng Enterprise Co., Ltd.	Subsidiary	Investment and management	502,335.00	338,345,286.36	- 231,418,127.59		- 5,047,162.12	- 5,047,162.12

Subsidiaries obtained or disposed in the Reporting Period:

Applicable Not applicable

Information about major majority- and minority-owned subsidiaries:

1. In May 2021, through the payment of consideration of RMB450 million, the Group acquired 51% equity interest in Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. The project company will develop the Linxingyuan Project with a gross site area of 200,000 square meters and a total capacity building area of 0.4 million square meters, which will be developed in four phases. The Group has control over the project company, which will be included in the scope of consolidation in May 2021. As of 30 June 2023, eight residential buildings of Phase I have been capped, the basement of Phase II has been completed, the development of Phase III and Phase IV are to be initiated, and construction permit has not been granted for the school. There were no sales in the first half of 2023.
2. In October 2021, the Company won the bid for a land plot in Guangming District and established the project company Shenzhen SPG Chuanqi Real Estate Development Co., Ltd. to be responsible for the development and construction of the land. In the first half of 2023, actual investment totaled RMB55.61 million, which was mainly made in main construction.
3. The subordinate subsidiaries engaged in real estate development also include: Shenzhen SPG Longgang Development Co., Ltd., Shantou SEZ, Wellam FTY, Building Development, Co., Ltd., Shantou Huafeng Real Estate Development Co., Ltd. The Cuilinyuan project developed by Shenzhen SPG Longgang Development Co., Ltd. recorded no sales in the first half of 2023. Jinyedao and YuejingDongfang developed by Shantou SEZ, Wellam FTY, Building Development, Co., Ltd. left a few amount of remaining buildings for sale. And Shantou Huafeng Real Estate Development Co., Ltd. was responsible for the development of Tianyuewan project (divided into Phase I and Phase II). Tianyuewan Phase I was open for sale in October 2016 and completed in December 2019. The Phase II started construction in November 2018 and was completed at the end of June 2021. The overall sales progress is relatively slow with an accumulated sales rate of about 74% for Phase I and 25% for Phase II.
4. Shenzhen Zhentong Engineering Co., Ltd. was engaged in the business of building installation and maintenance with the H1 2023 operating revenues of RMB150 million and of 56.96% to the operating revenues of the Company.
5. The H1 2023 net profit of Xin Feng Enterprise Co., Ltd. was of RMB-5.0472 million which mainly due to the changes of exchange rate and it conducts no business.
6. The H1 2023 net profit of Shenzhen Petrel Hotel Co., Ltd. was of RMB17 thousand, representing a return to profitability, which was mainly due to the fact that the market and business environment improved during the Reporting Period.

IX Structured Bodies Controlled by the Company

Applicable Not applicable

X Risks Facing the Company and Countermeasures

(I) Macroeconomic risks and countermeasures

The real estate industry has a greater correlation with the macroeconomy and is more influenced by the macroeconomic cycle. Currently, the foundation for sustained domestic economic recovery remains unsteady, while the external environment grows increasingly complex and challenging, with global economic fluctuations trending downward. The Company will continue to pay attention to the international and domestic macroeconomic situation and actively adjust its business strategy.

(II) Industry development risks and countermeasures

During the Reporting Period, there was a decrease in the new construction area of real estate, while completed area increased. Overall construction area declined. In the short term, real estate development investment will continue to operate at a low level, and the real estate market remains in a phase of turbulent adjustment. The Company will continue to deepen its research on industry policies, follow the national strategies, innovate its operating model and optimize its development method.

(III) Business operating risks and countermeasures

In the first half of 2023, the sales prices of new commodity housing in cities decreased year-on-year. Product destocking has slowed down, leading to compressed profit margins. The Company will pay close attention to changes in markets and industry policies, focus on project construction and real estate sales to strengthen the foundation of the main business. At the same time, the Company will actively explore new areas and cultivate new business models.

Part IV Corporate Governance

I Annual and Extraordinary General Meeting Convened during the Reporting Period

1. General Meetings Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Convened date	Disclosure date	Resolution of meeting
The First Extraordinary General Meeting in 2023	Extraordinary General Meeting	62.31%	30 March 2023	31 March 2023	Resolutions of First Extraordinary General Meeting in 2023 disclosed on China Securities, Securities Times, Ta Kung Pao and www.cninfo.com.cn (No.: 2023-014)
The 2022 Annual General Meeting	Annual General Meeting	62.37%	28 April 2023	29 April 2023	Resolutions of 2022 Annual General Meeting disclosed on China Securities, Securities Times, Ta Kung Pao and www.cninfo.com.cn (No.: 2023-020)

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

Applicable Not applicable

II Change of Directors, Supervisors and Senior Management

Applicable Not applicable

Name	Office title	Type	Date	Reason
Tang Xiaoping	Chairman of the Board	Elected	30 March 2023	
Zhang Manhua	Director	Elected	30 March 2023	
Wen Li	Director	Left office	30 March 2023	
Lu Haiyan	Supervisor	Elected	28 March 2023	
Feng Hongwei	Supervisor	Left office	28 March 2023	

III Interim Dividend Plan

Applicable Not applicable

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

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

Applicable Not applicable

No such cases in the Reporting Period.

Part V Environmental and Social Responsibility

I Major Environmental Issues

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

Yes No

Administrative penalties imposed for environmental problems during the Reporting Period

Name	Reason	Case	Result	Influence on production and operation	Rectification measures
N/A	N/A	N/A	N/A	N/A	N/A

Other environmental information disclosed with reference to the heavily polluting business

The Company and its subsidiaries are not imposed any administrative penalties for environmental problems during the Reporting Period.

Measures taken to decrease carbon emission in the Reporting Period and corresponding effects

Applicable Not applicable

Reason for failure of disclosing other environmental information

The Company and its subsidiaries isn't a heavily polluting business identified by the environmental protection authorities of China.

II Social Responsibility

While pursuing economic benefits and protecting the interests of shareholders, the Company proactively fulfilled its social responsibilities demonstrating the Company's social value and responsibilities. During the Reporting Period, the Company has diligently adhered to its mission awareness. It has firmly grasped the most pressing and direct interests of the people, establishing a list of tangible projects that serve the welfare of the people. 1. The Company has demonstrated care for families facing family planning difficulties within its jurisdiction. It donated RMB30,000 to the Jiabei Community for the "Support for Family Planning and Care for Families in Need" donation campaign, joining hands to provide care and support. 2. Collaborating with property management companies, the Company has jointly built a safety line. It organised emergency evacuation drills for commercial tenants in properties under its jurisdiction, enhancing public awareness of fire safety and prevention. 3. The Company has invested in commissioning the natural gas transformation of gas pipelines in its own old residential communities. It has strongly supported the government's "tank-to-pipe" project to eliminate safety hazards.

Part VI Significant Events

I Commitments of the Company's De Facto Controller, Shareholders, Related Parties and Acquirers, as well as the Company Itself and Other Entities Fulfilled in the Reporting Period or Ongoing at the Period-End

Applicable Not applicable

No such cases in the Reporting Period.

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

Applicable Not applicable

No such cases in the Reporting Period.

III Irregularities in the Provision of Guarantees

Applicable Not applicable

No such cases in the Reporting Period.

IV Engagement and Disengagement of Independent Auditor

Are the interim financial statements audited?

Yes No

The interim financial statements have not been audited.

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

Applicable Not applicable

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

Applicable Not applicable

VII Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

VIII Legal Matters

Significant lawsuits and arbitrations:

Applicable Not applicable

General information	Involved amount (RMB'0,000)	Provision	Progress	Decisions and effects	Execution of decisions	Disclosure date	Index to disclosed information
Xi'an Project Lawsuit	2,154	No	In execution	<p>① Xi'an Business Tourism Company Limited (hereinafter referred to as "Business Company") had to pay for the compensation RMB36.62 million and the relevant interest (from 14 September 1998 to the payment day) to Xi'an Fresh Peak Company within one month after the judgment entering into force. If the Business Company failed to pay in time, it had to pay double debt interests to Xi'an Fresh Peak Company for the overdue period; ② Xi'an Joint Commission on Commerce had jointly and severally obligation of the interests of the compensation; . ③ Business Company shall bear RMB227,500 of the acceptance fee and the security fee.</p>	<p>Shaanxi High People's Court Sold all assets of Business Company by auction in accordance with laws in 2004. The applicant has received RMB15.20 million. Now Business Company has no executable properties and Xi'an Joint Commission on Commerce has been refusing to execute the ruling. It is difficult to recover the rest.</p>	18 March 2023	Annual Report 2022 (No.: 2023-010) on www.cninfo.com.cn
Lawsuit of bill dispute	17,715.14	No	Judgment was rendered in the first instance	<p>As Jianbang Group is incapable of paying the commercial bills due in January 2022, which total RMB177,151,400, Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry & Trade Co., Ltd. and Huizhou Jinlongsheng Industrial Co., Ltd. brought a lawsuit</p>	<p>SPG is actively negotiating with Jianbang and the plaintiffs for an all-inclusive solution.</p>	18 March 2023	Annual Report 2022 (No.: 2023-010) on www.cninfo.com.cn

				on the bill dispute to the People's Court of Huiyang District. The Huiyang District Court ruled at first instance in March 2023 that Jianbang should pay the acceptance bill amount and interest.			
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Other legal matters:

Applicable Not applicable

IX Punishments and Rectifications

Applicable Not applicable

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

Applicable Not applicable

XI Major Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

No such cases in the Reporting Period.

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

Applicable Not applicable

No such cases in the Reporting Period.

3. Related Transactions Regarding Joint Investments in Third Parties

Applicable Not applicable

No such cases in the Reporting Period.

4. Amounts Due to and from Related Parties

Applicable Not applicable

No such cases in the Reporting Period.

5. Transactions with Related Finance Companies

Applicable Not applicable

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

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

Applicable Not applicable

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

7. Other Major Related-Party Transactions

Applicable Not applicable

No such cases in the Reporting Period.

XII Major Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

Applicable Not applicable

No such cases in the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases in the Reporting Period.

(3) Leases

Applicable Not applicable

No such cases in the Reporting Period.

2. Major Guarantees

Applicable Not applicable

Unit: RMB'0,000

Guarantees provided by the Company as the parent and its subsidiaries for external parties (exclusive of those for subsidiaries)										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Guarantees provided by the Company as the parent for its subsidiaries										
Obligor	Disclosure date of the guarantee	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or

	Line announcement									Not
Shenzhen SPG Chuanqi Real Estate Development Co., Ltd.	18 March 2022	50,000	17 June 2022	9,929	Pledge	100% equity interests of Shenzhen SPG Chuanqi Real Estate Development Co., Ltd. held by the Company		From the date of signing the guarantee contract to the date when all guaranteed debts are unconditionally and irrevocably paid off in full.	Not	Not
Total approved line for such guarantees in the Reporting Period (B1)		50,000		Total actual amount of such guarantees in the Reporting Period (B2)		9,929				
Total approved line for such guarantees at the end of the Reporting Period (B3)		50,000		Total actual balance of such guarantees at the end of the Reporting Period (B4)		9,929				
Guarantees provided between subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Total guarantee amount (total of the three kinds of guarantees above)										
Total guarantee line approved in the Reporting Period (A1+B1+C1)		50,000		Total actual guarantee amount in the Reporting Period (A2+B2+C2)		9,929				
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		50,000		Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)		9,929				
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets				2.54%						
Of which:										
Total of the three amounts above (D+E+F)				9,929						

Compound guarantees

3. Cash Entrusted for Wealth Management

 Applicable Not applicable

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount	Unrecovered overdue amount with provision for impairment
Other	Self-funded	39,015.11	27,499.3	0	0
Total		39,015.11	27,499.3	0	0

High-risk entrusted wealth management with significant single amount or low security and poor liquidity:

Applicable Not applicable

Whether there is the case where the principal cannot be recovered at maturity or other case which may cause impairment for entrusted wealth management

Applicable Not applicable

4. Other Significant Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XIII Other Significant Events

Applicable Not applicable

(I) On 30 March 2023, the Company held the First Extraordinary General Meeting in 2023, at which the non-independent directors and independent directors for the eighth Board of Directors and the non-employee supervisors for the eighth Supervisory Committee were elected. Together with the employee supervisor who was elected at a workers' congress, they formed the new Board of Directors and Supervisory Committee. For further information, see Announcement No. 2023-017 on the Re-election of the Board of Directors and the Supervisory Committee dated 31 March 2023.

(II) In accordance with the provisions of the Articles of Association, "the legal representative of the Company shall be the chairman of the board of directors of a company". The Company has completed the formalities for the change of its registered corporate information on 17 April 2023, and the legal representative of the Company has been changed from Mr. Liu Zhengyu to Mr. Tang Xiaoping.

XIV Significant Events of Subsidiaries

Applicable Not applicable

Part VII Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease (+/-) in the current period					After	
	Shares	Percentage (%)	New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
1. Restricted shares	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
1.1 Shares held by the state	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
1.2 Shares held by state-owned legal person	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
1.3 Shares held by other domestic investors	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Among which: shares held by domestic legal person	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Shares held by domestic natural person	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
1.4 Oversea shareholdings	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Among which: shares held by overseas legal person	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Shares held by overseas natural person	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
2. Unrestricted shares	1,011,660,000.00	100.00%	0.00	0.00	0.00	0.00	0.00	1,011,660,000.00	100.00%
2.1 RMB ordinary shares	891,660,000.00	88.14%	0.00	0.00	0.00	0.00	0.00	891,660,000.00	88.14%
2.2 Domestically listed foreign shares	120,000,000.00	11.86%	0.00	0.00	0.00	0.00	0.00	120,000,000.00	11.86%
2.3 Oversea listed foreign shares	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
2.4 Other	0.00	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
3. Total shares	1,011,660,000.00	100.00%	0.00	0.00	0.00	0.00	0.00	1,011,660,000.00	100.00%

Reasons for share changes:

Applicable Not applicable

Approval of share changes:

Applicable Not applicable

Transfer of share ownership:

Applicable Not applicable

Progress on any share repurchase:

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

2. Changes in Restricted Shares

Applicable Not applicable

II. Issuance and Listing of Securities

Applicable Not applicable

III. Total Number of Shareholders and Their Shareholdings

Unit: share

Total number of ordinary shareholders at the period-end	44,842	Total number of preference shareholders with resumed voting rights at the period-end (if any) (see Note 8)	0					
Shareholding of ordinary shareholders holding more than 5% shares or the top 10 of ordinary shareholders								
Name of shareholder	Nature of shareholder	Shareholding percentage	Total ordinary shares held at the period-end	Increase/decrease in the Reporting Period	Restricted ordinary shares held	Non-restricted ordinary shares held	Shares in pledge, marked or frozen	
							Status	Shares
Shenzhen Investment Holdings Co., Ltd.	State-owned corporation	55.78%	564,353,838			564,353,838		
Shenzhen State-Owned Equity Operation and Management Co., Ltd.	Domestic non-state-owned legal person	6.35%	64,288,426			64,288,426		
Yang Jianmin	Domestic natural person	1.08%	10,972,077			10,972,077		
Zhang Xiujuan	Domestic natural person	0.47%	4,760,400			4,760,400		
Wang Yulan	Domestic natural person	0.44%	4,427,191			4,427,191		
Pan Jun	Domestic natural person	0.41%	4,160,000			4,160,000		

He Qiao	Domestic natural person	0.40%	4,042,586		4,042,586		
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	0.39%	3,946,675		3,946,675		
Cao Benming	Domestic natural person	0.33%	3,356,800		3,356,800		
Wang Zhengying	Domestic natural person	0.29%	2,924,200		2,924,200		
Strategic investor or general legal person becoming a top-10 ordinary shareholder due to rights issue (if any)		None					
Related or acting-in-concert parties among the shareholders above		Among the top 10 shareholders of the Company, Shenzhen State-owned Equity Management Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd. The Company does not know whether there exists associated relationship among the other shareholders, or whether they are persons acting in concert as prescribed in the Administrative Measures for the Acquisition of Listed Companies.					
Explain if any of the shareholders above was involved in entrusting/being entrusted with voting rights or waiving voting rights		None					
Special account for share repurchases (if any) among the top 10 shareholders		None					
Top 10 unrestricted ordinary shareholders							
Name of shareholder	Unrestricted ordinary shares held at the period-end	Shares by type					
		Type	Shares				
Shenzhen Investment Holdings Co., Ltd.	564,353,838	RMB ordinary shares	564,353,838				
Shenzhen State-Owned Equity Operation and Management Co., Ltd.	64,288,426	RMB ordinary shares	64,288,426				
Yang Jianmin	10,972,077	RMB ordinary shares	10,972,077				
Zhang Xiujuan	4,760,400	RMB ordinary shares	4,760,400				
Wang Yulan	4,427,191	RMB ordinary shares	4,427,191				
Pan Jun	4,160,000	RMB ordinary shares	4,160,000				
He Qiao	4,042,586	RMB ordinary shares	3,889,900				
		Domestically listed foreign shares	152,686				
Hong Kong Securities Clearing Company Ltd.	3,946,675	RMB ordinary shares	3,946,675				
Cao Benming	3,356,800	RMB ordinary shares	3,356,800				
Wang Zhengying	2,924,200	RMB ordinary shares	2,924,200				
Related or acting-in-concert parties among top 10 unrestricted public shareholders, as well as between top 10 unrestricted public shareholders and top 10 shareholders		Among the top 10 unrestricted public shareholders of the Company, Shenzhen State-owned Equity Management Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd. The Company does not know whether there exists associated relationship among the other shareholders, or whether they are persons acting in concert as prescribed in the Administrative Measures for the Acquisition of Listed Companies.					
Top 10 ordinary shareholders involved in securities margin trading (if any)		Among the top 10 shareholders of the Company, the third, fourth, seventh, ninth and 10th shareholders held 9,804,200 shares, 4,760,400 shares, 3,732,000 shares, 3,351,800 shares, and 2,924,200 shares in their respective credit securities accounts.					

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the

Company conducted any promissory repo during the Reporting Period.

Yes No

No such cases in the Reporting Period.

IV Change in Shareholdings of Directors, Supervisors and Senior Management

Applicable Not applicable

Name	Office title	Incumbent/Former	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Ending shareholding (share)	Restricted shares granted at the period-beginning (share)	Restricted shares granted in the Reporting Period (share)	Restricted shares granted at the period-end (share)
Lu Haiyan	Supervisor	Incumbent	0	200	0	200	0	0	0
Total	--	--	0	200	0	200	0	0	0

V Change of the Controlling Shareholder or the De Facto Controller

Change of the controlling shareholder in the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

Change of the de facto controller in the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

Part VIII Preference Shares

Applicable Not applicable

No preference shares in the Reporting Period.

Part IX Bonds

Applicable Not applicable

Part X. Financial Statements

I. Auditor's Report

Whether the semi-annual report has been audited?

Yes No

The semi-annual report of the Company has not been audited.

II. Financial Statements

The financial statements of the company have been prepared in China Yuan.

1. Consolidated Statement of Financial Position

Prepared by Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd

As at 30 June 2023

Presented in RMB

Item	30 June 2023	1 January 2023
Current assets:		
Cash at bank and on hand	182,290,539.13	197,663,949.74
Provision of Settlement fund		
Funds lent		
Financial assets held for trading	274,992,968.77	408,154,361.42
Derivative financial assets		
Notes receivable		1,536,150.00
Accounts receivable	55,880,663.33	63,580,422.16
Accounts receivable financing		
Prepayments	762,828.19	1,163,612.24
Insurance premiums receivables		
Cession premiums receivables		
Provision of cession premiums		
Other receivables	21,922,385.34	42,105,050.33
Including: Interest receivable		
Dividends receivable		
Recoursable Financial assets acquired		
Inventories	4,239,904,684.21	4,257,109,614.31
Contractual assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	38,594,239.68	36,778,641.42
Total current assets	4,814,348,308.65	5,008,091,801.62
Non-current assets:		

Loans and payments		
Debt investment		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	93,927.64	93,927.64
Investments in other equity instrument	14,191,290.63	13,839,235.57
Other non-current financial assets		
Investment property	554,694,578.33	566,873,915.07
Fixed assets	20,677,375.65	21,425,475.05
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets	166,069.10	232,496.72
Intangible assets		
Development costs		
Goodwill		
Long-term deferred expense	1,829,989.34	2,176,221.53
Deferred tax assets	47,180,201.16	77,036,728.98
Other non-current assets		
Total non-current assets	638,833,431.85	681,678,000.56
Total assets	5,453,181,740.50	5,689,769,802.18
Current liabilities:		
Short-term loans	45,050,727.80	51,138,077.62
Borrowings from central bank		
Deposit funds		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	398,857,036.04	434,601,559.67
Advances from customers	4,871,471.88	5,465,343.96
Contractual liabilities	34,256,336.95	43,533,467.29
Funds from sale of financial assets with repurchase agreements		
Deposits from customer and interbank		
Funds received as an agent of stock exchange		
Funds received as stock underwrite		
Payroll payable	26,107,904.96	35,724,203.78
Tax payable	37,570,635.93	190,951,185.99
Other payables	555,065,599.75	574,331,340.84
Including: Interest payable	16,535,277.94	16,535,277.94
Dividends payable		
Handling charges and commissions payable		
Cession premiums payables		
Liabilities held for sale		

Non-current liabilities due within one year	20,066,196.66	6,188,794.43
Other current liabilities	2,844,613.84	3,882,817.68
Total current liabilities	1,124,690,523.81	1,345,816,791.26
Non-current liabilities:		
Provision for insurance contracts		
Long-term loans	141,893,437.60	54,261,000.00
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	12,377.36	53,885.23
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income		
Deferred tax liabilities	3,096,348.02	3,096,348.02
Other non-current liabilities		
Total non-current liabilities	145,002,162.98	57,411,233.25
Total liabilities	1,269,692,686.79	1,403,228,024.51
Equity:		
Share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	978,244,910.11	978,244,910.11
Less: treasury shares		
Other comprehensive income	24,153,998.68	25,926,720.85
Specific reserve		
Surplus reserve	275,253,729.26	275,253,729.26
Generic Risk Reserve		
Retained earnings	1,614,325,744.67	1,713,155,187.48
Total equity attributable to shareholders of the company	3,903,638,382.72	4,004,240,547.70
Non-controlling interests	279,850,670.99	282,301,229.97
Total equity	4,183,489,053.71	4,286,541,777.67
Total liabilities and equity	5,453,181,740.50	5,689,769,802.18

Legal representative: Xiaoping Tang General Accountant : JianFei Wang The head of the accounting department: Hongpu Zhou

2. Financial Position Statement of the Parent Entity

Presented in RMB

Item	30 June 2023	1 January 2023
Current assets:		
Cash at bank and on hand	109,865,577.44	92,377,124.60
Financial assets held for trading	274,992,968.77	408,154,361.42
Derivative financial assets		
Notes receivable		
Accounts receivable	5,229,812.62	11,706,678.21

Accounts receivable financing		
Prepayments	200,000.00	200,000.00
Other receivables	1,736,355,470.74	1,711,880,332.45
Including: Interest receivable		
Dividends receivable	34,222,722.88	39,222,722.88
Inventories	296,848.69	4,854,703.53
Contractual assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	1,360,584.56	1,138,065.43
Total current assets	2,128,301,262.82	2,230,311,265.64
Non-current assets:		
Debt investment		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	1,582,275,489.49	1,582,275,489.49
Investments in other equity instruments	14,191,290.63	13,839,235.57
Other non-current financial assets		
Investment property	444,517,161.22	455,917,024.15
Fixed assets	13,310,408.53	14,046,375.35
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets		
Development costs		
Goodwill		
Long-term deferred expense	1,218,574.62	1,381,401.99
Deferred tax assets	190,733.76	29,502,067.58
Other non-current assets		
Total non-current assets	2,055,703,658.25	2,096,961,594.13
Total assets	4,184,004,921.07	4,327,272,859.77
Current liabilities:		
Short-term loans		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	11,573,238.42	17,666,752.61
Advances from customers		
Contractual liabilities	88,985.71	184,985.71
Payroll payable	14,503,407.76	21,167,813.42
Tax payable	26,164,837.11	178,147,095.75
Other payables	178,966,190.10	184,614,308.51
Including: Interest payable	16,535,277.94	16,535,277.94
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	125,173.22	0.00

Other current liabilities	4,449.29	9,249.29
Total current liabilities	231,426,281.61	401,790,205.29
Non-current liabilities:		
Long-term loans	62,461,437.60	0.00
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income		
Deferred tax liabilities	3,096,348.02	3,096,348.02
Other non-current liabilities		
Total non-current liabilities	65,557,785.62	3,096,348.02
Total liabilities	296,984,067.23	404,886,553.31
Equity:		
Share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	964,711,931.13	964,711,931.13
Less: treasury shares		
Other comprehensive income	1,731,481.74	1,379,426.68
Specific reserve		
Surplus reserve	252,124,115.85	252,124,115.85
Retained earnings	1,656,793,325.12	1,692,510,832.80
Total equity	3,887,020,853.84	3,922,386,306.46
Total liabilities and equity	4,184,004,921.07	4,327,272,859.77

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income

Presented in RMB

Item	6 months ended 30 June 2023	6 months ended 30 June 2022
1. Revenue	263,616,779.07	366,184,498.90
Including: Operating revenue	263,616,779.07	366,184,498.90
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Expenses	310,757,866.31	337,004,632.25
Including: operating expenses	217,229,426.83	239,885,272.72
Interest expense		
Handling charge and commission expense		
Refund of Insurance premium		
Net payment for insurance claims		
Net provision for insurance contracts		
Commissions on insurance		

polices		
Cession charges		
Taxes and surcharges	61,896,867.56	56,981,582.00
Selling and distribution expense	8,790,640.18	10,726,031.33
General and administrative expenses	23,453,199.45	33,013,300.52
Research and development expense		
Financial expense	-612,267.71	-3,601,554.32
Including: Interest expense		
Interest income	716,366.12	2,903,815.84
Add: Other income	123,732.31	400,232.43
Investment income (“-” for losses)	1,806,314.48	166,815,177.24
Including: Income from investment in associates and joint ventures (“-” for losses)		
Income from derecognition of financial assets at amortized cost (“-” for loss)		
Foreign exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gains from changes in fair value (“-” for losses)	3,477,115.56	4,963,730.62
Credit impairment loss (“-” for loss)	529,176.78	131,316.20
Impairment losses (“-” for losses)		
Gains from assets disposal (“-” for losses)		
3. Operating profit (“-” for loss)	-41,204,748.11	201,490,323.14
Add: Non-operating income	17,476.72	552,207.24
Less: Non-operating expense	51,480.63	45,299.06
4. Profit before income tax (“-” for losses)	-41,238,752.02	201,997,231.32
Less: Income tax expense	-2,580,629.05	59,036,968.69
5. Net profit for the year (“-” for net losses)	-38,658,122.97	142,960,262.63
5.1 Classification according to operation continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	-38,658,122.97	142,960,262.63
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 Classification according to attribute		
5.2.1 Members of the parent shareholders (“-” for net loss)	-37,118,182.81	145,128,330.14

5.2.2 Non-controlling interests (“-” for net loss)	-1,539,940.16	-2,168,067.51
6. Other comprehensive income (net of tax)	-2,683,340.99	1,148,674.10
Other comprehensive income (net of tax) attributable to members of the parent entity	-1,772,722.17	2,356,617.71
6.1 Other comprehensive income items that will not be reclassified subsequently to profit or loss	352,055.06	5,175,152.79
6.1.1 Remeasurement of defined benefit plan liability or asset		
6.1.2 Other comprehensive income that cannot be transferred to profit or loss under the equity method	352,055.06	5,175,152.79
6.1.3 Changes in the fair value of investments in other equity instruments		
6.1.4 Changes in the fair value of the company’s credit risks		
6.1.5 Other		
6.2 Other comprehensive income items that may be reclassified subsequently to profit or loss	-2,124,777.23	-2,818,535.08
6.2.1 Other comprehensive income that can be transferred to profit or loss under 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 Provision for credit impairments in other debt investment		
6.2.5 Effective portion of gains or losses arising from cash flow hedging instruments		
6.2.6 Translation differences arising from translation of foreign currency financial statements	-2,124,777.23	-2,818,535.08
6.2.7 Other		
Other comprehensive income (net of tax) attributable to non-	-910,618.82	-1,207,943.61

controlling interests		
7. Total comprehensive income for the period	-41,341,463.96	144,108,936.73
Attributable to members of parent entity	-38,890,904.98	147,484,947.85
Attributable to non-controlling interests	-2,450,558.98	-3,376,011.12
8. Earnings per share		
8.1 Basic earnings per share	-0.0367	0.1435
8.2 Diluted earnings per share	-0.0367	0.1435

In a business combination involving enterprises under common control, (net losses)/net profit of combined parties before the combination date is RMB 0.00, and (net losses)/net profit of combined parties in prior period is RMB 0.00.

Legal representative: Xiaoping Tang General Accountant : JianFei Wang The head of the accounting department: Hongpu Zhou

4. Statement of Profit or Loss and Other Comprehensive Income For the Parent Entity

Presented in RMB

Item	6 months ended 30 June 2023	6 months ended 30 June 2022
1. Revenue	45,811,654.36	160,994,487.38
Less: Cost of sales	14,351,721.51	48,054,643.10
Taxes and surcharges	4,234,420.47	50,213,639.31
Selling and distribution expense	620,765.04	1,136,952.69
General and administrative expenses	12,792,471.19	19,684,166.38
Research and development expense		
Financial expense	-5,557,837.05	-8,916,021.09
Including: Interest expense		
Interest income		
Add: Other income	68,844.09	234,931.53
Investment income (“-” for losses)	1,806,314.48	174,994,652.49
Including: Income from investment in associates and joint ventures (“-” for losses)		
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gains from changes in fair value (“-” for losses)	3,477,115.56	4,963,730.62
Credit impairment loss (“-” for loss)	-448,326.78	-78,105.19
Impairment losses (“-” for losses)		
Gains from assets disposal (“-”		

for losses)		
2. Operating profit (“-” for loss)	25,170,714.11	231,092,526.82
Add: Non-operating income	4,745.37	550,000.10
Less: Non-operating expense	50,894.08	0.00
3. Profit before income tax (“-” for losses)	25,124,565.40	231,642,526.92
Less: Income tax expense	-869,186.92	56,829,680.07
4. Net profit for the year (“-” for net losses)	25,993,752.32	174,812,846.85
4.1 Net profit from continuing operations (“-” for net loss)	25,993,752.32	174,812,846.85
4.2 Net profit from discontinued operations (“-” for net losses)		
5. Other comprehensive income, net of tax	352,055.06	0.00
5.1 Other comprehensive income items that will not be reclassified subsequently to profit or loss	352,055.06	
5.1.1 Remeasurement of defined benefit plan liability or asset		
5.1.2 Other comprehensive income that cannot be transferred to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments	352,055.06	0.00
5.1.4 Changes in the fair value of the company’s credit risks		
5.1.5 Other		
5.2 Other comprehensive income items that may be reclassified subsequently to profit or loss		
5.2.1 Other comprehensive income can be transferred to profit or loss under 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 Provision for credit impairments in other debt investment		
5.2.5 Effective portion of gains or losses arising from cash flow hedging instruments		

5.2.6 Translation differences arising from translation of foreign currency financial statements		
5.2.7 Other		
6. Total comprehensive income for the period	26,345,807.38	174,812,846.85
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

5. Consolidated Statement Of Cash Flows

Presented in RMB

Item	6 months ended 30 June 2023	6 months ended 30 June 2022
1. Cash flows from operating activities:		
Proceeds from sales of goods	164,207,230.02	229,484,917.15
Net increase deposits from customers and placements from corporations in the same industry		
Net increase in loans from central bank		
Net increase in loans from other financial institution		
Cash premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investment from insures		
Interest, handling charges and commissions received		
Net increase in fund deposits		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Refund of taxes	1,186,861.59	126,578,042.71
Proceeds from other operating activities	74,221,616.32	74,351,558.97
Sub-total of cash inflows	239,615,707.93	430,414,518.83
Payment for goods and services	60,457,437.30	195,347,145.81
Net increase in loans and payments on behalf		
Net increase in deposits in central bank and interbank		
Payments of claims for original insurance contracts		
Net increase in fund paid		
Interest, handling charges and Interest		
Commissions on issuance policies paid		

Payment to and for employees	36,762,506.08	51,050,768.33
Payments of various taxes	193,176,702.79	543,263,187.50
Payment for other operating activities	141,360,009.80	188,868,560.53
Sub-total of cash outflows	431,756,655.97	978,529,662.17
Net cash flows from operating activities	-192,140,948.04	-548,115,143.34
2. Cash flows from investing activities:		
Proceeds from disposal of investments		
Investment returns received	1,644,822.69	813,960.00
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	4,269.60	2,907.50
Net proceeds from disposal of subsidiaries and other business units		139,836,766.74
Proceeds from other investing activities	136,800,000.00	115,000,000.00
Sub-total of cash inflows	138,449,092.29	255,653,634.24
Payment for acquisition of fixed assets, intangible assets and other long-term assets	251,357.46	126,730.24
Payment for acquisition of investments		
Net increase in pledged loans		
Net payment for acquisition of subsidiaries and other business units		
Payment for other investing activities		
Sub-total of cash outflows	251,357.46	126,730.24
Net cash flows from investing activities	138,197,734.83	255,526,904.00
3. Cash flows from financing activities:		
Proceeds from investors		
Including: Proceeds from non-controlling shareholders of subsidiaries		
Proceeds from borrowings	101,586,610.82	
Proceeds from other financing activities		
Sub-total of cash inflows	101,586,610.82	
Repayments of borrowings		
Payment for dividends, profit distributions or interest	63,399,744.75	
Including: Dividends and profits paid to non-controlling profits paid to non-controlling shareholders of subsidiaries		
Payment for other financing activities		
Sub-total of cash outflows	63,399,744.75	
Net cash flows from financing activities	38,186,866.07	

4. Effect of foreign exchange rate changes on cash and cash equivalents	172,392.24	250,898.91
5. Net increase in cash and cash equivalents	-15,583,954.90	-292,337,340.43
Add: Cash and cash equivalents as at the year beginning	190,365,069.48	612,293,635.15
6. Cash and cash equivalent as at the year end	174,781,114.58	319,956,294.72

6. Cash Flow Statement of the Company as the Parent

Presented in RMB

Item	6 months ended 30 June 2023	6 months ended 30 June 2022
1. Cash flows from operating activities:		
Proceeds from sales of goods	55,240,004.34	29,085,968.85
Refund of taxes	1,143,272.60	76,602,710.88
Proceeds from other operating activities	40,177,648.86	187,691,251.29
Sub-total of cash inflows	96,560,925.80	293,379,931.02
Payment for goods and services	2,806,232.29	11,660,146.24
Payment to and for employees	21,711,708.29	25,700,808.60
Payments of various taxes	132,822,106.11	490,780,774.26
Payment for other operating activities	51,390,420.56	32,302,748.93
Sub-total of cash outflows	208,730,467.25	560,444,478.03
Net cash flows from operating activities	-112,169,541.45	-267,064,547.01
2. Cash flows from investing activities:		
Proceeds from disposal of investments		
Investment returns received	6,644,822.69	813,960.00
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	0.00	2,907.50
Net proceeds from disposal of subsidiaries and other business units	0.00	177,009,030.00
Proceeds from other investing activities	136,800,000.00	206,413,737.42
Sub-total of cash inflows	143,444,822.69	384,239,634.92
Payment for acquisition of fixed assets, intangible assets and other long-term assets	213,690.10	78,576.00
Payment for acquisition of investments		
Net payment for acquisition of subsidiaries and other business units		
Payment for other investing activities	14,320,000.00	207,513,737.42
Sub-total of cash outflows	14,533,690.10	207,592,313.42
Net cash flows from investing activities	128,911,132.59	176,647,321.50

3. Cash flows from financing activities:		
Proceeds from investors		
Proceeds from borrowings	62,586,610.82	0.00
Proceeds from other financing activities		
Sub-total of cash inflows	62,586,610.82	0.00
Repayments of borrowings		
Payment for dividends, profit distributions or interest	61,711,260.00	0.00
Payment for other financing activities		
Sub-total of cash outflows	61,711,260.00	0.00
Net cash flows from financing activities	875,350.82	0.00
4. Effect of foreign exchange rate changes on cash and cash equivalents	0.00	0.00
5. Net increase in cash and cash equivalents	17,616,941.96	-90,417,225.51
Add: Cash and cash equivalents as at the year beginning	90,800,999.60	297,680,168.50
6. Cash and cash equivalent as at the year end	108,417,941.56	207,262,942.99

7. Consolidated Statement Of Changes in Equity

Presented in RMB

Item	6 months ended 30 June 2023														
	Attributable to shareholders' equity of the parent company												Non-controlling interests	Total equity	
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Generic Risk Reserve	Retained earnings	Other			Subtotal
		Preference shares	Perpetual bond	Other											
I. Balance at the end of last year	1,011,660,000.00				978,244,910.11		25,926,720.85		275,253,729.26		1,713,155,187.48		4,004,240,547.70	282,301,229.97	4,286,541,777.67
Add: Changes of accounting policies															
Correction of prior period															

6. Other											0.0				
(V) Special Reserve											0				
1.Appropriation during the year															
2.Utilization during the year															
(VI) Others															
IV. Balance at the end of the period	1,011,660,000.00				978,244,910.11		24,153,998.68		275,253,729.26		1,614,325,744.67		3,903,638,382.72	279,850,670.99	4,183,489,053.71

Presented in RMB

Item	6 months ended 30 June 2022														
	Attributable to shareholders' equity of the parent company													Non-controlling interests	Total equity
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Generic Risk Reserve	Retained earnings	Other	Subtotal		
		Preference shares	Perpetual bond	Other											
I. Balance at the end of last year	1,011,660,000.00				978,244,910.11		36,088,963.95		241,144,854.93		1,671,121,562.98		3,938,260,291.97	289,068,877.44	4,227,329,169.41
Add: Changes of accounting policies															
Correction of prior period errors															
Business combination involving enterprises under common control															

Other															
II. Balance at the Beginning of the Year	1,011,660.00				978,244.90				241,144.85				3,938.29	289,068.74	4,227,329.16
III. Changes in equity during the year ("for decrease")															
(I) Total comprehensive income															
(II) Shareholder's contributions and decrease of capital															
1. Contribution by ordinary shareholders															
2. Holders of other equity instruments invested capital															
3. Equity settled share-based payments															
4. Other															
(III) Appropriation of profits															
1. Appropriation for surplus															
1. Appropriation for general reserves															
3. Distributi															

on to shareholder s											89,026,080.00		89,026,080.00		89,026,080.00
4. Other															
(IV)Transfer within equity							-				11,449,773.26				
1.Share capital increased by capital reserves transfer															
2..Share capital increased by surplus reserves transfer															
3.Transfer of surplus reserve to offset losses															
4. Remeasurement of defined benefit plan liability or asset transfer to retained earnings															
5. Other comprehensive income carried forward to retained earnings							-				11,449,773.26				
6. Other															
(V) Special Reserve															
1. Appropriation during the year															
2.Utilization during															

the year															
(VI) Others															
IV. Balance at the end of the period	1,011,660,000.00				978,244.90		26,995,808.40		241,144.85		1,738,673.58		3,996,719.15	285,692.82	4,282,412.02
	0				11		0		93		8		2	32	4

8. Consolidated Statement Of Changes in Equity Of The Parent Entity

Presented in RMB

Item	6 months ended 30 June 2023											Total equity
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Other	
		Preference shares	Perpetual bonds	Other								
I. Balance at the end of last year	1,011,660,000.00				964,711,931.13		1,379,426.68		252,124,115.85	1,692,510,832.80		3,922,386,306.46
Add: Changes of accounting policies												
Correction of prior period errors												
Other												
II. Balance at the Beginning of the Year	1,011,660,000.00				964,711,931.13		1,379,426.68		252,124,115.85	1,692,510,832.80		3,922,386,306.46
III. Changes in equity during the year (“-“for decrease)							352,055.06			-35,717,507.68		-35,365,452.62
(I) Total comprehensive income							352,055.06			25,993,752.32		26,345,807.38
(II) Shareholder's contributions and decrease of												

capital												
1. Contribution by ordinary shareholders												
2. Holders of other equity instruments invested capital												
3. Equity settled share-based payments												
4. Other												
(III) Appropriation of profits									-		-	
									61,71		61,71	
									1,260		1,260	
									.00		.00	
1. Appropriation for surplus												
2. Distribution to shareholders									-		-	
									61,71		61,71	
									1,260		1,260	
									.00		.00	
3. Other												
(IV) Transfer within equity												
1. Share capital increased by capital reserves transfer												
2. Share capital increased by surplus reserves transfer												
3. Transfer of surplus reserve to offset losses												
4. Remeasurement of defined benefit plan												

liability or asset transfer to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Other												
(V) Special Reserve												
1. Appropriation during the year												
2. Utilization during the year												
(VI) Others												
IV. Balance at the end of the period	1,011,660,000.00				964,711,931.13		1,731,481.74		252,124,115.85	1,656,793,325.12		3,887,020,853.84

Presented in RMB

Item	6 months ended 30 June 2022											
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Other	Total equity
		Preference shares	Perpetual bonds	Other								
I. Balance at the end of last year	1,011,660,000.00				964,711,931.13		1,373,954.19		218,015,241.52	1,474,557,043.86		3,670,318,170.70
Add: Changes of accounting policies												
Correction of prior period errors												
Other												
II. Balance at the Beginning	1,011,660,000.00				964,711,931.13		1,373,954.19		218,015,241.52	1,474,557,043.86		3,670,318,170.70

of the Year	0								6		0
III. Changes in equity during the year (“- “for decrease)						5,945 ,521. 73			85,78 6,766 .85		91,73 2,288 .58
(I) Total comprehen sive income						5,945 ,521. 73			174,8 12,84 6.85		180,7 58,36 8.58
(II) Shareholde r’s contributio ns and decrease of capital											
1.Contribut ion by ordinary shareholder s											
2. Holders of other equity instruments invested capital											
3. Equity settled share- based payments											
4. Other											
(III) Appropriati on of profits									- 89,02 6,080 .00		- 89,02 6,080 .00
1.Appropri ation for surplus											
2.Distributi on to shareholder s									- 89,02 6,080 .00		- 89,02 6,080 .00
3. Other											
(IV)Transf er within equity											
1.Share capital increased by capital reserves											

transfer												
2..Share capital increased by surplus reserves transfer												
3.Transfer of surplus reserve to offset losses												
4. Remeasurement of defined benefit plan liability or asset transfer to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Other												
(V) Special Reserve												
1. Appropriation during the year												
2.Utilization during the year												
(VI) Others												
IV. Balance at the end of the period	1,011,660,000.00				964,711,931.13		7,319,475.92		218,015,241.52	1,560,343,810.71		3,762,050,459.28

III. Company information

1. Company's profile

Shenzhen Special Economic Zone Real Estate and Properties (Group) Co., Ltd. (the “Group” or “the Company”) was established in July 1993, as approved by the Shenzhen Municipal Government with document SFBF (1993) 724. The Company issued A shares on 15 September 1993 and issued B shares on 10 January 1994. On 31 August 1994, the issued B shares were listed in the New York Exchange market as class A recommendation. The total

share capital is 1,011,660,000 shares, including 891,660,000 of A shares, and 120,000,000 of B shares. The company business license registration number is 91440300192179585N, and the registered capital is CNY 1,011,660,000.00. The Company's headquarter is located at Floor 45-48, Shen Fang Plaza, Ren Min South Road, Luo Hu District, Shen Zhen, Guangdong province.

On 13 October 2004, according to the document No. (2004) 223 "Decision on establishing Shenzhen investment Holding Co., Ltd." issued by State-Owned Assets Supervision and Administration Commission of Shenzhen Municipal Government, the former major shareholder – Shenzhen Construction Investment Holding Company with two assets management companies merged, and the Shenzhen Investment Holding Co., Ltd formed, which causes the Company's equity to change. By the State-owned Assets Supervision and Administration Commission of the state council, and quasi-exempt obligations tender offer as approved by China Security Regulatory Committee with document No. (2005)116, this issue of consolidated has been authorized and the change in registration had been completed on 15 February 2006. At the end of the reporting period, Shenzhen Investment Holding Limited holds 564,353,838 shares of the Company (55.78% of the total share capital). The shares are all tradable unrestricted shares.

The Company has established the corporate governance structure of the general meeting of shareholders, the board of directors and the board of supervisors. At present, it has human resources, financing plan department, marketing department, engineering management department etc.

The Company and its subsidiaries (hereinafter referred to as "the Group") are principally engaged in real estate development and sales, property leasing and management, retail merchandising and trade, hotel, equipment installation and maintenance, construction, interior decoration, etc.

2. These financial statements and notes to the financial statements were approved by the 8th Board of Directors of the Group at the 4th Board meeting dated on 25 August 2023.

3. The scope of consolidated statements

For details, please refer to Note VIII "Changes in consolidation scope" and Note IX "Interests in other entities".

IV. The Basis of Preparation of Financial Statements

1. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and corresponding application guidance, interpretations and other related provisions issued by the Ministry of Finance (collectively, " Accounting Standards for Business Enterprises "). In addition, the Group also discloses relevant financial information in accordance with the China Securities Regulatory Commission's "Information Disclosure and Reporting Rules for Companies that Public Issued Securities" No. 15 - General Provisions on Financial Reporting (revised in 2014).

These financial statements are presented on going concern basis.

The Group adopts the accrual basis of accounting. Except for certain financial instruments, the financial statements are prepared under the historical cost convention. In the event that impairment of assets occurs, a provision for impairment is made accordingly in accordance with the relevant regulations.

2. Going concern

These financial statements are presented on going concern basis.

V. Significant accounting policies and accounting estimates

Reminders on specific accounting policies and accounting estimates:

The Company take its own operation and production characteristics into consideration to determine the revenue recognition policy. Please refer to Note V.32 “Revenue” for specific accounting policy.

1. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises to truly and completely present the Group’s and the Company’s financial position as at 30 June 2023 and the Group’s and the Company’s operating results and cash flows for the half-year ended 30 June 2023.

2. Accounting period

The accounting period of the Group is from 1 January to 31 December.

3. Operating cycle

The Group's operating cycle is 12 months.

4. Functional currency

The Group and domestic subsidiaries (including Hong Kong) use Chinese Yuan (“CNY”) as their functional currency. Offshore subsidiaries, Great Wall Real Estate Co. LTD, determine American dollar as their functional currency according to the primary economic environment where they operate. The financial statements of the Group have been prepared in CNY.

5. Accounting treatments for business combinations involving enterprises under common control and business combinations not involving enterprises under common control

(1) Business combinations involving enterprises under common control

For a business combination involving enterprises under common control, the assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date, except for adjustments due to different accounting policies. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings.

Business combination involving enterprises under common control through step by step multiple transactions.

In individual financial statements, the share of the net assets of the consolidated party in the book value of the consolidated financial statements of the ultimate controlling party of the net assets of the consolidated party on the consolidation date, calculated by the shareholding ratio on the consolidation date, shall be taken as the initial investment cost of the investment; the difference between the initial investment cost and the sum of the book

value of the investment held before the merger plus the book value of the newly consideration paid shall be adjusted for the capital reserve. If the capital reserve is insufficient to be written down, the retained earnings shall be adjusted.

In the consolidated financial statement, the assets and liabilities of the consolidated party shall be measured according to the book value of the consolidated financial statement of the ultimate controlling party on the merger date, except for the adjustment due to different accounting policies; the balance between the book value of the investment held before the merger and the book value of the newly consideration paid and the book value of the net assets obtained during the merger shall be adjusted for capital reserves. If the capital reserves are insufficient to be written down, the retained earnings shall be adjusted. For long-term equity investment held by the merging party prior to acquiring control of the merged party, the relevant profit and loss, other comprehensive income and other changes in owners' equity which have been recognized by the merging party from later of the date on which the original equity was acquired and the date on which the merging party and the merged party are ultimately under the control of the same party to the merging date, shall offset the beginning retained earnings or profits and losses of the current period.

(2) Business combinations involving enterprises not under common control

For business combinations involving enterprises not under common control, the consideration costs include acquisition-date fair value of assets transferred, liabilities incurred or assumed and equity securities issued by the acquirer in exchange for control of the acquiree. At the acquisition date, the acquired assets, liabilities and contingent liabilities of the acquiree are measured at their fair value. The acquiree's identifiable asset, liabilities and contingent liabilities, are recognised at their acquisition-date fair value.

Where the combination cost exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill, and subsequently measured on the basis of its cost less accumulated impairment provisions. Where the combination cost is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period after reassessment.

Business combination involving enterprises not under common control through step by step multiple transactions.

In individual financial statements, the sum of the book value of the equity investment held by the purchaser before the purchase date and the cost of the newly added investment on the purchase date is taken as the initial investment cost of the investment. If other comprehensive income of equity investment held before the purchase date is recognized by using the equity method, such other comprehensive income will not be treated on the purchase date, and the investment will be treated on the same basis as the direct disposal of relevant assets or liabilities by the invested entity. The owners' equity recognized as a result of changes in owners' equity other than net profit and loss, other comprehensive income and profit distribution of the investee shall be transferred to the current profit and loss during the disposal period at the time of disposal of the investment. If the equity investment held before the purchase date is measured at fair value, the accumulated change in fair value originally recorded in other comprehensive income is transferred to the profit and loss of the current period when it is calculated by the cost method.

In the consolidated financial statement, the consolidated cost is the sum of the consideration paid on the purchase date and the fair value on the purchase date of the equity held by the Purchaser prior to the purchase date. For the equity held by the Purchaser before the purchase date, it shall be re-measured according to the fair value of the equity on the purchase date, and the difference between the fair value and the book value shall be recorded into the current income; The equity held by the Purchaser before the purchase date involves other comprehensive income, and other changes in owners' equity turn into current income on the purchase date, except for other comprehensive income generated by changes in net liabilities or net assets of the remeasured income plan of the investee.

(3) Transaction costs for business combination

The overhead for the business combination, including the expenses for audit, legal services, valuation advisory, and other administrative expenses, are recorded in profit or loss for the current period when incurred. The transaction costs of equity or debt securities issued as the considerations of business combination are included in the initial recognition amount of the equity or debt securities.

6. Consolidated financial statements

(1) Scope of consolidated financial statements

The scope of consolidated financial statements is based on control. Control exists when the Group has power over the investee; exposure, or rights to variable returns from its involvement with the investee and has the ability to affect its returns through its power over the investee. A subsidiary is an entity that is controlled by the Group (including enterprise, a portion of an investee as a deemed separate component, and structured entity controlled by the enterprise).

(2) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Group based on the financial statements of the Group and its subsidiaries and other relevant information. When preparing consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Group, and all significant intra-group balances and transactions are eliminated.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary or business are included in the consolidated financial statements as if the combination had occurred at the date that the ultimate controlling party first obtained control.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises not under common control, the identifiable assets and liabilities of the acquired subsidiaries or business are included in the scope of consolidation from the date that control commences.

The portion of a subsidiary's equity that is not attributable to the parent is treated as non-controlling interests and presented separately in the consolidated balance sheet within shareholders' equity. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented separately in the consolidated income statement below the "net profit" line item. When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

(3) Changes in non-controlling interests

Where the Group acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the transaction is treated as equity transaction, and the book value of shareholder's equity attributed to the Group and to the non-controlling interest is adjusted to reflect the change in the Group's interest in the subsidiaries. The difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve in the consolidated balance sheet, with any excess adjusted to retained earnings.

(4) Disposal of subsidiaries

When the Group loses control over a subsidiary because of disposing part of equity investment or other reasons, the remaining part of the equity investment is re-measured at fair value at the date when the control is lost. A gain or loss is recognised in the current period and is calculated by the aggregate of consideration received in disposal and the fair value of remaining part of the equity investment deducting the share of net assets in proportion to previous shareholding percentage in the former subsidiary since acquisition date and the goodwill.

Other comprehensive income related to the former subsidiary is transferred to profit or loss when the control is lost, except for the comprehensive income arising from the movement of net liabilities or assets in the former subsidiary's re-measurement of defined benefit plan.

7. Joint arrangement classification and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Group classifies joint arrangements into joint operations and joint ventures.

(1) Joint operations

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

The Group recognizes the following items relating to its interest in a joint operation, and account for them in accordance with relevant accounting standards:

- A. its solely-held assets, and its share of any assets held jointly;
- B. its solely-assumed liabilities, and its share of any liabilities assumed jointly;
- C. its revenue from the sale of its share of the output arising from the joint operation;
- D. its share of the revenue from the sale of the output by the joint operation; and
- E. its solely-incurred expenses, and its share of any expenses incurred jointly.

(2) Joint ventures

A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

The Group adopts equity method under long-term equity investment in accounting for its investment in joint venture.

8. Cash and cash equivalents

Cash comprises cash in hand and deposits that can be readily withdrawn on demand. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

9. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Group at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate on balance sheet date and the spot exchange rate on initial recognition or on the previous balance sheet date are recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss or other comprehensive income according to the nature of non-monetary items.

(2) Translation of foreign currency financial statements

When translating the foreign currency financial statements of overseas subsidiaries, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding “retained earnings”, are translated to Renminbi at the spot exchange rates at the transaction dates.

Income and expenses of foreign operation are translated to Renminbi at the spot exchange rates at the transaction dates.

Cash flow statement of foreign operation is translated to Renminbi at the spot exchange rates at the cash flow occurrence dates. Effect of foreign exchange rate changes on cash and cash equivalents is presented separately as “Effect of foreign exchange rate changes on cash and cash equivalents” in the cash flow statement.

The resulting translation differences are recognised in other comprehensive income in shareholders’ equity of balance sheet.

The translation differences accumulated in shareholders’ equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

10. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or an equity instrument of another enterprise.

(1) Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognized when the Group becomes a party to the contractual provisions of a financial instrument.

If one of the following criteria is met, a financial asset is derecognised:

- ① the contractual rights to the cash flows from the financial asset expire; or

- ② The financial asset was transferred, and the transfer qualifies for derecognition in accordance with criteria set out below in “Transfer of Financial Assets”.

A financial liability (or part of it) is derecognized when its contractual obligation (or part of it) is discharged or cancelled or expires. If the Group (as a debtor) makes an agreement with the creditor to replace the current financial liability with assuming a new financial liability, and contractual provisions are different in substance, the current financial liability is derecognized and a new financial liability is recognized.

If the financial assets are traded regularly, the financial assets are recognized and derecognized at the transaction date.

(2) Classification and measurement of financial assets

The Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss at initial recognition on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

The Group classifies the financial assets that meet the following conditions and are not designated as measured at fair value through profit or loss as financial assets measured at amortized cost:

- The Group's business model of managing the financial assets is to collect contractual cash flows as the target;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After the initial recognition, the effective interest rate method is adopted to measure the amortized cost of such financial assets. Gains or losses arising from financial assets that are measured at amortized cost and are not part of any hedging relationship shall be recorded in the current profit or loss when the recognition is terminated, amortized according to the effective interest method or the impairment is recognized.

Financial assets measured at fair value through other comprehensive income

The Group classifies the financial assets that simultaneously meet the following conditions and are not specified as measured at fair value through profit or loss as financial assets measured at fair value through other comprehensive income:

- The Group's business model of managing the financial asset aims at both collecting the contract cash flow and selling the financial asset.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After the initial recognition, this type of financial assets are subsequently measured at fair value. The interest, impairment loss or gain and exchange loss or gain calculated using the effective interest rate method are included in the current profit or loss, while other gains or losses are included in other comprehensive income. When derecognized, the accumulated gains or losses previously recorded in other comprehensive income shall be transferred out from other comprehensive income and recorded in the current profit or loss.

Financial assets measured at fair value through profit or loss

In addition to the above financial assets measured at amortized cost and measured at fair value through other comprehensive income, the Group classifies all other financial assets as financial assets measured at fair value through profit or loss. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Group irrevocably designates some financial assets that should have been measured at amortized cost or measured at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

After the initial recognition, this kind of financial asset is subsequently measured at its fair value, and the gains or losses (including interest and dividend income) generated are recorded into the current profit or loss, unless the financial asset is part of the hedging relationship.

However, for non-trading equity instrument investment, the Group irrevocably designates it as a financial asset measured at fair value through other comprehensive income at the time of initial recognition. The designation is made on a single investment basis and the relevant investments meet the definition of an equity instrument from issuer's perspective.

After the initial recognition, this kind of financial assets are subsequently measured at fair value. Satisfied dividend income is included in the profit or loss, other gains or losses and changes in fair value are included in other comprehensive income. When derecognized, the accumulated gains or losses previously recorded in other comprehensive income are transferred out and recorded in retained earnings.

The business model of managing financial assets refers to how the group manages financial assets to generate cash flows. The business model determines whether the cash flow from the financial assets under management of the Group is derived from the receipt of contractual cash flows, the sale of financial assets or a combination of both. The Group determines its business model for managing financial assets on the basis of objective facts and the specific business objectives for the management of financial assets determined by key management personnel.

The Group assesses the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on specified dates are solely payments of principal and interest on the principal amount outstanding. Principal refers to the fair value of financial assets at initial recognition. Interest includes consideration for the time value of money, the credit risk associated with the amount of principal outstanding over a given period, and other basic lending risks and costs, as well as a profit margin. In addition, the Group assesses contractual terms that may cause a change in the time distribution or amount of the contractual cash flows of financial assets to determine whether they meet the requirements of the above contractual cash flow characteristics.

Only when the Group changes the business model of managing financial assets, all affected related financial assets shall be reclassified on the first day of the first reporting period after the change of the business model, otherwise the financial assets shall not be reclassified after the initial recognition.

Financial assets are measured at fair value at the time of initial recognition. For financial assets measured at fair value through profit or loss, relevant transaction costs are directly recorded into current profit or loss; for other classes of financial assets, the relevant transaction costs are included in the initial recognition amount. For accounts receivable arising from the sale of products or provision of services, which do not contain or do not take into account the material financing component, the Group is entitled to collect the consideration amount as expected as the initial recognition amount.

(3) Classification and measurement of financial liabilities

At the time of initial recognition, the financial liabilities of the Group are classified as: financial liabilities measured at fair value through current profit or loss, and financial liabilities measured at amortized cost. For financial liabilities that are not classified as measured at fair value through profit or loss, relevant transaction costs are included in their initial recognized amounts.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include trading financial liabilities and financial liabilities designated at the time of initial recognition as measured at fair value through profit or loss. For such financial liabilities, the subsequent measurement shall be made according to the fair value, and the gains or losses caused by changes in the fair value as well as the dividends and interest expenses related to such financial liabilities shall be recorded into current profit or loss.

Financial liabilities measured at amortized cost

For other financial liabilities, the effective interest rate method shall be adopted, and the subsequent measurement shall be made at the amortized cost, and the gains or losses arising from derecognition or amortization shall be recorded into current profit or loss.

The distinction between financial liabilities and equity instruments

Financial liabilities refer to liabilities that meet one of the following conditions:

- ① A contractual obligation to deliver cash or other financial assets to other parties.
- ② a contractual obligation to exchange financial assets or financial liabilities with another party under potentially adverse conditions.
- ③ Non-derivative instrument contracts that will be settled with or available to the firm's own equity instruments in the future, under which the firm will deliver a variable number of its own equity instruments.
- ④ a derivative contract in which the firm's own equity instruments are to be settled or used in the future, except for a derivative contract in which a fixed number of its own equity instruments are to be exchanged for a fixed amount of cash or other financial assets.

An equity instrument is a contract that certifies ownership of the remaining interest in an enterprise's assets after all liabilities have been deducted.

If the Group cannot unconditionally avoid fulfilling a contractual obligation by delivering cash or other financial assets, such contractual obligation meets the definition of a financial liability.

If a financial instrument is to be settled with or available to the Group's own equity instrument, consideration needs to be given to whether the Group's own equity instrument used to settle the instrument is to be used as a substitute for cash or other financial assets or to give the holder of the instrument the remaining interest in the Issuer's assets after deduction of all liabilities. If the former, the instrument is a financial liability of the group; If it is the latter, the instrument is an equity instrument of the Group.

(4) Fair value of financial instruments

For the determination of fair value of financial assets and financial liabilities, see Note V. 36.

(5) Impairment of financial assets

On the basis of expected credit losses, the Group conducts impairment accounting treatment for the following items and confirms the loss provision:

- Financial assets measured at amortized cost;
- Receivables and creditor's rights investments measured at fair value and accounted for in other comprehensive income;

- Contract assets as defined in the Accounting Standards for Business Enterprises No. 14 - Revenue;
- Lease receivables;

Financial guarantee contract (measured at fair value and its changes included in the current profit and loss, except the financial asset transfer does not meet the conditions for termination of recognition or continues to involve the transferred financial asset).

Measurement of expected credit losses

The term "expected credit loss" refers to the weighted average of the credit loss of a financial instrument weighted by the risk of default. Credit loss refers to the difference between all contractual cash flows receivable under the contract and all cash flows expected to be collected by the Group discounted at the original effective interest rate, that is, the present value of all cash shortages.

The Group calculates the probabilistic weighted amount of the present value of the difference between the cash flows receivable under the Contract and the cash flows expected to be received and recognizes the expected credit loss, taking into account reasonable and evidential information concerning past events, current conditions and Items of future economic conditions, and weighting the risk of default.

The Group measures the expected credit losses of financial instruments at different stages. If the credit risk of the financial instrument has not increased significantly since the initial recognition, the Group shall measure the loss provision in accordance with the expected credit loss in the next 12 months in the first stage; If the credit risk of a financial instrument has increased significantly since the initial recognition but no credit impairment has occurred, it is in the second stage, and the Group measures the loss provision according to the expected credit loss of the entire life period of the instrument; If credit impairment has occurred to a financial instrument since its initial recognition, it is in the third stage, and the Group shall measure the loss provision according to the expected credit loss of the entire life period of the instrument.

For financial instruments with low credit risk at the balance sheet date, the Group assumes that the credit risk has not increased significantly since the initial recognition, and measures the loss provision in accordance with the expected credit loss for the next 12 months.

The term "expected credit loss over the entire expected life of a financial instrument" refers to the expected credit loss resulting from all possible events of default during the entire expected life of a financial instrument. The expected credit loss within the next 12 months refers to the expected credit loss caused by the default event of the financial instrument that may occur within 12 months after the date of the balance sheet (or the expected duration of the financial instrument if the expected duration of the financial instrument is less than 12 months) and is part of the expected credit loss over the entire maturity period.

When measuring expected credit losses, the Group shall take into account the longest contract period (including the option to renew the contract) for which the enterprise is exposed to credit risk.

The Group calculates interest income on the basis of the book balance before impairment provisions and the effective interest rate for financial instruments in stage I and stage II and with lower credit risk. For financial instruments in the third stage, the interest income is calculated on the basis of the amortized cost of the book balance less the impairment provision and the effective interest rate.

Notes receivable, accounts receivable and contract assets

For notes receivable, accounts receivable and contract assets, regardless of whether there is a material financing component, the Group always measures its loss provision in accordance with the amount equivalent to the expected credit loss within the whole duration period.

When a single financial asset cannot assess the information of expected credit loss at a reasonable cost, the Group divides the notes receivable and accounts receivable into portfolios according to the credit risk characteristics, calculates the expected credit loss on the basis of the portfolios, and determines the portfolios based on the following:

A. Notes receivable

- Notes receivable portfolio 1: banker acceptance notes
- Notes receivable portfolio 2: commercial acceptance notes

B. Receivables

- Accounts receivable portfolio 1: related parties receivable
- Accounts Receivable Portfolio 2: Receivable from property sales
- Accounts receivable portfolio 3: receivable from other customers

C. Contract assets

- Contract Portfolio 1: Product Sales
- Contract Portfolio 2: Works Construction

For the notes receivable and contract assets divided into portfolios, the Group calculates the expected credit loss through default risk exposure and the expected credit loss rate over the entire duration by referring to the historical credit loss experience, combining the current situation and the forecast of the future economic situation.

For the receivables divided into portfolios, the Group refers to the historical credit loss experience and combines the current situation with the forecast of the future economic situation to compile a comparison table between the age of receivables/overdue days and the expected credit loss rate of the entire duration period to calculate the expected credit loss.

Other receivables

The Group divides other receivables into several portfolios according to the credit risk characteristics, and calculates the expected credit loss on the basis of the portfolio. The basis for determining the portfolio is as follows:

- Other Receivables Portfolio 1: Receivables from government agencies
- Other Receivables Portfolio 2: Other receivables from employee's petty cash
- Other receivables portfolio 3: Other receivables from the collecting and paying on behalf
- Other receivables portfolio 4: Other receivables from other customers
- Other receivables portfolio 5: Receivables from related parties

For other receivables divided into portfolios, the Group calculates the expected credit loss by default risk exposure and the expected credit loss rate over the next 12 months or the entire duration.

Debt investment and Other debt investment

For debt investment and other debt investment, the Group calculates the expected credit loss based on the default risk exposure and the expected credit loss rate within the next 12 months or the entire duration according to the nature of the investment and the various types of counterparties and risk exposures.

An assessment of a significant increase in credit risk

By comparing the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date, the Group determines the relative change of default risk within the expected duration of financial instruments, so as to evaluate whether the credit risk of financial instruments has significantly increased since the initial recognition.

In determining whether credit risk has increased significantly since the initial recognition, the Group considers reasonable and informed information, including forward-looking information that can be obtained without unnecessary additional cost or effort. Information considered by the Group includes:

- The debtor fails to pay the principal and interest as due under the contract;
- A material deterioration, if any, of the external or internal credit rating of the financial instrument that has occurred or is expected;
- A serious deterioration of the debtor's business results occurred or is expected;
- A change in the existing or anticipated technological, market, economic or legal environment which will have a material adverse effect on the debtor's ability to repay the Group.
- According to the nature of financial instruments, the Group evaluates whether credit risk increases significantly on the basis of individual financial instruments or a combination of financial instruments. When assessing on the basis of a portfolio of financial instruments, the Group may classify financial instruments based on common credit risk characteristics, such as overdue information and credit risk rating.

If overdue for more than 30 days, the Group determines that the credit risk of the financial instrument has increased significantly.

The Group believes that the financial assets are in default under the following circumstances:

- The Borrower is unlikely to pay its arrears to the Group in full and this assessment does not take into account any recourse actions taken by the Group, such as liquidating the collateral (if held); or
- Financial assets are more than 90 days overdue.

A financial asset whose credit has been impaired

On the balance sheet date, the Group evaluates whether credit impairment has occurred in financial assets measured at amortized cost and debt investments measured at fair value and whose changes are included in other comprehensive income. When one or more events which have an adverse effect on the expected future cash flow of a financial asset occur, the financial asset becomes a financial asset with credit impairment. Evidence of credit impairment of financial assets includes the following observable information:

- Major financial difficulties occur to the issuer or the debtor;
- A breach of contract by the debtor, such as a default or late payment of interest or principal;

- The Group, for economic or contractual considerations relating to the debtor's financial difficulties, gives concessions that the debtor would not have made under any other circumstances;
- The debtor is likely to go bankrupt or undergo other financial restructuring;
- The financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset.

Presentation of expected credit loss provisions

In order to reflect the change of the credit risk of financial instruments since the initial recognition, the Group re-measures the expected credit loss on each balance sheet date, and the increase or rolleback amount of the loss provision thus formed shall be recorded into the current profit and loss as an impairment loss or profit. For a financial asset measured at amortized cost, the loss provision shall offset the carrying value of the financial asset as stated in the balance sheet; For the debt investment measured at fair value and its changes included in other comprehensive income, the Group recognizes its loss provision in other comprehensive income and does not deduct the book value of the financial asset.

Written-off

If the Group no longer reasonably expects that the contractual cash flow of a financial asset can be recovered in whole or in part, the carrying balance of the financial asset shall be directly written down. Such writedowns constitute termination recognition of the relevant financial assets. This usually occurs when the Group determines that the debtor does not have assets or sources of income that generate sufficient cash flow to repay the amount to be written down. However, in accordance with the Group's procedures for recovering amounts due, the financial assets that have been written down may still be affected by the execution activities.

If a financial asset that has been written down is recovered later, it shall be carried back as an impairment loss and recorded in the profit and loss of the current period.

(6) Transfer of financial assets

Transfer of financial assets is the transfer or delivery of financial assets to another party (the transferee) other than the issuer of financial assets.

A financial asset is derecognised if the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. A financial asset is not derecognised if the Group retains substantially all the risks and rewards of ownership of the financial asset to the transferee.

The Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the accounting treatment is shown as following: if the Group has forgone control over the financial asset, the financial assets is derecognized, and new assets and liabilities are recognized. If the Group retains control over the financial asset, the financial asset is recognised to the extent of its continuing involvement in the transferred financial asset, and an associated liability is recognised.

(7) Offset of financial assets and financial liabilities

Where the Group has the legal right to set off the recognized financial asset and financial liability, and is currently able to enforce such legal right, and the Group plans to settle the financial asset on a net basis or simultaneously realize the financial asset and pay off the financial liability, the financial asset and financial liability shall be shown in the balance sheet with the offset amount. In addition, financial assets and financial liabilities shall be separately presented in the balance sheet and shall not be set off against each other.

11. Notes Receivable

Please refer to Notes V.10 Financial Instrument.

12. Accounts Receivable

Please refer to Notes V.10 Financial Instrument.

13. Accounts receivable financing

Please refer to Notes V.10 Financial Instrument.

14. Other receivables

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

Please refer to Note V 10. financial instruments.

15. Inventories**(1) Classification**

The Group's inventory is classified by real estate development and non-real estate development. Inventory is mainly real estate development projects, including development costs and development products. Development cost include the development costs of development products to be developed and development products under construction. Development products include completed development products and development products intended for sell but temporarily leased. Non-real estate development projects include raw materials, finished goods and engineering construction.

(2) Measurement method of cost of inventories

The group's inventories are measured at actual cost when acquired. The actual cost of developing a product includes land transfer fee, infrastructure expenditure, construction and installation project expenditure, borrowing expenses incurred before the completion of the development project and other related expenses in the development process. When a product is developed and shipped, the actual cost is determined by specific identification method.

Raw materials and finished goods are calculated using weighted average method.

(3) Basis for determining the net realisable value and method for provision for obsolete inventories

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value is measured based on the verified evidences and considerations for the purpose of holding inventories and the effect of post balance sheet events.

Any excess of the cost over the net realisable value of inventories is recognised as a provision for obsolete inventories, and is recognised in profit or loss. The Group usually recognises provision for decline in value of inventories by a single inventory item. If the factors caused the value of inventory previously written-down have disappeared, the provision for decline in value of inventories previously made is reversed.

(4) Inventory count system

The Group maintains a perpetual inventory system

(5) Amortization methods of low-value consumables and packaging materials

Low-value consumables are charged to profit or loss when they are used.

16. Contract assets

17. Contract costs

Contract costs include incremental costs incurred to obtain the contract and contract performance costs.

Incremental costs incurred to obtain a contract are costs (such as sales commissions, etc.) that the Group would not have incurred without the contract. If the cost is expected to be recovered, the Group will recognize it as an asset as the contract acquisition cost. Other expenses incurred by the Group for the acquisition of contracts, other than the incremental costs expected to be recovered, are recorded into the profit and loss of the current period when incurred.

If the cost incurred for the performance of the contract does not fall within the scope of accounting standards for inventories and other enterprises and meets the following conditions at the same time, the Group will recognize it as an asset as the contract performance cost:

- ① The costs are directly related to a current or prospective contract and include direct labor, direct materials, overhead (or similar), costs that are expressly borne by the customer and other costs incurred solely in connection with the contract;
- ② This cost increases the Group's future resources for fulfilling its performance obligations;
- ③ The cost is expected to be recovered.

Assets with contract acquisition cost recognition and assets with contract performance cost recognition (hereinafter referred to as "assets related to contract cost") shall be amortized on the same basis as income recognition of goods or services related to such assets and shall be recorded into current profit and loss. If the amortization period does not exceed one year, it will be recorded in the current profit and loss at the time of occurrence.

When the book value of the assets related to the contract cost is higher than the difference between the following two items, the Group shall make provision for impairment of the excess part and recognize it as impairment loss of the assets:

- ① the remaining consideration that the Group is expected to obtain as a result of the transfer of the goods or services related to the asset;
- ② Estimate the costs to be incurred for the transfer of the relevant goods or services.

The contract performance cost recognized as an asset shall be shown in the "Inventory" item with an amortization period of no more than one year or one normal operating cycle at the time of initial recognition, while the amortization period exceeding one year or one normal operating cycle at the time of initial recognition shall be shown in the item of "Other Non-current Assets".

The contract acquisition cost recognized as an asset shall be shown in the item of "Other Current Assets" with an amortization period of less than one year or one normal operating cycle at the time of initial recognition, and shall be shown in the item of "Other Non-current Assets" with an amortization period of more than one year or one normal operating cycle at the time of initial recognition.

18. Assets held for sale

(1) Classification and measurement of non-current assets or disposal groups held for sale

The Group classifies a non-current asset or disposal group as held for sale when the carrying amount of the non-current asset or disposal group will be recovered through a sale transaction (including an exchange transaction of non-monetary assets with commercial substance) rather than through continuing use.

Above mentioned non-current assets do not include investment properties subsequently measured with the fair value model, biological assets measured at fair value less costs to sell, assets arising from employee benefits, financial assets, deferred tax assets and contractual rights under insurance contracts.

The disposal group is a group of assets to be disposed of, by sale or otherwise, together as a whole in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. In certain circumstances, disposal groups include goodwill acquired in a business combination.

A non-current asset or disposal group is classified as held for sale when all the following criteria are met: According to the customary practices of selling such asset or disposal group in similar transactions, the non-current asset or disposal group is available for immediate sale in its present condition; The sale is highly probable to occur, that is, the Group has made a resolution on a sale plan and entered into a legally binding purchase agreement with other parties. The sale is expected to be completed within one year. The Group that is committed to a sale plan involving loss of control of a subsidiary classifies all the investment in that subsidiary as held for sale in its separate financial statements, and classifies all the assets and liabilities of that subsidiary as held for sale in its consolidated financial statements, when the classification criteria for held for sale are met, regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets or disposal groups held for sale are initially and subsequently measured at the lower of carrying amount and fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognised as an impairment loss in profit or loss. The impairment loss recognised for a disposal group firstly reduces the carrying amount of goodwill allocated to the disposal group, and then reduces the carrying amount of other non-current assets pro rata on the basis of the carrying amount of each non-current asset in the disposal group.

The Group recognises a gain for any subsequent increase in fair value less costs to sell of an asset, but not in excess of the cumulative impairment loss that has been recognised after classified as held for sale. The reduced carrying amount of goodwill is not recovered.

The Group does not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. If an investment or a part of investment in an associate or a joint venture is classified as held for sale, equity method is not used for the part classified as held for sale, while equity method is used for the rest part (the part not classified as held for sale) continually. When the Group does not have material impact on an associate or a joint venture due to the sale transaction, it stops using equity method.

The Group measures a non-current asset that ceases to be classified as held for sale at the lower of:

- ① its carrying amount before the asset or disposal group was classified as held for sale, adjusted for any depreciation, amortisation or impairment that would have been recognised had the asset or disposal group not been classified as held for sale.
- ② its recoverable amount.

(2) Discontinued operations

The Group classifies a component as a discontinued operation either upon disposal of the operation or when the operation meets the criteria to be classified as held for sale if it is separately identifiable and satisfies one of the following conditions:

- ① It represents a separate major line of business or a separate geographical area of operations;
- ② It is part of a single co-ordinated plan to dispose of a separate major line of business or a separate geographical area of operations;
- ③ It is a subsidiary acquired exclusively with a view to resale.

(3) Presentation

The Group presents a non-current asset classified as held for sale and the assets of a disposal group classified as held for sale as —Assets held for sale| in balance sheet. The liabilities of a disposal group classified as held for sale is presented as —Liabilities held for sale| in balance sheet.

The Group presents profit or loss from discontinued operations separately from profit or loss from continuing operations in income statement. Impairment loss and reversal amount and any disposal gain or loss of a non-current asset or disposal group classified as held for sale that does not meet the definition of a discontinued operation is included in profit or loss from continuing operations. Any gain or loss from continuing operation of discontinued operations, including impairment loss and reversal amount, and disposal gain or loss is included in profit or loss from discontinued operations.

A disposal group which is planned to cease operation rather than for sale, and meets the criteria of a part of discontinued operation, the Group presents it as discontinued operation from the date of cessation.

Where an operation is classified as discontinued in the current period, profit or loss from continuing operations and profit or loss from discontinued operations are separately presented in the income statement for the current period. If the Group ceases to classify a discontinued operation as held for sale, the information previously presented in discontinued operations is reclassified and included in income from continuing operations for all periods presented.

19. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries and equity investments in joint ventures and associates. An associate is an enterprise over which the Group has significant influence.

(1) Determination of initial investment cost

The initial cost of a long-term equity investment acquired through a business combination involving enterprises under common control is the Group's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. For a long-term equity investment

obtained through a business combination not involving enterprises under common control, the initial cost is the combination cost.

A long-term equity investment acquired other than through a business combination: A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Group acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For a long-term equity investment which is accounted for using the cost method, Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Group recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

For a long-term equity investment which is accounted for using the equity method, where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

Under the equity method, the Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution (referred to as "other changes in owners' equity"), is recognised directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly. In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition.

When the Group becomes capable of exercising joint control or significant influence (but not control) over an investee due to additional investment or other reasons, the Group uses the fair value of the previously-held equity investment, together with additional investment cost, as the initial investment cost under the equity method. The difference between the fair value and carrying amount of the previously-held equity investment, and the accumulated changes in fair value included in other comprehensive income, shall be transferred to profit or loss for the current period upon commencement of the equity method.

When the Group can no longer exercise control over an investee due to partial disposal of the equity investment or other reasons, and the remaining equity after disposal can exercise joint control of or significant influence over an investee, the remaining equity is adjusted as using equity method from acquisition. When the remaining equity can no longer exercise joint control of or significant influence over an investee, the remaining equity investment shall be accounted for using Accounting Standard for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of loss of control.

When the Group can no longer exercise control over an investee due to new capital injection by other investors, and the Group can exercise joint control of or significant influence over an investee, the Group recognizes its

share of the investee's new added net assets using new shareholding percentage. The difference between its new share of the investee's new added net assets and its decreased shareholding percentage of the original investment is recognized in profit or loss. And the Group adjusts to the equity method using the new shareholding percentage as if it uses the equity method since it obtains the investment.

Unrealised profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

(3) Criteria for determining the existence of joint control or significant influence over an investee

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. When assessing whether the Group can exercise joint control over an investee, the Group first considers whether no single participant party is in a position to control the investee's related activities unilaterally, and then considers whether strategic decisions relating to the investee's related activities require the unanimous consent of all participant parties that sharing of control. All the parties, or a group of the parties, control the arrangement collectively when they must act together to direct the relevant activities. When more than one combination of the parties can control an arrangement collectively, joint control does not exist. A party that holds only protective rights does not have joint control of the arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies. When determining whether the Group can exercise significant influence over an investee, the effect of potential voting rights (for example, warrants, share options and convertible bonds) held by the Group or other parties that are currently exercisable or convertible shall be considered.

When the Group, directly or indirectly through subsidiaries, owns 20% of the investee (including 20%) or more but less than 50% of the voting shares, it has significant influence over the investee unless there is clear evidence to show that in this case the Group cannot participate in the production and business decisions of the investee, and cannot form a significant influence. When the Group owns less than 20% of the voting shares, generally it does not have significant influence over the investee, unless there is clear evidence to show that in this case the Group can participate in the production and business decisions of the investee so as to form a significant influence.

(4) Method of impairment testing and impairment provision

For investments in subsidiaries, associates and joint ventures, refer to Note V. 26 for the Group's method of asset impairment.

23. Investment property

Investment properties are properties held either to earn rental income or for capital appreciation or for both. The Group's investment properties include leased houses, leased buildings, leased land use rights. In addition, for a vacant building held by the company for operating lease, if the board of directors (or a similar institution) makes a written resolution expressly indicating that it is used for operating lease and the intention of holding does not change in the short term, it is also considered as Investment property.

Investment properties are initially measured at acquisition cost, and depreciated or amortized using the same policy as that for fixed assets or intangible assets.

For the impairment of the investment properties accounted for using the cost model, refer to Note V.26.

The balance of the disposal income from the sale, transfer, scrapping or damage of the investment real estate after deducting its book value and relevant taxes and fees shall be recorded into the current profit and loss.

21. Fixed assets

(1) Recognition of fixed assets

Fixed assets represent the tangible assets held by the Group for use in production of goods, use in supply of services, rental or for administrative purposes with useful lives over one accounting year.

Fixed assets are only recognised when its related economic benefits are likely to flow to the Group and its cost can be reliably measured.

Fixed asset are initially measured at cost.

Subsequent expenses related to fixed assets shall be recorded into cost of fixed assets when its related economic benefits are likely to flow to the Group and its cost can be reliably measured; the cost of daily repairs to fixed assets that do not meet the conditions for subsequent expenditures for capitalization of fixed assets, at the time of occurrence, shall be recorded into the profit or loss of the current period or the cost of the related assets. For the part that is replaced, its carrying amount is derecognized

(2) Depreciation of fixed assets

Class	Depreciation Method	Estimated useful life (years)	Residual value rate %	Depreciation rate %
Plant and buildings	straight-line depreciation	30	5	3.17%
Motor vehicles	straight-line depreciation	6	5	15.83%
Electronic equipment and others	straight-line depreciation	5	5	19.00%

The cost of a fixed asset is depreciated using the straight-line method since the state of intended use, unless the fixed asset is classified as held for sale. Not considering impairment provision, the estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as table above. For impaired fixed assets, cumulative amount of impairment provision is deducted in determining the depreciation rate.

(3) Other

For the impairment of the fixed assets, please refer to Note V.26.

Useful lives, estimated residual values and depreciation methods are reviewed at least at each year-end. The Group adjusts the useful lives of fixed assets if their expected useful lives are different with the original estimates and adjusts the estimated net residual values if they are different from the original estimates.

When a fixed asset is disposed of, or when it is expected that no economic benefit will be generated through the use or disposal, the fixed asset shall be derecognised. Proceeds from the disposal of fixed assets sold,

transferred, scrapped or damaged, net of their carrying amount and associated taxes, shall be recorded in the profit or loss for the current period.

21. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction Items, capitalised borrowing costs and any other costs directly attributable to bringing the asset to working condition for its intended use.

Construction in progress is transferred to fixed asset when it is ready for its intended use.

For the impairment of construction in progress, please refer to Note V.26

23. Borrowing costs

(1) Capitalisation criteria

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset. Other borrowing costs are expensed in profit or loss as incurred. The capitalisation of borrowing costs shall commence only when the following criteria are met:

- ① capital expenditures have been incurred, including expenditures that have resulted in payment of cash, transfer of other assets or the assumption of interest-bearing liabilities;
- ② borrowing costs have been incurred;
- ③ the activities that are necessary to prepare the asset for its intended use or sale have commenced.

(2) Capitalisation period

The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period.

Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

(3) Capitalisation rate of borrowing costs and calculation basis of capitalised amount

For interest expense actually incurred on specific borrowings, the eligible capitalised amount is the net amount of the borrowing costs after deducting any investment income earned before some or all of the funds are used for expenditures on the qualifying asset. To the extent that the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group shall determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset, the capitalisation rate shall be the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings specifically for the purpose of obtaining a qualifying asset.

In the capitalisation period, exchange differences of specific borrowings in foreign currency shall be capitalised; exchange differences of general borrowings in foreign currency is recognised in profit or loss for the current period.

24. Right-of-use assets

(1) Conditions for the confirmation of the right-of-use assets

The Group's right-of-use assets refer to the Group's right to use the leased assets during the lease term as the lessee.

On the beginning date of the lease period, the right-of-use assets shall be initially measured at cost. The cost includes: the initial measurement amount of the lease liability; For the amount of lease payment paid on or before the commencement date of the lease term, if there is a lease incentive, the relevant amount of lease incentive already enjoyed will be deducted; Initial direct expenses incurred by the Group as the lessee; The costs which the Group, as the Lessee, expects to incur in dismantling and removing the Leased Assets, restoring the premises on which the Leased Assets are located or restoring the Leased Assets to the state agreed in the Lease Terms. The Group, as the lessee, shall confirm and measure the costs of demolition and restoration in accordance with the Accounting Standards for Business Enterprises No. 13 - Contingencies. Subsequent adjustments are made for any remeasurement of lease liabilities.

(2) Depreciation method of the right-of-use assets

The Group uses the straight line method of depreciation. Where the Group, as the lessee, can reasonably determine that it obtains the ownership of the leased assets upon expiration of the lease term, depreciation shall be accrued over the remaining service life of the leased assets. Where it is impossible to reasonably determine that the ownership of the leased asset can be acquired at the expiration of the lease term, depreciation shall be accrued in the shorter period between the lease term and the remaining useful life of the leased asset.

(3) See Note V.26 for the impairment test method of the right-of-use assets and the provision for impairment.

25. Intangible assets

(1) Valuation, Useful life and Impairment

Intangible assets include software, land use right, and patent rights etc.

Intangible assets are stated at actual cost upon acquisition and the useful economic lives are determined at the point of acquisition. When the useful life is finite, amortisation method shall reflect the pattern in which the asset's economic benefits are expected to be realised. If the pattern cannot be determined reliably, the straight-line method shall be used. An intangible asset with an indefinite useful life shall not be amortised.

The Group shall review the useful life and amortisation method of an intangible asset with a finite useful life at least at each year end. Changes of useful life and amortisation method shall be accounted for as a change in accounting estimate.

An intangible asset shall be derecognised in profit or loss when it is not expected to generate future economic benefits.

For the impairment of intangible assets, please refer to Note V.26 Impairment of Assets.

26. Impairment of long-term assets

The impairment of long-term equity investments in subsidiaries, associates and joint ventures, investment properties measured using a cost model, fixed assets, construction in progress, productive biological assets measured using a cost model, intangible assets, goodwill, proven oil and gas mining rights and wells and related facilities, etc. (Excluding inventories, investment property measured using a fair value model, deferred tax assets and financial assets) is determined as follows:

At each balance sheet date, the Group determines whether there is any indication of impairment. If any indication exists, the recoverable amount of the asset is estimated. In addition, the Group estimates the recoverable amounts of goodwill, intangible assets with indefinite useful lives and intangible assets not ready for use at each year-end, irrespective of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its present value of expected future cash flows. The recoverable amount is estimated for each individual asset. If it is not possible to estimate the recoverable amount of each individual asset, the Group determines the recoverable amount for the asset group to which the asset belongs. An asset group is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly.

For goodwill impairment test, the carrying amount of goodwill arising from a business combination is allocated reasonably to the relevant asset group since the acquisition date. If the carrying amount of goodwill is unable to be allocated to asset group, the carrying amount of goodwill will be allocated to asset portfolio. Asset group or portfolio of asset group is asset group or portfolio of asset group which can be benefit from synergies of a business combination and is not greater than the reportable segment of the Group.

In impairment testing, if impairment indication exists in asset group or portfolio of asset group containing allocated goodwill, impairment test is first conducted for asset group or portfolio of asset group that does not contain goodwill, and corresponding recoverable amount is estimated and any impairment loss is recognized. Then impairment test is conducted for asset group or portfolio of asset group containing goodwill by comparing its carrying amount and its recoverable amount. If the recoverable amount is less than the carrying amount, impairment loss of goodwill is recognized.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

27. Long-term deferred expenses

Long-term deferred expenses are recorded at the actual cost, and amortized using a straight-line method within the benefit period. For long-term deferred expense that cannot bring benefit in future period, the Group recognized its amortised cost in profit or loss for the current period.

28. Contract liabilities

Contract liabilities refer to the obligations of the company and its subsidiaries to transfer goods or services to customers for consideration received or receivable from customers. Contract assets and contract liabilities under the same contract are presented on a net basis.

29. Employee benefits

(1) Scope of employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for service rendered by employees or for the termination of employment relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided to the Group's spouse, children, dependents, family members of deceased employees or other beneficiaries are also part of the employee benefits.

According to liquidity, employee benefits are presented as "employee benefits payable" and "long-term employee benefits payable" on the balance sheet.

In the current period, the Group has accrued for the actual wages, bonuses, medical insurance for employees based on standard rate, work injury insurance and maternity insurance and other social insurance and housing fund incurred and these are recognised as liabilities and corresponding costs in the profit or loss.

(2) Post-employment benefits

Post-employment benefit plan includes defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate fund and will have no future obligations to pay the contributions. Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined contribution plans

Defined contribution plans include primary endowment insurance, unemployment insurance and corporate pension plan, etc.

Besides basic pension insurance, the Group establishes corporate pension plans in accordance with the related policies of corporate pension regulations. Employees can join the pension plan voluntarily. The Group has no other significant commitment of employees' social security.

The Group shall recognise, in the accounting period in which an employee provides service, the contribution payable to a defined contribution plan as a liability, with a corresponding charge to the profit or loss for the current period or the cost of a relevant asset.

Defined benefit plans

For a defined benefit plan, an actuarial valuation is performed by an independent actuary at the annual balance sheet date to determine the cost of providing benefits using the expected accrued benefit unit method. The employee compensation cost caused by the benefit plan of the Group includes the following components:

- ① Service cost, including current service cost, past service cost and settlement profit or loss. Including, the current service cost refers to the increase in the present value of the defined benefit plan obligation caused by the current provision of services by employees; The past service cost refers to the increase or decrease in the present value of the defined benefit plan obligations related to the employee services of the previous period as a result of the modification of the defined benefit plan.
- ② Set the net interest on the net liabilities or net assets of the benefit plan, including the interest income on the plan assets, the interest expense on the defined benefit plan obligations and the interest on the impact of the asset cap.
- ③ The changes caused by the remeasurement of the net liabilities or net assets of the benefit plan.

Unless other accounting standards require or allow the cost of employee benefits to be included in the cost of assets, the Group will include items ① and ② above in the current profit and loss; Item ③ is included in other comprehensive income and will not be turned back to profit and loss in subsequent accounting periods.

When the originally defined benefit plan is terminated, the part originally included in other comprehensive income within the scope of equity is carried forward to undistributed profit.

(3) Termination benefits

The Group provides for termination benefits to the employees and shall recognise an employee benefits liability for termination benefits, with a corresponding charge to the profit or loss for the current period, at the earlier of the following dates: When the Group cannot unilaterally withdraw the offer of the termination benefits because of an employment termination plan or a redundancy proposal; or when the Group recognises the costs or expenses relating to a restructuring that involves the payment of the termination benefits.

For employees who implement the internal retirement plan, the economic compensation before the official retirement date belongs to dismiss welfare. During the normal retirement date when the employees stop providing services, the salary and social insurance premium to be paid by the employees who retire within the Group shall be included in the profit and loss of the current period in a lump sum. Economic compensation after the official retirement date (such as the normal pension) shall be treated as after-service benefits.

(4) Other long-term employee benefits

Other long-term employee benefits provided by the Group to the employees satisfied the conditions for classifying as a defined contribution plan; those benefits shall be accounted for in accordance with the above requirements relating to defined contribution plan. When the benefits satisfied a defined benefit plan, it shall be accounted for in accordance with the above requirements relating to defined benefit plan, but the movement of net liabilities or assets in re-measurement of defined defined benefit plan shall be recorded in profit or loss for the current period or cost of relevant assets.

30. Lease liabilities

Except for short-term leases and leases of low-value assets, the Group initially measures lease liabilities at the inception date of the lease term at the present value of unpaid lease payments on that date. The Group uses the interest rate implicit in the lease as the discount rate to calculate the present value of the lease payments. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate will be used as the discount rate.

Lease payments refer to the payments made by the Group to the lessor in relation to the right to use the leased asset during the lease term, including: fixed payments and substantive fixed payments, and if there is a lease incentive, deduct the amount related to the lease incentive; Variable lease payments that depend on an index or rate; The exercise price of a call option that the Group is reasonably certain to exercise; If the lease term reflects that the Group will exercise the option to terminate the lease, the amount to be paid for exercising the option to terminate the lease; The estimated payables based on the residual value of guarantees provided by the Group.

Variable lease payments that depend on an index or rate are initially measured based on the index or rate at the commencement date of the lease term. Variable lease payments that are not included in the measurement of lease liabilities will be included in the current profit and loss when they are actually incurred. After the commencement date of the lease term, the Group calculates the interest expense of the lease liability in each period of the lease term at a fixed periodic interest rate, and includes it in the current profit and loss or the cost of related assets.

After the commencement date of the lease term, the Group will re-measure the lease liabilities and adjust the corresponding right-of-use assets under the following circumstances. If the book value of the right-of-use assets has been reduced to zero and the lease liabilities still need to be further reduced, the difference will be included

in the current profit and loss. If the lease term changes or the evaluation result of the purchase option changes, the Group will remeasure the lease liability at the present value calculated by changed lease payments and the revised discount rate; If the payable amount of the guaranteed residual value or the index or ratio used to determine lease payments changes, the Group will remeasure the lease liability based on the present value calculated by revised lease payments and original discount rate. If changes in floating interest rates result in changes in lease payments, the Group will recalculate the lease liability using the revised discount rate.

31. Provisions

A provision is recognised for an obligation related to a contingency if all the following conditions are satisfied:

- (1) the Group has a present obligation;
- (2) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (3) the amount of the obligation can be estimated reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

If all or part of the expenditure necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognized as an asset when it is basically certain to be received. The recognized compensation amount shall not exceed the carrying amount of the provision.

32. Revenue

(1) General principles

The Group has fulfilled its contractual obligation to recognize revenue when the customer acquires control of the relevant goods or services.

If the contract contains two or more performance obligations, the Group shall, on the commencement date of the contract, allocate the transaction price to each single performance obligation according to the relative proportion of the individual selling price of the commodity or service committed by each single performance obligation, and measure the income according to the transaction price allocated to each single performance obligation.

If one of the following conditions is satisfied, the Group shall perform its obligations within a certain period of time; otherwise, it belongs to the performance obligation at a certain point:

- ① The Client obtains and consumes the economic benefits brought by the Group's performance at the same time of the Group's performance.
- ② The customer can control the goods under construction during the performance of the Group.
- ③ The commodities produced by the Group during the performance of the Contract have irreplaceable purposes, and the Group has the right to collect payment for the accumulated part of the performance completed so far during the whole period of the Contract.

For the performance obligations performed within a certain period of time, the Group shall recognize the income in accordance with the performance progress within that period. If the performance progress cannot be reasonably determined and the Group is expected to be compensated for the costs already incurred, the revenue shall be recognized according to the amount of the costs already incurred until the performance progress can be reasonably determined.

For performance obligations performed at a certain point, the Group recognizes revenue at the point when the customer acquires control of the relevant goods or services. In determining whether a customer has acquired control of goods or services, the Group will take into account the following indications:

- ① The Group has a current right to receive payment for the goods or services, that is, the Customer has a current obligation to pay for the goods.
- ② The Group has transferred the legal ownership of the commodity to the customer, that is, the customer has the legal ownership of the commodity.
- ③ The Group has transferred the goods in kind to the customer, that is, the customer has physical possession of the goods.
- ④ The Group has transferred the main risks and rewards on the ownership of the commodity to the customer, that is, the customer has acquired the main risks and rewards on the ownership of the commodity.
- ⑤ The customer has accepted the goods or services.
- ⑥ Other indications that the customer has acquired control of the product.

The Group's right to receive consideration for goods or services transferred to a customer (and this right depends on other factors other than the passage of time) is a contract asset which is subject to impairment on the basis of expected credit losses. The Group's right, unconditional (depending only on the passage of time) to collect consideration from customers is shown as a receivable. The Group's obligation to transfer goods or services to customers for which it has received or receivable consideration is a contractual liability.

The contract assets and contract liabilities under the same contract shall be presented on a net basis. If the net amount is the debit balance, it shall be presented under the item of "Contract Assets" or "Other Non-current Assets" according to its liquidity; If the net amount is a credit balance, it shall be shown under the item "Contract Liabilities" or "Other Non-current Liabilities" according to its liquidity.

(2) Specific methods

The specific methods of the Group's revenue recognition are as follows:

① The method for recognizing revenue from property sales

(1) the sale contract has been signed and filed with housing construction bureau; (2) the property development is completed and pass the acceptance; (3) For Lump-sum payment, revenue is recognized by the group when the consideration is fully received. For instalment payment, revenue is recognized when the first installment has been received and the bank mortgage approval procedures have been completed. (4) completed the procedures for entering the partnership in accordance with the requirements stipulated in sale contract.

② The method for recognizing revenue from property services provided

According to property service contract, agreed service period, area served and unit price, revenue is recognized evenly within agreed service period.

③ The method for recognizing revenue from construction activities

As the customer can control the goods under construction during the performance of the Group, the group shall recognize the income in accordance with the performance progress within a certain period of time (except for performance progress cannot be reasonably determined). The group shall determine the performance progress based on cost incurred. If the performance progress cannot be reasonably determined and the Group is expected to be compensated for the costs already incurred, the revenue shall be recognized according to the amount of the costs already incurred until the performance progress can be reasonably determined. If the contract costs cannot be recovered, the cost should be recognized immediately in current period when incurred. When the estimated total cost of the contract is likely to exceed the total revenue of the contract, the cost of the main business and the estimated liabilities shall be recognized in accordance with the unexecuted loss contract. The loss shall be recognized as current cost and put into provisions.

④ The method for recognizing revenue from other income

Revenue from other income include income from hotel operations, etc. Rooms revenue from hotel operations shall be recognized in accordance with the performance progress within agreed period, as the client obtains and consumes the economic benefits brought by the Group's performance and the group's performance obligations has performed at a certain period of time. For other income, the group recognizes revenue at the point when the customer acquires control of the relevant goods or services, which indicate the group has a right to receive payment for services or goods provided in accordance with the relevant contract.

Differences in revenue recognition accounting policies for similar businesses due to different business models

33. Government grants

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value. If fair value cannot be reliably determined, it is measured at a nominal amount of CNY 1.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets.

For government grants with unspecified purpose, the amount of grants used to form a long-term asset is regarded as government grants related to an asset, the remaining amount of grants is regarded as government grants related to income. If it is not possible to distinguish, the amount of grants is treated as government grants related to income.

A government grant related to an asset is offset against the carrying amount of the related asset, or recognised as deferred income and amortised to profit or loss over the useful life of the related asset on a reasonable and systematic manner. A grant that compensates the Group for expenses or losses already incurred is recognised in profit or loss or offset against related expenses directly. A grant that compensates the Group for expenses or

losses to be incurred in the future is recognised as deferred income, and included in profit or loss or offset against related expenses in the periods in which the expenses or losses are recognised. The Group applies a consistent approach to same or similar government grant transactions.

A grant related to ordinary activities is recognised as other income or offset against related expenses based on the economic substance. A grant not related to ordinary activities is recognised as non-operating income.

When a recognised government grant is reversed, carrying amount of the related asset is adjusted if the grant was initially recognized as offset against the carrying amount of the related asset. If there is balance of relevant deferred income, it is offset against the carrying amount of relevant deferred income. Any excess of the reversal to the carrying amount of deferred income is recognised in profit or loss for the current period. For other circumstances, reversal is directly recognized in profit or loss for the current period.

34. Deferred tax assets and Deferred tax liabilities

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to transactions or items recognised directly in equity and goodwill arising from a business combination.

Deferred tax assets and deferred tax liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All the taxable temporary differences are recognized as deferred tax liabilities except for those incurred in the following transactions:

- (1) initial recognition of goodwill, or assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss);
- (2) taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, and the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group recognises a deferred tax asset for deductible temporary differences, deductible losses and tax credits carried forward to subsequent periods, to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, deductible losses and tax credits can be utilised, except for those incurred in the following transactions:

- (1) a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss);
- (2) deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, the corresponding deferred tax asset is recognized when both of the following conditions are satisfied: it is probable that the temporary difference will reverse in the foreseeable future; and it is probable that taxable profits will be available in the future against which the temporary difference can be utilized.

At the balance sheet date, deferred tax is measured based on the tax consequences that would follow from the expected manner of recovery or settlement of the carrying amount of the assets and liabilities, using tax rates

enacted at the reporting date that are expected to be applied in the period when the asset is recovered or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date, and is reduced to the extent that it is no longer probable that the related tax benefits will be utilised. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

35. Leases

(1) Identification of leases

On the commencement date of the contract, the Group, as lessee or lessor, assesses whether the customer under the contract is entitled to receive almost all the economic benefits arising from the use of the identified assets during the use period and to direct the use of the identified assets during the use period. The Group considers the contract to be a lease or an inclusive lease if one of the parties to the contract relinquishes control over the use of one or more identified assets for a certain period of time in exchange for consideration.

(2) The Group acts as the lessee

On the commencement date of the lease, the Group recognizes the right-of-use assets and lease liabilities for all leases, except for simplified short-term leases and leases of low value assets.

For the accounting policy of the Right-of-use assets, see Note V.24. For the accounting policy of lease liabilities, please refer to Note V. 30.

Lease liabilities are initially measured at the present value of the outstanding lease payments at the commencement date of the lease at the embedded interest rate on the lease. The rental payment amount includes: fixed payment amount and substantial fixed payment amount. If there is lease incentive amount, the relevant amount of lease incentive amount will be deducted. Variable lease payments depending on an index or ratio; The exercise price of the Option provided that the Lessee is reasonably certain that the Option will be exercised; The amount to be paid to exercise the option to terminate the lease if the lease term reflects that the lessee will exercise the option to terminate the lease; And the amount expected to be payable based on the residual value of the security provided by the Lessee. The interest expense of the lease liability in each period of the lease term shall be calculated in accordance with the fixed periodic interest rate and recorded into the profit and loss of the current period. The variable lease payment not included in the measurement of lease liabilities shall be recorded into the current profit and loss when actually incurred.

Short term lease

Short-term tenancy is a tenancy for a period of not more than 12 months at the commencement date of the tenancy, except for tenancies that include a purchase option.

The Group will record the lease payment amount of short-term lease into the cost of relevant assets or current profit and loss in each period of the lease term according to the straight-line method [or other systemically reasonable method].

For short-term lease, the Group chooses to adopt the above simplified treatment method for the items that meet the short-term lease conditions in the following asset types according to the categories of leased assets.

Low value asset leasing

Leasing of low-value assets refers to the leasing of a single leased asset whose value is less than CNY 100,000.00 when it is a brand-new asset.

The Group will include the lease payment of the low-value asset lease into the cost of the relevant asset or current profit and loss in each period of the lease term according to the straight-line method.

For low-value asset leases, the Group chooses to adopt the above simplified treatment method according to the specific situation of each lease.

Change of lease

If the lease is changed and the following conditions are met at the same time, the group accounts for the change as a separate lease: 1 the change extends the scope of the lease by adding the right to use one or more leased assets; 2 the increased consideration is equivalent to the amount of the individual price of the extended portion of the lease, adjusted in accordance with the circumstances of the contract.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the company redistributes the consideration of the contract after the change and redetermines the lease term, the lease liability is recalculated at the present value of the changed lease payment and the revised discount rate.

If the lease scope is reduced or the lease period is shortened as a result of the lease change, the company shall adjust the book value of the right-to-use assets accordingly, and record the relevant gains or losses related to the partial or complete termination of the lease in the current profit and loss.

If other lease changes result in lease liabilities being re-measured, the company shall adjust the book value of the right-to-use assets accordingly.

(3) The Group acts as the lessor

When the Group acts as the lessor, the leases that substantially transfer all the risks and rewards related to the ownership of the assets are recognized as financial leases, and other leases other than financial leases are recognized as operating leases.

Finance lease

In the case of financial leasing, the Group takes the net lease investment as the book value of the receivable finance lease funds at the beginning of the lease period, and the net lease investment is the sum of the unguaranteed residual value and the present value of the unreceived lease income at the beginning of the lease period discounted at the embodied interest rate. The Group, as the lessor, calculates and recognizes interest income for each period of the lease term at a fixed periodic rate. The variable lease payment obtained by the Group as the lessor and not included in the measurement of the net lease investment shall be recorded into the current profit and loss when actually incurred.

The termination recognition and impairment of financial lease receivable shall be accounted for in accordance with the provisions of the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments and the Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets.

Operating lease

For the rent in the operating lease, the Group shall recognize the profits and losses of the current period in accordance with the straight-line method during each period of the lease term. The initial direct expenses incurred in connection with the operating lease shall be capitalized, allocated on the same basis as the recognition of rental income during the lease term and recorded into the current profit and loss in installments. The variable lease

payments obtained in connection with the operating lease and not included in the lease receipts shall be recorded into the current profit and loss when actually incurred.

Change of Lease

If there is a change in the operating lease, the group shall, as of the effective date of the change, treat it as a new lease, the amount received in advance or in respect of the lease receivable relating to the lease prior to the change shall be deemed to be the amount received for the new lease.

If the financial lease is changed and the following conditions are met at the same time, the group accounts for the change as a separate lease: 1 the change extends the scope of the lease by adding the right to use one or more leased assets; 2 the increased consideration is equivalent to the amount of the individual price of the extended portion of the lease, adjusted in accordance with the circumstances of the contract.

Where a change in a financial lease is not accounted for as a separate lease, the group shall treat the changed lease as follows: 1 if the change becomes effective on the lease commencement date, if the lease will be classified as an operating lease, the group will treat it as a new lease from the effective date of the lease change, the book value of the leased asset shall be the net investment in the lease prior to the effective date of the lease change. 2 if the change takes effect on the effective date of the lease, the lease will be classified as a financial lease, the accounting treatment of the group is in accordance with the provisions of the "Accounting Standards for enterprises No. 22-recognition and measurement of financial instruments" concerning modification or renegotiation of contracts.

36. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group measures related assets or liabilities at fair value assuming the assets or liabilities are exchanged in an orderly transaction in the principal market; in the absence of a principal market, assuming the assets or liabilities are exchanged in an orderly transaction in the most advantageous market. Principal market (or the most advantageous market) is the market that the Group can normally enter into a transaction on measurement date. The Group adopts the presumptions that would be used by market participants in achieving the maximized economic value of the assets or liabilities.

For financial assets or financial liabilities with active markets, the Group uses the quoted prices in active markets as their fair value. Otherwise, the Group uses valuation technique to determine their fair value.

Fair value measurement of a non-financial asset takes into account market participants' ability to generate economic benefits using the asset in its best way or by selling it to another market participant that would best use the asset.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs, and using unobservable inputs only if the observable inputs aren't available or impractical.

Fair value level for assets and liabilities measured or disclosed at fair value in the financial statements are determined according to the significant lowest level input to the entire measurement: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date; Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable

for the assets or liabilities, either directly or indirectly; Level 3 inputs are unobservable inputs for the assets or liabilities.

At the balance sheet date, the Group revalues assets and liabilities being measured at fair value continuously in the financial statements to determine whether to change the levels of fair value measurement.

37. Other significant accounting judgments and estimates

The Group conducts an ongoing evaluation of the significant accounting estimates and key assumptions used in the light of historical experience and other factors, including reasonable expectations of future events. Important accounting estimates and key assumptions that are likely to result in the risk of a material adjustment in the carrying value of assets and liabilities during the next fiscal year are set out below:

Classification of financial assets

The Group's major judgments in determining the classification of financial assets include the analysis of business models and contractual cash flow characteristics.

The Group determines the business model for the management of financial assets at the level of its financial portfolio, taking into account factors such as the way in which the performance of financial assets is evaluated and reported to key managers, the risks affecting the performance of financial assets and their management methods, and the way in which managers of related businesses are remunerated.

When evaluating whether the contractual cash flow of financial assets is consistent with the basic lending arrangement, the Group has the following main judgments: whether the time distribution or amount of the principal in the duration period may change due to reasons such as prepayment; Does interest include only the time value of money, credit risk, other fundamental borrowing risks, and consideration for costs and profits? For example, does the prepayment amount only reflect the outstanding principal and interest based on the outstanding principal and reasonable compensation for early termination of the contract.

Measurement of expected credit losses in accounts receivable

The Group calculates the expected credit loss of accounts receivable through the default risk exposure of accounts receivable and the expected credit loss rate, and determines the expected credit loss rate based on the default probability and the default loss rate. In determining the expected credit loss rate, the Group uses data such as internal historical credit loss experience, and adjusts the historical data in combination with the current situation and forward-looking information. When considering forward-looking information, the indicators used by the Group include the risk of an economic downturn, changes in the external market environment, the technological environment and customer conditions. The Group regularly monitors and reviews assumptions relating to the calculation of expected credit losses.

Deferred tax assets

Deferred tax assets should be recognized for all unutilized tax losses to the extent that there is likely to be sufficient taxable profit to offset the loss. This requires management to use a great deal of judgment to estimate when and how much future taxable profits will occur, in combination with tax planning strategies, to determine the amount of deferred tax assets that should be recognized.

The provision of land appreciation tax

The Group is subject to land appreciation tax (—LAT). The accrual of LAT is subject to management's estimation which is made based on its understanding of the requirements of relevant tax laws and regulations. However, the actual LAT is levied by tax authorities according to the interpretation of the tax rules. The group is not stepping on formulating the final tax plan with relevant tax authorities, hence the final tax outcome could be

different from the amount that was initially recorded, and these differences will have an impact on tax provision in current period.

Determination of fair value of unlisted equity investments

The fair value of an unlisted equity investment is the estimated future cash flows discounted at the current discount rate for Items with similar terms and risk characteristics. This valuation requires the Group to estimate expected future cash flows and the discount rate and is therefore subject to uncertainty. In limited circumstances, if the information used to determine the fair value is insufficient, or if the possible estimates of the fair value are spread over a wide range and the cost represents the best estimate of the fair value within that range, the cost may represent the appropriate estimate of the fair value within that range.

38. Changes in significant accounting policies and accounting estimates

(1) Significant changes in accounting policies

Applicable Not Applicable

(2) Significant 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

39. Other

Maintenance fund

When the Group collects the maintenance fund from the owners according to a certain proportion of the sales amount of commercial houses, it shall be included in other payables for accounting; When the collected maintenance funds are handed over to the land and housing administrative departments in accordance with the regulations, the maintenance funds collected on behalf of them shall be reduced.

Quality deposit

The Group shall keep the quality deposit in proportion to the payment period stipulated in the contract of civil engineering and installation engineering, and deduct it from the civil engineering and installation Item payment, which shall be classified as other payables. The maintenance expenses incurred due to quality during the warranty period shall be directly charged under this item and liquidated after the warranty period.

VI. Taxation

1. Main types of taxes and corresponding tax rates

Tax type	Tax basis	Tax rate%
VAT	Taxable income	9%, 6%, 5%, 3%
City maintenance and construction tax	Turnover tax payable	7%

Corporate income tax	Taxable profits	25%, 16.5%
Land appreciation tax	It shall be levied on the basis of the value-added value of the real estate transferred and the prescribed tax rate and paid in advance according to the type of real estate product	Four progressive rates of excess rate: 30%, 40%, 50%, 60%
Property tax	70% of the original value of properties/ rental income	1.2%, 12%
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%

The disclosure of taxpayers in different corporate income tax rates:

Name of taxpayer	Income tax rate
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2. Tax preferential treatment

Subsidiaries of the Group, Shenzhen Huazhan Construction Supervision Co., Ltd. and Shantou Special Economic Zone Xiangshan Real Estate Development Co., Ltd. are applicable to the preferential tax rate of 20% for small and low-profit enterprises.

3. Other

Explanation for the VAT rate of different business activities:

With regards to revenue from property development, property management and construction activities, from May 1st, 2016, the group's taxable items and tax rates are shown in the following table, which in accordance with the relevant regulations of 《Notice on Comprehensively Promoting the Trial of Replacing Business Tax with Value-Added Tax》 (No. 36 of CaiKuai [2016]):

Taxable income	Means to calculate Tax	Tax Rate%
Revenue from property sales	Simplified Tax Method	5
Revenue from construction	Simplified Tax Method	9, 3
Rental income	Simplified Tax Method	5
Revenue from property management	General Tax Method	6

VII. Notes to the consolidated financial statements

1. Cash at bank and Cash Equivalent

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
Cash in hand	13,721.59	4,549.61
Deposits with banks	154,829,181.66	163,083,275.13
Other monetary funds	27,447,635.88	34,576,125.00
Total	182,290,539.13	197,663,949.74
Including: Total overseas deposits	5,938,023.23	5,840,173.03
Total deposits with restrictions on use due to mortgage, pledge or freeze	7,509,424.55	7,298,880.26

Other notes:

At the end of 30 June 2023, there were CNY 7,510,191.40 of restricted funds in the bank deposits, of which CNY 388,115.74 were the funds frozen by the lawsuit and CNY 5,674,439.78 were the funds for the construction of public facilities in and around the city of Longgang district. At the end of 30 June 2023, the balance of other monetary funds of CNY 27,446,869.03 is seven-day notice deposit, including principal of CNY 26,000,000.00 and interest of CNY 1,446,869.03.

2. Trading financial assets

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
As at fair value through profit or loss	274,992,968.77	408,154,361.42
Including::		
wealth management fund	274,992,968.77	408,154,361.42
Including::		
Total	274,992,968.77	408,154,361.42

Other notes:

3. Notes receivable

(1) Types of notes

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
Commercial acceptance bill		1,536,150.00
Total		1,536,150.00

Presented in RMB

Types	As at 30 June 2023					As at 1 January 2023				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Percentage	Amount	Provision proportion		Amount	Percentage	Amount	Provision proportion	
Including:										
Bad debt provisions made on a combination basis						1,617,000.00	100.00%	80,850.00	5.00%	1,536,150.00
Including:										
Total						1,617,000.00	100.00%	80,850.00	5.00%	1,536,150.00

Bad debt provisions made on a combination basis

Presented in RMB

Item	As at 30 June 2023		
	Book balance	Bad debt provision	Provision proportion

Note to the basis for determining the combination:

Please refer to the way of disclosing other receivables' bad debt provision to disclose relevant information, if the group choose to use general model of expected credit losses to accrue bad debts of notes receivable.

Applicable Not Applicable

(2) Additions, recoveries or reversals of provision for the current period

Additions in current period:

Presented in RMB

Item	As at 1 January 2023	The amount of change in current period				As at 30 June 2023
		Provision	Recoveries or reversals	Written-off	Others	
commercial acceptance bill	80,850.00				-80,850.00	0.00
Total	80,850.00				-80,850.00	0.00

Including: significant recoveries or reversals of bad debt provisions in the current period:

Applicable Not Applicable

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

Presented in RMB

Types	Amount pledged at the end of the period
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(4) At the end of the period, the Group's endorsed or discounted notes receivable which have not yet matured

Presented in RMB

Types	Derecognized Amount at the end of the period	Amount that is not derecognized at the end of the period
-------	--	--

(5) Notes receivable transferred to accounts receivable by the Group due to the drawer's non-performance at the end of the period

Presented in RMB

Types	Amount transferred to accounts receivable at the end of the period
commercial acceptance bill	1,536,150.00
Total	1,536,150.00

Other Note:

(6) Actual write-off of notes receivable in the current period

Presented in RMB

Item	Written-off amount
------	--------------------

Including, the significant write-offs of notes receivable are as follows

Presented in RMB

Name of the entity	Nature of accounts	Written-off amount	Reason for written-off	Approval procedures performed	Accounts receivable arising from related party transactions(Y/N)
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Note:

4. Accounts receivable**(1) Types of accounts receivable**

Presented in RMB

Types	As at 30 June 2023					As at 1 January 2023				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Percent age (%)	Amount	Provisi on percent age		Amount	Percent age (%)	Amount	Provisi on percent age	
Bad debt provisions made on an individual basis	37,064,702.69	41.43%	32,348,952.20	87.28%	4,715,750.49	36,722,640.73	37.62%	32,006,890.24	87.16%	4,715,750.49
Including:										
Bad debt provisions made on a combination basis	52,390,768.74	58.57%	1,225,855.90	2.34%	51,164,912.84	60,886,221.17	62.38%	2,021,549.50	3.32%	58,864,671.67
Including:										
Receivable from other corpora	52,390,768.74	58.57%	1,225,855.90	2.34%	51,164,912.84	60,886,221.17	62.38%	2,021,549.50	3.32%	58,864,671.67

te custom ers										
Total	89,455, 471.43	100.00 %	33,574, 808.10	37.53%	55,880, 663.33	97,608, 861.90	100.00 %	34,028, 439.74	34.86%	63,580, 422.16

Bad debt provisions made on an individual basis : 33574808.1

Presented in RMB

Item	As at 30 June 2023			
	Book balance	Bad debt provision	Provision percentage	Reason
Agent for import and export business payment	11,574,556.00	11,574,556.00	100.00%	Could be uncollectible
Long-term receivable of property sale	10,376,052.81	10,376,052.81	100.00%	Could be uncollectible
Shenzhen Hongteng Investment Management Co., Ltd.	11,789,376.23	7,073,625.74	60.00%	recoverability is relatively small
Accounts receivable from the revoked subsidiary	2,314,755.46	2,314,755.46	100.00%	Could be uncollectible
Accounts receivable from other customers	1,009,962.19	1,009,962.19	100.00%	Could be uncollectible
Total	37,064,702.69	32,348,952.20		

Bad debt provision made on a combination basis: 1,225,855.90

Presented in RMB

Item	As at 30 June 2023		
	Book balance	Bad debt provision	Provision percentage
Other customers receivables	52,390,768.74	1,225,855.90	2.34%
Total	52,390,768.74	1,225,855.90	

Note to the basis for determining the combination:

Please refer to the way of disclosing other receivables' bad debt provision to disclose relevant information, if the group choose to use general model of expected credit losses to accrue bad debts of accounts receivable.

Applicable Not Applicable

Disclosure by Aging

Presented in RMB

Aging	As at 30 June 2023
Within 1 year (include 1 year)	56,269,431.11
1 to 2 years	9,280,506.18
3 to 5 years	23,905,534.14
More than 5 years	23,905,534.14
Total	89,455,471.43

(2) Additions, recoveries or reversals of provision for the current period

Provision for the current period:

Presented in RMB

Types	As at 1 January 2023	Amount changes in current period				As at 30 June 2023
		Provision	Recoveries or reversals	Written-off	Others	
Bad debt provision	34,028,439.7 4		-440,326.78		13,304.86	33,574,808.1 0
Total	34,028,439.7 4		-440,326.78		13,304.86	33,574,808.1 0

Including: significant recoveries or reversals of bad debt provisions in the current period are as follows:

Presented in RMB

Name of the entity	Recoveries or reversals amount	Recovery manner
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(3) Actual write-off of accounts receivable in the current period

Presented in RMB

Item	Written-off amount
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Including, the significant write-offs of accounts receivable are as follows

Presented in RMB

Name of the entity	Nature of accounts receivable	Written-off amount	Reason for written-off	Approval procedures performed	Accounts receivable arising from related party transactions(Y/ N)
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Note:

(4) The top five units with the ending balance of accounts receivable collected by the debtor

Presented in RMB

Name of the entity	Accounts receivable The ending balance	% of the total closing balance of accounts receivable	Bad debt provision The ending balance
Wuhan 2049 Poly Real Estate Development Co., Ltd.	18,362,798.27	20.53%	393,775.65
Wuhan Yutian Xingye Land Co., LTD	15,387,703.33	17.20%	549,760.09
Shenzhen Hongteng Investment Management Co., Ltd.	11,789,376.23	13.18%	7,073,625.74
Wuhan Linhong Land Co., Ltd.	10,523,608.18	11.76%	241,396.87
Jiangsu Huajian Construction Co., Ltd. Shenzhen Branch	8,693,261.25	9.72%	260,797.84
Total	64,756,747.26	72.39%	

(5) Accounts receivable terminated due to the transfer of financial assets**(6) Transfer of accounts receivable and continue to involve the amount of assets and liabilities formed**

Note:

5. Prepayments**(1) The aging analysis of prepayments is as follows**

Presented in RMB

Aging	As at 30 June 2023		As at 1 January 2023	
	Amount	%	Amount	%
Within 1 year	234,279.60	30.71%	626,155.65	53.81%
1 to 2 years	237,765.60	31.17%	336,699.64	28.94%
2 to 3 years			206.95	0.02%
More than 3 years	290,782.99	6.83%	200,550.00	17.24%
Total	762,828.19		1,163,612.24	

Reason for significant prepayments aging more than 1 year and not be settled:

(2) The top five units of the ending balance of prepayments

The sum of the top five prepayments collected by prepaid objects at the end of the period is 742,942.32 yuan, which accounts for 97.39 % of the total ending balance of prepayments.

Other notes:

6. Other receivables

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
Other receivables	21,922,385.34	42,105,050.33
Total	21,922,385.34	42,105,050.33

(1) Interest receivable**1) Interest receivable classification**

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
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2) Significant overdue interest

Presented in RMB

Borrowing unit	The ending balance	Overdue time (month)	Overdue reason	Whether impairment occurs and the basis for judgment
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Other notes:

3) Bad Debt Provisions

Applicable Not Applicable

(2) Dividends receivable

1) Dividends receivable classification

Presented in RMB

Items (or invested units)	As at 30 June 2023	As at 1 January 2023
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2) Significant dividends receivable overdue more than one year are as follows:

Presented in RMB

Items (or invested units)	As at 30 June 2023	Aging	Reasons for not retrieving	Whether impairment occurs and the basis for judgment
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3) Bad Debt Provisions

Applicable Not Applicable

Other notes:

(3) Other receivables

1) Other receivables disclosure by nature

Presented in RMB

Item	Book balance as at 30 June 2023	Book balance as at 1 January 2023
Other receivables from employee's petty cash	266,831.37	147,810.19
Other receivables from the collecting and paying on behalf	768,208.38	689,317.63
Other receivables from other customers	59,715,244.73	80,028,366.45
Other receivables from related parties	154,600,573.04	156,470,188.49
Total	215,350,857.52	237,335,682.76

2) Bad Debt Provision

Presented in RMB

Bad Debt Provision	first stage	Second stage	Third stage	Total
	To 12-month expected credit loss	To 12-month expected credit loss (no credit impairment)	To lifetime expected credit loss (has occurred credit impairment)	
Balance as at 1	1,524,758.92		193,705,873.51	195,230,632.43

January 2023				
Balance as at 1 January 2023 in current period				
Return the current	-8,000.00			-8,000.00
Other changes	808,813.28		1,001,346.97	1,810,160.25
Balance as at 30 June 2023	723,945.64		192,704,526.54	193,428,472.18

Changes in the book balance with significant changes in the loss provision for the current period:

Applicable Not Applicable

Disclosure by aging

Presented in RMB

Aging	As at 30 June 2023
Within 1 year (include 1 year)	41,623,990.70
1 to 2 years	6,583,028.71
2 to 3 years	13,300.00
3 to 4 years	167,130,538.11
More than 5 years	167,130,538.11
Total	215,350,857.52

3) Additions, recoveries or reversals of provision for the current period

Bad debt provisions in the current period

Presented in RMB

Types	As at 1 January 2023	Amount changes in current period				As at 30 June 2023
		Additions	Recoveries or reversals	Written-off	Others	
Other receivables	195,230,632.43		-8,000.00		1,810,160.25	193,428,472.18
bad debt provision						
Total	195,230,632.43		-8,000.00		1,810,160.25	193,428,472.18

Including: significant recoveries or reversals of bad debt provisions in the current period are as follows:

Presented in RMB

Name of the entity	Amount of recoveries or reversals	Recovery manner
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4) Other receivables actually written off in the current period

Presented in RMB

Item	Amount of written-off
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Including, the important accounts receivable write-off situation is as follows

Presented in RMB

Name of the entity	Nature of other receivable	Amount of written-off	Reason	Verification and cancellation	Whether the payment is
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				procedures to be performed	generated by an affiliate transaction
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Note:

5) The top five units of ending balance of other receivables

Presented in RMB

Name of the entity	Nature of other receivables	Ending balance of other receivables	Aging	Proportion of total ending balance of other receivables (%)	Ending balance of bad debt provision
Canada Great Wall (Vancouver) Co., Ltd	current account	89,035,748.07	More than 5 years	41.34%	89,035,748.07
Paklid Limited	current account	19,506,273.32	More than 5 years	9.06%	19,506,273.32
Australia Bekaton property Limited	current account	12,559,290.58	More than 5 years	5.83%	12,559,290.58
Guangdong province Huizhou Luofu Hill Mineral Water Co.,Ltd	current account	10,465,168.81	More than 5 years	4.86%	10,465,168.81
Xi'an Fresh Peak Property Trading Co., Ltd	current account	8,419,205.19	More than 5 years	3.91%	8,419,205.19
Total		139,985,685.97		65.00%	139,985,685.97

6) Government subsidies receivable

Presented in RMB

Name of the organization	Name of government subsidy item	The ending balance	Aging	Estimated time, amount and basis of collection

7) Other receivables terminated due to the transfer of financial assets

8) Amount of assets and liabilities formed by transferring other receivables and continuing to involve them

Other notes:

7. Inventories

Does the Company need to comply with the disclosure requirements of real estate industry?

Yes

(1) Inventory classification

The company complies with the disclosure requirements of "Shenzhen Stock Exchange Industry Information Disclosure Guidelines No. 3-Listed Companies Engaged in Real Estate Business".

Classified by nature:

Presented in RMB

Item	As at 30 June 2023			As at 1 January 2023		
	Book balance	Provision for impairment of inventories/provision for impairment of contract performance cost	The book value	Book balance	Provision for impairment of inventories/provision for impairment of contract performance cost	The book value
Real estate developing cost	3,449,617,810.46		3,449,617,810.46	3,413,963,261.85		3,413,963,261.85
Real estate developed products	790,009,176.74		790,009,176.74	842,847,684.33		842,847,684.33
Raw materials			0.00	8,458.34		8,458.34
Finished goods	316,588.92	38,891.91	277,697.01	329,101.70	38,891.91	290,209.79
Total	4,239,943,576.12	38,891.91	4,239,904,684.21	4,257,148,506.22	38,891.91	4,257,109,614.31

The main items of " Real estate developing cost " and their interest capitalization are shown below:

Presented in RMB

Item	Starting time	Time for completion	Estimated total investment	As at 1 January 2022	Less: Transfer to "Real estate developed products"	Less: Other reduction	Add: Increase in this period	As at 30 June 2022	Cumulative interest capitalization	Include: Amount of interest capitalized in the current period	Sources of funds
ShanTou Fresh Peak Building				28,291,908.11				28,291,908.11			Other
Lin Xin Garden		30 June 2025		2,290,805,229.96			6,218,275.18	2,297,023,505.14	33,278,019.99		Other
Guang	8	7		1,094,			29,436	1,124,	2,265,	1,609,	Bank

mingli	Februa ry 2022	Dece mber 2024		866,12 3.78			,273.4 3	302,39 7.21	037.89	531.95	loans, others
Total				3,413, 963,26 1.85			35,654 ,548.6 1	3,449, 617,81 0.46	35,543 ,057.8 8	1,609, 531.95	

The main items of "Real estate developed products" and their interest capitalization are shown below:

Presented in RMB

Item	Time for completion	As at 1 January 2023	Increase	Decrease	As at 30 June 2023	Cumulative interest capitalization	Include: Amount of interest capitalized in the current period
Jinye Island Multi-tier villa	16 Sep. 1997	39,546,392.27	4,200.00		39,477,078.34		
Jinye Island villa No.10	2 Dec 2010	5,696,007.25		0.00	5,696,007.25		
Jinye Island villa No.11	20 Aug. 2008	2,333,281.42		0.00	2,333,281.42		
YueJing dongfang Project	18 Nov. 2014	6,476,404.76		118,459.23	6,357,945.53		
HuangPu XinCun		140,000.00			140,000.00		
Beijing Fresh Peak Building		304,557.05			304,557.05		
TianYue Bay No.1	15 Dec. 2017	225,653,522.83		6,281,424.21	219,372,098.62		
Shenfang CuiLin Building	8 May 2018	45,617,437.79		19,908,371.01	25,709,066.78		
Chuanqi Donghu	8 Dec 2019	4,289,919.17		4,289,919.17	0.00		
TianYue Bay No.2	30 June 2021	512,790,161.79		22,171,020.04	490,619,141.75		
Total		842,847,684.33	4,200.00	52,769,193.66	790,009,176.74		

The main items of "instalment on development products", "leased development products", "Revolving room" are shown below:

Presented in RMB

Item	As at 1 January 2023	Increase	Decrease	As at 30 June 2023
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2) Provision for inventories and impairment of contract performance costs

The main items of provision for inventories are shown below:

Classified by nature:

Presented in RMB

Item	Opening balance	Increase in the reporting period		Decrease in the reporting period		Ending balance	Note
		Provision	Others	Reversal or Offset	Others		
Finished products	38,891.91					38,891.91	
Total	38,891.91					38,891.91	

Classified by items:

Presented in RMB

Item	Opening balance	Increase in the reporting period		Decrease in the reporting period		Ending balance	Note
		Provision	Others	Reversal or Offset	Others		

(3) The ending balance of inventory contains the explanation of the capitalized amount of borrowing expenses:

As at 30 June 2023, the Group's inventory balance contains capitalized borrowing costs at 35,543,057.88 yuan.

(4) Restriction on Inventories

Disclose restriction on Inventories by projects:

Presented in RMB

Name of project	Opening balance	Ending balance	Reason of restriction
Inventories	965,000,000.00	965,000,000.00	Land mortgaged for project development loans
Total	965,000,000.00	965,000,000.00	

8. Other current assets

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
Contract acquisition costs	1,397,895.00	1,212,848.49
Advance or prepaid income tax	789,501.68	1,692,386.28
Prepaid VAT	1,876,020.62	1,620,352.66
Pending deduct vat on purchase	30,787,643.44	29,247,467.16
Land Appreciation Tax	2,594,592.04	1,813,337.72
Business Tax	150,024.32	250,719.98
Others	998,562.58	941,529.13
Total	38,594,239.68	36,778,641.42

Other notes:

9. Long-term equity investments

Presented in RMB

Invest	Openi	Movements during the period	Endin	Balanc
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ees	ng balanc e (book value)	Increa se	Decre ase	Invest ment incom e recogn ised under equity met ho	Adjust ment in OCI	Other equity move ments	Declar ed distrib ution of cash divide nds or profits	Provis ion f or impair ment	Other	g balanc e (book value)	e of provisi on for impair ment as June 30 2023
1. Joint Venture											
Guang dong provin ce Huizh ou Luofu Hill Miner al Water Co., Ltd	9,969, 206.09									9,969, 206.09	9,969, 206.09
Fengk ai Xinhu a Hotel	9,455, 465.38									9,455, 465.38	9,455, 465.38
Subtot al	19,424 ,671.4 7									19,424 ,671.4 7	19,424 ,671.4 7
2. Associates											
Shenz hen Rongh ua JiDian Co., ltd	1,170, 882.28									1,170, 882.28	1,076, 954.64
Shenz hen Runhu a Autom obile tradin g Co., Ltd	1,445, 425.56									1,445, 425.56	1,445, 425.56
Dongy i Real Estate Co., Ltd	30,376 ,084.8 9									30,376 ,084.8 9	30,376 ,084.8 9
Subtot al	32,992 ,392.7 3									32,992 ,392.7 3	32,898 ,465.0 9
Total	52,417									52,417	52,323

	,064.2 0									,064.2 0	,136.5 6
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Other notes

10. Investments in other equity instrument

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
Shantou Small & Medium Enterprises Financing Guarantee Co., Ltd	14,191,290.63	13,839,235.57
Total	14,191,290.63	13,839,235.57

Itemized disclosure of investment in non-trading equity instruments for the current period

Presented in RMB

Item	Dividend income recognized for the current period	The cumulative gains	The cumulative loss	The amount of other comprehensive reserve transferred into retained earnings	Reasons for designating fair value measurement and its changes included in other comprehensive income	Transferring reasons
Shantou Small & Medium Enterprises Financing Guarantee Co., Ltd		5,550,600.00				

Other notes:

11. Investment property

(1) Investment properties measured using the cost model

Presented in RMB

Item	Buildings	Land use rights	Construction in progress	Total
I . Cost				
1. Balance as at 31 Dec. 2022	1,044,744,895.39	107,350,053.05		1,152,094,948.44
2. Additions during the year		3,779,432.13		3,779,432.13
(1) Purchase				
(2) Transfer from Inventories\Fixed assets\ construction in progress				

(3) Additions due to business combinations				
(4) Others (Exchange Rate Changes)		3,779,432.13		3,779,432.13
3. Decrease during the year				
(1) Disposals				
(2) Other transfers out				
4. Balance as at 30 June 2023	1,044,744,895.39	111,129,485.18		1,155,874,380.57
II. Accumulated depreciation or amortization				
1. Balance as at 31 Dec. 2022	482,985,291.20			482,985,291.20
2. Charge for the year	12,856,812.57			12,856,812.57
(1) Depreciated or amortised	12,856,812.57			12,856,812.57
3. Reductions during the year				
(1) Disposals				
(2) Other transfers out				
4. As at 30 June 2023	495,842,103.77			495,842,103.77
III. Provision for impairment				
1. Balance as at 31 Dec. 2022	14,128,544.62	88,107,197.55		102,235,742.17
2. Charge for the year		3,101,956.30		3,101,956.30
(1) Provision				
(2) Others (Exchange Rate Changes)		3,101,956.30		3,101,956.30
3. Reductions on disposals				
(1) Disposals				
(2) Other transfers out				
4. As at 30 June 2023	14,128,544.62	91,209,153.85		105,337,698.47
IV. Carrying amounts				

1. As at 30 June 2023	534,774,247.00	19,920,331.33		554,694,578.33
2. As at 31 Dec 2022	547,631,059.57	19,242,855.50		566,873,915.07

2) Investment property measured at fair value

Applicable Inapplicable

The company complies with the disclosure requirements of "Shenzhen Stock Exchange Industry Information Disclosure Guidelines No. 3-Listed Companies Engaged in Real Estate Business"

Disclosed by projects:

Presented in RMB

Project name	Location	Time for completion	building area	Rental income in reporting period	Fair value as at 31 Dec. 2022	Fair value as at 30 June 2023	Movement in Fair value	Reasons and Index for fair value change
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Does the company have investment real estate that is currently under construction?

Yes No

Whether the company has new investment real estate measured at fair value in the current period?

Yes No

(3) Investment properties pending certificates of ownership

Presented in RMB

Item	Carrying amount	Reason why certificates are pending
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Other notes

12. Fixed assets

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
Fixed assets	20,677,375.65	21,425,475.05
Total	20,677,375.65	21,425,475.05

(1) Fixed assets

Presented in RMB

Item	Plant & buildings	Motor vehicles	Electronic equipment and others	Total
I. Cost:				
1. Balance as at 31 Dec. 2022	100,422,074.10	8,307,455.41	7,403,998.70	116,133,528.21
2. Additions during	0.00	377,300.00	232,308.74	609,608.74

the year				
(1) Purchases	0.00	377,300.00	232,308.74	609,608.74
(2) Transfers from construction in progress				
(3) Additions due to business combinations				
3. Decrease during the year		895,187.50	10,382.05	905,569.55
(1) Disposals or written-offs		895,187.50	10,382.05	905,569.55
4.As at 30 June 2023	100,422,074.10	7,789,567.91	7,625,925.39	115,837,567.40
II. Accumulated depreciation				
1. Balance as at 31 Dec. 2022	81,649,438.77	7,111,284.47	5,947,329.92	94,708,053.16
2. Charge for the year	1,083,182.69	118,565.87	155,440.48	1,357,189.04
(1) Provision	1,083,182.69	118,565.87	155,440.48	1,357,189.04
3. Reductions for the year		895,187.50	9,862.95	905,050.45
(1) Disposal or written-offs		895,187.50	9,862.95	905,050.45
1. Balance as at 30 June 2023	82,732,621.46	6,334,662.84	6,092,907.45	95,160,191.75
III. Provision for impairment				
1. Balance as at 31 Dec. 2022				
2. Charge for the year				
(1) Provision				
3. Reductions for the year				
(1) Disposals or written-offs				
4. Balance As at 30 June 2023				
IV. Carrying amount				
1. As at 30 June 2023	17,689,452.64	1,454,905.07	1,533,017.94	20,677,375.65
2. As at 31 Dec. 2022	18,772,635.33	1,196,170.94	1,456,668.78	21,425,475.05

(2) Temporarily idle fixed assets

Presented in RMB

Item	Cost	Accumulated depreciation	Provision for impairment	Carrying Amount	Note
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(3) Fixed assets leased out under operating leases

Presented in RMB

Item	Carrying amount at the end of reporting period
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(4) Fixed assets pending certificates of ownership

Presented in RMB

Item	Carrying amount	Reason why certificates of ownership are pending
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Other notes

(5) Fixed assets to be disposed of

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
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Other notes:

13. Use rights assets

Presented in RMB

Item	Plant & buildings	Total
I. Cost		
1. Balance as at 31 Dec. 2022	431,779.61	431,779.61
2. Additions during the year		
3. Decrease during the year		
4. Balance as at 30 June 2023	431,779.61	431,779.61
II. Accumulated depreciation or amortization		
1. Balance as at 31 Dec. 2022	199,282.89	199,282.89
2. Charge for the year	66,427.64	66,427.64
(1) Depreciated or amortised	66,427.64	66,427.64
3. Reductions during the year		
(1) Disposals		
4. As at 30 June 2023	265,710.53	265,710.53
III. Provision for impairment		
1. Balance as at 31 Dec. 2022		
2. Charge for the year		
(1) Provision		
3. Reductions for the year		
(1) Disposals		
4. As at 30 June 2023		

IV. Carrying amounts		
1. As at 30 June 2023	166,069.08	166,069.08
2. As at 31 Dec 2022	232,496.72	232,496.72

Other notes:

14. Intangible assets

(1) Intangible assets

Presented in RMB

Item	Land use rights	Patent right	Know-how	Software	Total
I. Cost					
1. Balance as at 31 Dec. 2022				2,192,000.00	2,192,000.00
2. Additions during the year					
(1) Purchase					
(2) Internal development					
(3) Additions due to business combination					
3. Decrease during the year					
(1) Disposals					
4. As at 30 June 2023				2,192,000.00	2,192,000.00
II. Accumulative amortisation					
1. Balance as at 31 Dec. 2022				2,192,000.00	2,192,000.00
2. Charge for the year					
(1) Provision					
3. Reductions for the year					
(1) Disposals					
4. As at 30 June 2023				2,192,000.00	2,192,000.00
III. Provision for impairment					
1. Balance as at 31 Dec. 2022					
2. Charge for the year					
(1) Provision					
3. Reductions for the year					
(1) Disposals					
4. As at 30 June 2023					
IV. Carrying amount					
1. As at 30 June 2023					
2. As at 31 Dec. 2022					

The carrying amount of intangible assets of the Group arising from internal development is 0.00% of the total carrying amount of intangible assets at the end of the year.

(2) Land use rights pending certificates of ownership

Presented in RMB

Item	Carrying amount	Reason why certificates of ownership are pending

Other notes

15. Long-term deferred expense

Presented in RMB

Item	As at 1 Jan. 2023	Additions during the year	Amortisation for the year	Others decreases	As at 30 June 2023
Renovation Costs	1,719,057.99	20,803.21	283,035.94		1,456,825.26
Others	457,163.54		83,999.46		373,164.08
Total	2,176,221.53	20,803.21	367,035.40		1,829,989.34

Other notes

16. Deferred tax assets/Deferred tax liabilities**(1) Deferred tax assets and deferred tax liabilities that are not offset**

Presented in RMB

Item	As at 30 June 2023		As at 31 Dec. 2022	
	Deductible or taxable temporary	Deferred tax assets	Deductible or taxable temporary	Deferred tax assets
Provisions for impairment of assets	12,026,682.71	3,006,670.68	12,026,682.71	3,006,670.68
Unrealised profits of intra-group transactions	83,966,762.00	20,991,690.50	86,124,778.41	21,531,194.60
Deductible tax losses	69,016,233.12	17,254,058.28	69,038,992.71	17,259,748.18
Provision for land appreciation tax liquidation reserves			117,245,335.26	29,311,333.82
Accrued Contractual cost	23,711,126.84	5,927,781.70	23,711,126.84	5,927,781.70
Total	188,720,804.67	47,180,201.16	308,146,915.93	77,036,728.98

(2) Deferred tax liabilities without offsetting

Presented in RMB

Item	As at 30 June 2023		As at 31 Dec. 2022	
	Deductible or taxable temporary differences	Deferred tax liabilities	Deductible or taxable temporary differences	Deferred tax liabilities
Changes in the fair value of other equity instrument investments	1,839,235.57	459,808.89	1,839,235.57	459,808.89
Interest not due	1,576,125.00	394,031.25	1,576,125.00	394,031.25
Changes in fair value of held-for-trading financial assets	8,970,031.50	2,242,507.88	8,970,031.50	2,242,507.88
Total	12,385,392.07	3,096,348.02	12,385,392.07	3,096,348.02

(3) Deferred tax assets or deferred tax liabilities disclosed as net amount after offsetting

Presented in RMB

Item	Amount of offsetting as at 30 June 2023	Deferred tax assets or liabilities after offsetting as at 30 June 2023	Amount of offsetting as at 31 Dec. 2022	Deferred tax assets or liabilities after offsetting as at 31 Dec. 2022
Deferred tax assets		47,180,201.16		77,036,728.98
Deferred tax liabilities		3,096,348.02		3,096,348.02

(4) Details of unrecognized deferred tax assets

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
Deductible tax losses	49,941,635.58	54,027,120.82
Bad debt provision	197,543,730.87	197,543,730.87
Provision for impairment of long-term equity	220,084,700.95	220,084,700.95
Provision for impairment of investment real estate	102,235,742.17	102,235,742.17
Total	569,805,809.57	573,891,294.81

(5) Expiration of deductible tax losses for unrecognised deferred tax assets

Presented in RMB

Year	As at 30 June 2023	As at 31 Dec. 2022	Note
2023		4,085,485.24	
2024	688,456.49	688,456.49	
2025	1,629.25	1,629.25	
2026	346,891.06	346,891.06	
2027	48,904,658.78	48,904,658.78	
Total	49,941,635.58	54,027,120.82	

Other note

17. Short-term loans**(1) Classification of short-term loans**

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
Pledge loans	45,050,727.80	51,138,077.62
Total	45,050,727.80	51,138,077.62

Note:

The ending balance of the loan consist of the factoring with accounts receivables.

(2) Past due short-term loans

The total balance of past due short-term loans at the end of the year is RMB 0, including significant items are as follows:

Presented in RMB

Lender	As at 30 June 2023	Interest rate	Past due period	Interest rate if overdue
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Other notes

18. Notes payable

Presented in RMB

Kind of Class	Ending balance	Opening balance
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The total amount of notes payable due and unpaid at the end of the current period is RMB 220,898,556.87.

19. Accounts payable**(1) Accounts payable**

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
Construction	397,127,529.59	432,902,243.31
Others	1,729,506.45	1,699,316.36
Total	398,857,036.04	434,601,559.67

(2) the age of more than 1 year of important accounts payable

Presented in RMB

Item	As at 30 June 2023	Reasons for non-payment or non-carry-forward
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Other notes:

20. Advances from customers**(1) Advance payments**

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
Payment for goods-import and export	4,218,370.69	4,218,370.69
Others	653,101.19	1,246,973.27
Total	4,871,471.88	5,465,343.96

(2) Important advances received over one year

Presented in RMB

Item	As at 30 June 2023	Reasons for non-payment or non-carry-forward
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Other notes:

21. Contractual liabilities

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec. 2022
Advance in house payment	34,155,928.57	43,431,327.09
Advance in room fee	100,408.38	102,140.20
Total	34,256,336.95	43,533,467.29

Changes in amount and reason for the change in reporting period:

Presented in RMB

Item	Changes in the amount	Reason for change
Advance in house payment	- 9,275,398.52	Real estate sales meet the income recognition conditions and carry forward income
Total	- 9,275,398.52	

The company needs to comply with the disclosure requirements of "real estate industry" in the "Shenzhen Stock Exchange Listed Company Self-Regulatory Supervision Guidelines No. 3 - Industry Information Disclosure" Receipt information of the top five projects in the pre-sale amount:

Presented in RMB

Serial number	Item	As at 31 Dec. 2022	As at 30 June 2023	Estimated completion time	Pre-sale ratio
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22. Payroll payable

(1) Employee benefits payable

Presented in RMB

Item	As at 31 Dec 2022	Accrued during the year	Decreased during the year	As at 30 June 2023
Short-term employee benefits	35,672,352.37	25,379,314.03	34,995,612.73	26,056,053.67
Post-employment benefits - defined contribution plans	51,851.41	4,882,198.99	4,882,199.11	51,851.29
Total	35,724,203.78	30,261,513.02	39,877,811.84	26,107,904.96

(2) Short-term employee benefits

Presented in RMB

Item	As at 31 Dec 2022	Accrued during the year	Decreased during the year	As at 30 June 2023
1.Salaries, bonus, allowances	35,211,378.77	18,382,586.31	27,665,932.85	25,928,032.23
2.Staff welfare	220,742.00	1,678,076.40	1,898,818.40	0.00
3.Social insurances		2,061,716.10	2,061,716.10	0.00

Including: Medical insurance		1,928,118.49	1,928,118.49	0.00
Work-related injury insurance		30,931.54	30,931.54	0.00
Maternity insurance		102,666.07	102,666.07	0.00
4. Housing Fund		2,685,845.63	2,685,845.63	0.00
5. Labor union fees, staff and workers' education fee	240,231.60	571,089.59	683,299.75	128,021.44
Total	35,672,352.37	25,379,314.03	34,995,612.73	26,056,053.67

(3) Post-employment benefits - defined contribution plans

Presented in RMB

Item	As at 31 Dec 2022	Accrued during the year	Decreased during the year	As at 30 June 2023
Basic pension insurance		2,910,855.30	2,910,855.30	0.00
Unemployment insurance		32,286.62	32,286.62	0.00
Annuity	51,851.41	1,939,057.07	1,939,057.19	51,851.29
Total	51,851.41	4,882,198.99	4,882,199.11	51,851.29

Other notes

23. Tax payable

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Value-added tax	2,816,273.69	3,843,704.80
Corporate income tax	18,971,573.83	61,927,050.99
Individual income tax	603,654.85	1,611,643.13
City maintenance and construction tax	852,519.05	734,949.61
Land appreciation tax	8,253,213.62	121,891,472.74
Property tax	4,982,103.54	287,141.98
Education surcharge	361,834.61	316,008.58
local education surcharge	241,223.07	197,568.44
Others	488,239.67	141,645.72
Total	37,570,635.93	190,951,185.99

Other notes

24. Other payables

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Interest payables	16,535,277.94	16,535,277.94
Other payables	538,530,321.81	557,796,062.90
Total	555,065,599.75	574,331,340.84

(1) Interest payable

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Non-financial institution borrowing interest (interest payable to parent company)	16,535,277.94	16,535,277.94
Total	16,535,277.94	16,535,277.94

Significant overdue interest outstanding:

Presented in RMB

Debtor	Overdue amount	Overdue reason
Shenzhen Investment Holdings Co., Ltd.	16,535,277.94	Defer payment
Total	16,535,277.94	

Other notes:

The loan principal was paid in full on 22 Dec. 2016.

(2) Dividends payable

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
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Reason for significant dividends not paid in 1 year:

(3) Other payables

1) Other payables (by nature)

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Current account to Non-Related parties	160,011,335.42	166,065,259.07
Current account to Related parties	230,698,698.75	232,502,015.42
Deposits	24,822,234.12	28,723,844.16
Others	122,998,053.52	130,504,944.25
Total	538,530,321.81	557,796,062.90

2) significant other payables aging over 1 year

Presented in RMB

Item	As at 30 June 2023	Reason for no repayment
Guangzhou Bopi Enterprise Management Consulting Co., LTD	203,265,265.50	Within 1 year, 1-2 years, 2-3 years
Huizhou Guirong Investment Information Consulting Co., LTD	100,033,126.03	1-2 years
Total	303,298,391.53	

Other notes

25. Non-current liabilities due within one year

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
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Long-term borrowings due within one year	19,983,173.22	6,105,770.99
Lease liabilities due within one year	83,023.44	83,023.44
Total	20,066,196.66	6,188,794.43

Other notes:

26. Other current liabilities

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Output tax to be transferred	2,844,613.84	2,265,817.68
Notes receivable that have been endorsed but cannot be terminated for recognition		1,617,000.00
Total	2,844,613.84	3,882,817.68

Movement in Short-term bonds payable:

Presented in RMB

Name of the bond	Face value	Release date	The bond deadline	Issuance	As at 31 Dec 2022	The current issue	Interest is accrued at face value	Amortization of excess discount	The current pay		As at 30 June 2023
Total											

Other notes:

27. Long-term loans

(1) Long-term loans classification

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Pledge loan	161,876,610.82	60,366,770.99
Less: long-term loans due within one year	-19,983,173.22	-6,105,770.99
Total	141,893,437.60	54,261,000.00

Note:

Additional notes, including interest rate ranges:

The interest rate range is 3.70%-4.20%.

28. Lease liabilities

Presented in RMB

Item	As at 30 June 2023	As at 31 Dec 2022
Buildings	95,400.80	136,908.67
Less: lease liabilities due within	-83,023.44	-83,023.44

one year		
Total	12,377.36	53,885.23

Other notes:

29. Share capital

Presented in RMB

	As at 31 Dec 2022	Increase or decrease of current period (+, -)					As at 30 June 2023
		New shares	Stock dividend	Conversion from reserve to shares	Others	Subtotal	
The total number of shares	1,011,660,000.00						1,011,660,000.00

Other notes:

30. Capital reserves

Presented in RMB

Item	As at 31 Dec 2022	Increase in current period	The reduced in current period	As at 30 June 2023
Share premium	557,433,036.93			557,433,036.93
Other capital reserves	420,811,873.18			420,811,873.18
Total	978,244,910.11			978,244,910.11

Reason for movements in capital reserves:

31. Other comprehensive income

Presented in RMB

Item	As at 31 Dec 2022	Current amount						As at 30 June 2023
		The current income tax before the amount	Less: included in other comprehensive income in the previous period and transferred to profit or loss in the current period	Less: included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: Income tax expense	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income	1,379,426.68	352,055.06				352,055.06		1,731,481.74

that cannot be reclassified into profits and losses								
Changes in the fair value of other equity instrument investments	1,379,426.68	352,055.06				352,055.06		1,731,481.74
II. Other comprehensive income which is reclassified into profit and loss	24,547,294.17	-3,035,396.05				-2,124,777.23	-910,618.82	22,422,516.94
Translation differences arising from translation of foreign currency financial statements	24,547,294.17	-3,035,396.05				-2,124,777.23	-910,618.82	22,422,516.94
Total	25,926,720.85	-2,683,340.99				-1,772,722.17	-910,618.82	24,153,998.68

Other notes, including the adjustment of the effective portion of the cash flow hedging gain or loss to the initially recognised amount of the hedged item:

32. Surplus reserve

Presented in RMB

Item	As at 31 Dec 2022	Additions during the year	Reductions during the year	As at 30 June 2023
Statutory surplus reserve	275,253,729.26			275,253,729.26
Total	275,253,729.26			275,253,729.26

Note:

33. Retained earnings

Presented in RMB

Item	Year ended 30 June 2023	Year ended 30 June 2022
Before adjustment: Retained earnings at the end of the previous period	1,713,155,187.48	1,671,121,562.98
After adjustment: Retained earnings at the beginning of the reporting period	1,713,155,187.48	1,671,121,562.98
Plus: Net profits for the year attributable to owners of the Group	-37,118,182.81	153,718,805.57
Less: Appropriation for statutory surplus reserve		34,108,874.33
Dividends payable to ordinary shares	61,711,260.00	89,026,080.00
Other		-11,449,773.26
Retained earnings at the end of the reporting period	1,614,325,744.67	

Adjustments on beginning retained earnings are as follows:

- 1). Retrospective adjustments of RMB 0.00 made on beginning retained earnings in accordance with CAS and related new regulations.
- 2). RMB 0.00 on beginning retained earnings due to changes in accounting policies.
- 3). RMB 0.00 on beginning retained earnings due to corrections of significant accounting errors.
- 4). RMB 0.00 on beginning retained earnings due to changes in consolidation scope resulting from business combinations involving entities under common control.
- 5). RMB 0.00 on beginning retained earnings due to other adjustments.

34. Operation Income and Costs

Presented in RMB

Item	Year ended 30 June 2023		Year ended 30 June 2022	
	Income	costs	Income	costs
Principal activities	260,483,681.12	216,130,758.55	364,450,882.21	238,944,330.95
Other operating activities	3,133,097.95	1,098,668.28	1,733,616.69	940,941.77
Total	263,616,779.07	217,229,426.83	366,184,498.90	239,885,272.72

Income related information:

Presented in RMB

Contract type	Segment 1	Segment 2		Total
Product Types				
including:				
By business area				
including:				
Market or customer type				
including:				
Type of contract				
including:				
Sort by time of				

goods transfer				
including:				
Sort by contract term				
including:				
By sales channel				
including:				
Total				

Information related to performance obligations:

There are four criteria need to be satisfied when the group recognizing the revenue from property sales: (1) the sale contract has been signed and filed with the land department; (2) the property development is completed and pass the acceptance; (3) For Lump-sum payment, revenue is recognized by the group when the consideration is fully received. For instalment payment, revenue is recognized when the first installment has been received and the bank mortgage approval procedures have been completed. (4) completed the procedures for entering the partnership in accordance with the requirements stipulated in sale contract.

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have been signed but not yet performed or not yet completed is RMB 383,836,155.28 yuan, Among them, RMB 134,646,809.83 yuan is expected to be recognized as revenue in 2023, RMB 155,008,753.46 is expected to be recognized as revenue in the year 2024, and RMB 51,532,342.89 yuan is expected to be recognized as revenue in the year 2025 and subsequent years.

Note: The company complies with the disclosure requirements of "Shenzhen Stock Exchange Industry Information Disclosure Guidelines No. 3-Listed Companies Engaged in Real Estate Business"

Information of the top five projects that the revenue recognized during the reporting period:

Presented in RMB

No.	Project	Income amount
1	TianYue Bay No.2	33,679,147.75
2	TianYue Bay No.1	20,692,277.20
3	ChuanQi DongHu Building	14,830,961.90
4	Shenfang CuiLin Building	3,025,788.60
5	YueJing dongfang Project	176,190.48

35. Taxes and surcharges

Presented in RMB

Item	Current amount	Amount of previous period
Urban maintenance and construction tax	569,808.42	1,170,922.86
Education surcharge	244,769.19	502,679.96
Property tax	797,547.13	4,650,644.11
Land use tax	271,394.26	322,273.95
Vehicle and vessel usage tax	840.00	2,040.00
Stamp duty	48,899.52	229,657.72
Land appreciation tax	59,792,949.35	49,721,941.06
Local education surcharge	162,868.57	337,561.61
Embankment protection fees	7,791.12	43,860.73

Total	61,896,867.56	56,981,582.00
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Other notes:

36. Selling and distribution expense

Presented in RMB

Item	Current amount	Amount of previous period
Employee benefits	1,571,290.26	2,722,521.43
Advertising expenses	2,202,118.31	1,366,337.04
Entertainment expenses	218,421.79	246,246.42
commissions	1,629,485.30	3,940,062.31
Others	3,169,324.52	2,450,864.13
Total	8,790,640.18	10,726,031.33

Other notes:

37. General and administrative expenses

Presented in RMB

Item	Current amount	Amount of previous period
Employee benefits	15,886,780.81	25,452,857.55
Depreciation	1,257,650.48	1,296,844.73
Entertainment expenses	848,919.03	1,181,431.41
Professional fee	1,008,889.63	932,733.24
Travel expense	65,435.94	21,150.06
Office expenses	648,239.75	826,098.42
Maintenance expenses	128,922.09	343,507.92
Utilities	137,684.88	164,773.58
Amortization	251,350.50	194,229.28
Others	3,219,326.34	2,599,674.33
Total	23,453,199.45	33,013,300.52

Other notes

38. Financial expense

Presented in RMB

Item	Current amount	Amount of previous period
Interest expense	1,609,531.95	89,286.77
Less: Interest income	716,366.12	2,903,815.84
Less: capitalized interest	1,609,531.95	89,286.77
Exchange losses/-gains	11,609.26	-811,005.72
Less: Exchange losses and gains capitalized		
Others	92,489.15	113,267.24
Total	-612,267.71	-3,601,554.32

Other notes

39. Other Income

Presented in RMB

Item (Source of other income)	Current amount	Amount of previous period
VAT deduction	54,434.68	236,488.67
Subsidies for job-for-training		33,625.00

Employment Support Subsidy		10,000.00
Stable Job Subsidy	932.80	123,118.76
Refund of procedure fee of personal income tax	68,364.83	
Total	123,732.31	403,232.43

40. Investment Income

Presented in RMB

Item	Current amount	Amount of previous period
Investment income from holding held-for-trading financial assets	161,491.79	159,619.01
Dividend income from other equity instrument investments during the holding period		813,960.00
Debt Restructuring Proceeds		2,489,520.46
Disposal of subsidiaries		163,352,077.77
Other	1,644,822.69	
Total	1,806,314.48	166,815,177.24

Other notes

41. Income from changes in fair value

Presented in RMB

The source of the fair value change income	Current amount	Amount of previous period
Trading financial assets	3,477,115.56	4,963,730.62
Total	3,477,115.56	4,963,730.62

Other notes:

The group purchased monetary fund since June 2021 and reached income from changes in fair value for the Reporting Period of 3,477,115.56 yuan.

42. Credit impairment loss

Presented in RMB

Item	Current amount	Amount of previous period
Bad debt losses on other receivables	8,000.00	-18,503.49
Reversal of impairment of accounts receivable	440,326.78	149,819.69
Reversal of impairment of notes receivable	80,850.00	
Total	529,176.78	131,316.20

Other notes

43. Impairment loss of assets

Presented in RMB

Item	Current amount	Amount of previous period
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Other notes:

44. Non-operating income

Presented in RMB

Item	Current amount	Amount of previous period	Amount booked into current non-recurring profits and losses
Penalty/Default Income	7,202.16	550,000.00	7,202.16
Others	10,274.56	2,207.24	10,274.56
Total	17,476.72	552,207.24	17,476.72

Government subsidy counted to the current profit and loss:

Presented in RMB

Item	Issuer	Reason for issue	Subsidy nature	Does the subsidy affect the profit and loss of the year	Whether special subsidy	Current amount	Amount of previous period	Relating to assets or earnings

Other notes:

45. Non-operating expenses

Presented in RMB

Item	Current amount	Amount of previous period	Amount counted to the current non-operating gain and loss
Non-monetary asset exchange losses		1,892.06	0.00
Donations provided	30,000.00	43,357.00	30,000.00
Others	20,894.08	50.00	20,894.08
Total	51,480.63	45,299.06	50,894.08

Other notes:

46. Income to expense**(1) Details of income tax expenses**

Presented in RMB

Item	Current amount	Amount of previous period
Current tax expense for the year	-29,856,527.82	59,036,968.69
Deferred tax expense	27,275,898.77	
Total	-2,580,629.05	59,036,968.69

(2) Reconciliation between income tax expenses and accounting profit is as follows:

Presented in RMB

Item	Current amount
Profits/losses before tax	-41,238,752.02
Expected income tax expenses at applicable tax rate	-10,309,688.01

Impact of different tax rates applied to certain subsidiaries	547,107.51
Adjustment of income tax for the current period of the previous period	4,439,887.46
Impact of tax-free income	1,320,857.51
Effect of non-deductible costs, expenses and losses	1,421,206.48
Income tax expenses	-2,580,629.05

Other notes

47. Other comprehensive income

Refer to Note VII. 31 for details.

48. Cash Flow Statement

(1) Proceeds from operating activities

Presented in RMB

Item	Current amount	Amount of previous period
Interest income	451,599.51	2,805,382.05
Deposits and security deposits	910,167.70	244,977.70
Maintenance Fund	34,057.61	46,833.81
Collecting fee for certifications on behalf	655,731.73	680,720.00
Others	72,170,059.77	70,573,645.41
Total	74,221,616.32	74,351,558.97

Note:

(2) Payment for other operating activities

Presented in RMB

Item	Current amount	Amount of previous period
Payment for general and administrative expenses	4,462,006.40	3,613,201.28
Payment for selling and distribution expenses	4,028,948.96	2,931,332.85
Deposits and security deposits	2,766,624.73	472,001.70
Paying fee for certifications on behalf	585,125.55	17,696.81
Others	129,517,304.16	181,834,327.89
Total	141,360,009.80	188,868,560.53

Note:

(3) Proceeds from other investing activities

Presented in RMB

Item	Current amount	Amount of previous period
Purchase of monetary fund	136,800,000.00	115,000,000.00
Total	136,800,000.00	115,000,000.00

Note:

(4) Payment for other investing activities

Presented in RMB

Item	Current amount	Amount of previous period
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Note:

(5) Proceeds from other financing activities

Presented in RMB

Item	Current amount	Amount of previous period
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Note:

(6) Payment for other financing activities

Presented in RMB

Item	Current amount	Amount of previous period
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Note:

49. Supplementary information of the cash flow statement**(1) supplementary information of the cash flow statement**

Presented in RMB

Supplementary information	Current amount	Amount of previous period
1. Adjust net profit to cash flow from operating activities:		
Net profit	-38,658,122.97	142,960,262.63
Add: Provisions for impairment of assets	529,176.78	131,316.20
Depreciation of Fixed Assets, Depreciation of Investment Real Estate, Depreciation of Oil and Gas Assets, Depreciation of Productive Biological Assets	14,214,001.61	14,088,045.80
Depreciation of Right-of-use Assets	66,427.62	66,427.63
Amortization of intangible assets		
Amortization of long-term deferred expenses	367,035.40	183,931.86
Loss on disposal of fixed assets, intangible assets and other long-term assets (marked with "-" for gains)		
Loss on the scrapping of fixed assets (marked with "-" for income)	-2,009.21	1,892.06
Loss from changes in fair value (marked with "-" for earnings)	-3,477,115.56	-4,963,730.62
Financial expenses (revenue marked with "-")	11,609.26	-811,005.72
Loss on investment (marked with "-" for income)	-1,806,314.48	-166,815,177.24
Deferred tax assets decreased (marked with "-" for increase)	-29,856,527.82	12,024,737.52
Deferred tax liability increased (marked with "-" for decrease)		-2,984,434.17
Decrease in stock (marked with "-" for increase)	-17,204,930.10	-35,445,828.25
Decrease of operating receivable items (marked with "-" for	-28,003,759.61	-53,847,916.31

increase)		
Increase in operational payable items (marked with "-" for decrease)	-88,320,418.96	-452,703,664.73
Other		
Net cash flow from operating activities	-192,140,948.04	-548,115,143.34
2. Major investment and financing activities that do not involve cash receipts and expenditures:		
Debt to capital		
A convertible corporate bond maturing within one year		
Leasing of fixed assets through financing		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	174,781,114.58	319,956,294.72
Minus: Opening balance of cash	190,365,069.48	612,293,635.15
Plus: Ending balance of cash equivalents		
Minus: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-15,583,954.90	-292,337,340.43

(2) Composition of cash and cash equivalents

Presented in RMB

Item	Ending balance	Opening balance
Cash at bank and on hand	174,781,114.58	190,365,069.48
Cash and cash equivalents at 30 June 2023	174,781,114.58	190,365,069.48

Other notes:

50. Notes for items in the statement of changes in owners' equity

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

51. Assets whose ownership or use rights are restricted

Presented in RMB

Item	Ending book value	Limited reason
Cash at bank and on hand	5,674,439.78	Shenzhen Longgang District Urban Renewal Project and Surrounding Public Facilities Project-Construction Funds
Inventories	965,000,000.00	Land mortgage of project development loan
Cash at bank and on hand	388,115.74	Litigation freeze
Accounts receivable	45,050,727.80	Short-term loan pledge
Total	1,016,113,283.32	

Other notes:

52. Foreign currency monetary items**(1) Foreign currency monetary items**

Presented in RMB

Item	Ending Foreign Currency Balance	Discount rate	Balance converted into RMB at the end
Monetary fund			
Including:US dollar	10,250.16	7.2098	73,901.60
The euro			
Hong Kong dollars	6,370,721.40	0.92048	5,864,121.63
Accounts receivable			
Including:US dollar	24,483.34	7.2098	176,519.98
The euro			
Hong Kong dollars	4,905,150.10	0.92048	4,515,092.56
Long-term borrowing			
Including:US dollar			
The euro			
Hong Kong dollars			
Other receivables			
Including: Hong Kong dollars	513,915.14	0.92048	473,048.61
Prepayments			
Including: Hong Kong dollars	253.12	0.92048	232.99
Accounts payable			
Including: Hong Kong dollars	2,000.00	0.92048	1,840.96
Other payables			
Including:US dollar	11,781.17	7.2098	5,205,797.88

Other notes:

(2) Note to overseas operating entities, including important overseas operating entities, which should be disclosed about its principal business place, function currency for bookkeeping and basis for the choice. In case of any change in function currency, the cause should be disclosed.

Applicable Not Applicable

53. Government subsidies**(1) Basic information of government subsidies**

Presented in RMB

Sources	Amount	Listed items	Amount recorded in the current profit or loss
Tax subsidy	122,799.51	Other Income	122,799.51
Stable employment subsidy	932.80	Other Income	932.80

(2) Refunding of the government subsidies

Applicable Not Applicable

Other notes:

VIII. Change of consolidation scope

1. Business combinations involving enterprises not under common control

(1) Business combinations involving enterprises not under common control occurred during the Reporting Period

Presented in RMB

Name of acquiree	Time and place of gaining the equity	Cost of gaining the equity	Proportion of equity	Way to gain the 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) Acquisition cost and goodwill

Presented in RMB

Acquisition cost	
--Cash	
--Fair value of non-cash assets	
--Fair value of debts issued or undertaken	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value of equities held before the purchase date on the purchase date	
--Other	
Total acquisition cost	
Less: fair value of identifiable net assets acquired	
The amount of goodwill/acquisition cost less than the fair value share of identifiable net assets obtained	

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

The main reasons for the formation of large-value goodwill:

Other notes:

(3) Identifiable assets and liabilities of the acquiree at the acquisition date

Presented in RMB

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

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

Contingent liabilities of acquirees undertaken in the business combination:

Other notes:

(4) Gain or loss from remeasurement of equity interests held prior to acquisition date to fair value

Whether there are multiple transactions to achieve the business merger step by step and gain control during the reporting period

Yes No

(5) If it is impossible to reasonably determine the merger consideration or the fair value of the assets and liabilities recognized by the purchaser on the purchase date or at the end of the current period, the Group shall disclose the fact and reasons.

(6) Other Note**2. Business combinations involving enterprises under common control****(1) Business combinations involving enterprises under common control during the period**

Presented in RMB

Combine d party	Proportio n of the equity	Basis	Combinat ion date	Recogniti on basis of combinati on date	Income from the period-begin to the combinati on date of the acquiree	Net profits from the period-begin to the combinati on date of the acquiree	Income of the acquiree during the period of comparis on	Net profits of the acquiree during the period of comparis on

Other notes:

(2) Combination cost

Presented in RMB

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

Contingent liabilities and changes thereof:

Other notes:

(3) Book value of merged party's assets and liabilities in combination date

Presented in RMB

	Combination date	Period-end of the last period
Assets:		
Monetary assets		
Receivables		
Inventories		
Fixed assets		
Intangible assets		
Liabilities:		
Loans		
Payables		
Net assets		
Less: Non-controlling interests		
Net assets acquired		

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

Other notes:

3. Reverse buying

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

4. Disposal of subsidiaries

Whether subsidiaries reduced due to single disposal until loss of control

 Yes No

Whether exists multiple transactions to dispose of the equity step by step to the loss of control and the reduction of the subsidiary

 Yes No**5. Other reason for change of consolidation scope**

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

6. Other

IX. Interest in other entities

1. Interests in subsidiaries

(1) Composition of the Group

Name of the Subsidiary	Principal place of business	Registration place	Business nature	Shareholding %		Acquisition method
				Direct	Indirect	
Shenzhen City SPG Long Gang Development Ltd.	Shenzhen	Shenzhen	Real estate development	95.00%	5.00%	Acquiring through establishment or investment
American Great Wall Co., Ltd	U.S.	U.S.	Real estate development	70.00%		Acquiring through establishment or investment
Shenzhen Petrel Hotel Co. Ltd.	Shenzhen	Shenzhen	Hotel Services	68.10%	31.90%	Acquiring through establishment or investment
Shenzhen Zhen Tung Engineering Ltd.	Shenzhen	Shenzhen	Installation and maintenance	73.00%	27.00%	Acquiring through establishment or investment
Shenzhen City We Gen Construction Management Ltd.	Shenzhen	Shenzhen	Supervision	75.00%	25.00%	Acquiring through establishment or investment
Shenzhen Lain Hua Industry and Trading Co., Ltd.	Shenzhen	Shenzhen	Mechanical & Electrical device installation	95.00%	5.00%	Acquiring through establishment or investment
Fresh Peak Zhiye Co., Ltd.	Hong Kong	Hong Kong	Investment and management	100.00%		Acquiring through establishment or investment
Xin Feng Enterprise Co., Ltd.	Hong Kong	Hong Kong	Investment and management	100.00%		Acquiring through establishment or investment

						investment
Shenzhen City Shenfang Free Trade Trading Ltd.	Shenzhen	Shenzhen	Commercial trade	95.00%	5.00%	Acquiring through establishment or investment
Shenzhen City Shenfang Investment Ltd.	Shenzhen	Shenzhen	Investment	90.00%	10.00%	Acquiring through establishment or investment
Beijing fresh peak property development management limited company	Beijing	Beijing	Real estate	75.00%	25.00%	Acquiring through establishment or investment
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Huizhou	Huizhou	Real estate	51.00%		Acquiring through business acquisition
Shenzhen Shenfang Chuanqi Real Estate Development Co., Ltd.	Shenzhen	Shenzhen	Real estate	100.00%		Acquiring through establishment or investment

Note to shareholding ratio is different from the voting ratio in subsidiaries:

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

The basis for controlling significant structured entities in the scope of merger:

The basis for determining whether a company is an agent or a principal:

Other notes:

① In consolidation scope, there are four subsidiaries in “revoked but not cancelled” condition: Beijing SPG Property Management Limited, Guangzhou Huangpu Xizun real estate limited company, Fresh Peak Real Estate Dev. Construction (Wuhan) Co. Ltd. and Beijing Shenfang Property Management Co., Ltd. They are presented on the basis of discontinued operations; these five subsidiaries have made full provision for impairment of debt for the companies outside the consolidation scope.

②The cancelled, revoked and closed subsidiaries of the Company that are not included in the scope of consolidation are as follows:

Name of the Subsidiary	Principal	Place of	Business nature	Shareholding	Acquisition
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	place of business	registration		proportion		method
				Direct	Indirect	
Shenzhen Shenfang Department Store Co.Ltd	Shenzhen	Shenzhen	Commercial trade	95.00	5.00	Acquiring through establishment or investment
Paklid Limited	Hong Kong	Hong Kong	Commercial trade	60.00	40.00	Acquiring through establishment or investment
Bekaton Property Limited	Australia	Australia	Real estate	60.00	--	Acquiring through establishment or investment
Canada Great Wall (Vancouver)	Canada	Canada	Real estate	--	60.00	Acquiring through establishment or investment
Guangdong Fengkai County Lianfeng Cement Manufacturing Co., Ltd.	Fengkai Guangdong	Fengkai Guangdong	Manufacturing	--	90.00	Acquiring through establishment or investment
Jiangmen Xinjiang Real Estate Co., Ltd	Jiangmen Guangdong	Jiangmen Guangdong	Real estate	--	90.91	Acquiring through establishment or investment
Xi'an Fresh Peak Property Trading Co., Ltd	Xi'an Shanxi	Xi'an Shanxi	Real estate	--	67.00	Acquiring through establishment or investment
Shenxi Limited	Shenzhen	Shenzhen	Building Decoration	70.00	--	Acquiring through establishment or investment
Shenzhen Zhentong New Electromechanical Industry Development Co., Ltd.	Shenzhen	Shenzhen	Mechanical and electrical engineering	95.00	5.00	Acquiring through establishment or investment
Shenzhen Real Estate Electromechanical Management Company	Shenzhen	Shenzhen	Electromechanical Management	100.00	--	Acquiring through establishment or investment
Shenzhen Nanyang Hotel Co., Ltd.	Shenzhen	Shenzhen	Hotel Management	95.00	5.00	Acquiring through establishment or investment
Shenzhen Kangtailong Industrial Electric Cooker Co., Ltd.	Shenzhen	Shenzhen	Industrial manufacturing	--	100.00	Acquiring through establishment or investment

Shenzhen Longgang Henggang Huagang Industrial Co., Ltd.	Shenzhen	Shenzhen	Industrial Investment	--	79.92	Acquiring through establishment or investment
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Note:

1. Shenzhen Shenfang Department Store Co. Ltd called a shareholder meeting on 29 October 2007, decided to terminate the business and establish a liquidation team to conduct the liquidation. The liquidation team issued a liquidation report on 7 December, 2007.

2. Paklid Limited, Bekaton Property Limited and Canada Great Wall (Vancouver) were established by the group abroad in the early years. On 13 December 2000, the group held a board meeting and decided to liquidate these three companies. Bekaton Property Limited and Canada Great Wall (Vancouver) have been winded up.

3. All assets from Guangdong Fengkai County Lianfeng Cement Manufacturing Co., Ltd. (including tangible and intangible asset) were auctioned by the court on 22 January 2019, becoming a shell company.

4. Shenxi Limited was a holding subsidiary of Shenzhen Tefa Real Estate Consolidated Services Co., Ltd. which is a deregistered subsidiary of the group. By the Group's announcement, "The notice on the merger of Shenzhen Zhen Tung Engineering Ltd and Shenxi Limited" (Shenfang [1997] No.19), all businesses form Shenxi Limited were undertaken by Shenzhen Zhen Tung Engineering Ltd and Shenxi Limited and were revoked on 8 February 2002.

The group could no longer effectively control these invested companies which have not been included in the consolidation scope were either been cancelled or ceased operation many years ago, and were no longer exist. According to "Accounting Standard for Business Enterprises No. 33-Consolidated Financial Statements", the group already accrued full amount of impairment for the book value of the net investment in above companies which are not included in the consolidated scope.

(2) Material non-wholly owned subsidiaries

Presented in RMB

Name of the Subsidiary	Proportion of ownership interest held by non-controlling interests %	Profit or loss allocated to non-controlling interests during the year	Dividend declared to non-controlling shareholders during the year	Balance of non-controlling interests as at 2023.6.30
Great Wall Estate Co., Inc	30.00%	-42,734.35		-22,331,144.86
Fresh Peak Investment Ltd	45.00%	-258.69		-116,180,132.59
Barenie Co. Ltd.	20.00%	-198.54		-3,892,312.98
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	49.00%	-1,995,664.77		422,665,964.05

Note to shareholding ratio of minority shareholder is different from the voting ratio:

Other notes:

(3) Key financial information about material non-wholly owned subsidiaries

Presented in RMB

Name	As at 30 June 2023						As at 1 January 2023					
	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
Great Wall Estate Co., Inc	250,421.58	19,920,331.33	20,170,752.91	113,437,480.80	0.00	113,437,480.80	157,276.13	19,242,855.50	19,400,131.63	109,489,015.64		109,489,015.64
Fresh Peak Investment Ltd	4,837.87	36,016.90	40,854.77	258,219,010.18	0.00	258,219,010.18	220,030,110.80		220,030,110.80	254,831,542.93		254,831,542.93
Barenie Co. Ltd.	1,077.88		1,077.88	32,922,013.48	0.00	32,922,013.48	1,046.02		1,046.02	32,920,988.91		32,920,988.91
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	1,486,739,140.61	5,218,484.42	1,491,957,625.03	1,511,714,588.75	12,377.36	1,511,726,966.11	1,468,798,461.17	5,502,260.78	1,474,300,721.95	1,489,943,392.55	53,885.23	1,489,997,277.78

Presented in RMB

Name of the Subsidiary	Current amount				Amount of previous period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Great Wall Estate Co., Inc	340,294.12	-142,447.83	-142,447.83	-30,443.57	260,141.10	-505,165.93	-4,531,644.62	-495,723.39
Fresh Peak Investment Ltd		-574.87	-574.87					
Barenie Co. Ltd.		-992.71	-992.71					
Guangdong Jianbang Group		-4,072,785.25	-4,072,785.25	-14,762,328.06	0.00	-4,115,342.31	-4,115,342.31	-110,177.413.44

(Huiyang) Industrial Co., Ltd.								
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Other notes:

(4) Material restriction on the use of the Group's assets and the settlement of the Group's liabilities

(5) Financial support or other support provided to structured entities included in the scope of the consolidated financial statements

Other notes:

2. Transactions that cause changes in the Group's interests in subsidiaries that do not result in loss of control

(1) Changes in the Group's interests in subsidiaries:

(2) Impact from transactions with non-controlling interests and equity attributable to the owners of the Group:

Presented in RMB

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

Other notes

3. Interests in joint ventures or associates

(1) Material joint ventures or associates

Name	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Accounting treatment of the investment to joint venture or associated enterprise
				Directly	Indirectly	

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) Key financial information of material joint ventures:

Presented in RMB

	Ending balance/amount incurred in the reporting period	Opening balance/amount incurred in the previous period
Current assets		
Of which: cash and cash equivalents		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Equity of non-controlling interests		
Equity attributable To shareholders of the Company as the parent		
Portion of net assets calculated according to proportion of shareholdings		
Adjusted		
-Goodwill		
-Unrealized profits of internal transactions		
-Others		
Carrying value of equity investment to joint ventures		
Fair value of equity investments of joint ventures with public offer		
Operating revenue		
Finance expense		
Income tax expense		
Net profit		
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income		
Dividends received from joint ventures in the Reporting Period		

Other notes

(3) Key financial information of material associates:

Presented in RMB

	Ending balance/amount incurred in the reporting period	Opening balance/amount incurred in the previous period
Current assets		

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

Other notes

(4) Summarized financial information of immaterial joint ventures and associates:

Presented in RMB

	Ending balance/amount incurred in the reporting period	Opening balance/amount incurred in the previous period
Joint ventures:		
The total number of the following items based on shareholding ratio		
Associates:		
Aggregate book value of investments	93,937.67	93,937.67
The total number of the following items based on shareholding ratio		
-Net profits		-178,240.64

Other notes

(5) Material restrictions on transfers of funds from investees to the Group**(6) Excess loss from joint ventures or associates**

Presented in RMB

Investee	Accumulated unrecognized loss in prior periods	Unrecognized loss (or share of net profit) for the reporting period	Accumulated unrecognized loss as at 2023.6.30
Shenzhen Fresh Peak property consultant Co., Ltd	2,217,955.89		2,217,955.89

Note:Shenzhen Fresh Peak property consultant Co., Ltd was established on 15 March 1993 with registered capital of 3,000,000 yuan. The group subscribed RMB 600,000 (20% in total capital). As at 30 June 2023, the group contributed RMB 600,000 and already confirmed long-term equity invest lose RMB 600,000.

(7) Unrecognized commitments in connection with its investment in joint ventures**(8) Contingent liabilities in connection with its investment in joint ventures or associates****4. Material joint operations**

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

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

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

Other notes

5. Interests and interests in structured entities not included in the scope of consolidated financial statements

Note to structured entities not included in the scope of consolidated financial statements:

6. Other**X. Risk Management of Financial Instruments**

The Group's main financial instruments include the monetary funds, notes receivable, other receivables, Other current assets, accounts receivable, other equity instrument investments, notes payable, accounts payable, other payables, short-term borrowing, lease liabilities. Details of the various financial instruments are disclosed in the relevant notes. The risks associated with these financial instruments and the risk management policies adopted by the Group to mitigate these risks are described below. The management of the Group manages and monitors these exposures to ensure that these risks are contained within the limits specified.

1. Risk management objectives and policies

The Group's goal in risk management is to strike an appropriate balance between risks and benefits, and strive to reduce the adverse impact of financial risks on the Group's financial performance. Based on this risk management objective, the Group has developed a risk management policy to identify and analyze the risks

faced by the Group, set an appropriate acceptable risk level and design the corresponding internal control procedures to monitor the risk level of the Group. The Group regularly reviews these risk management policies and the relevant internal control systems to adapt to market conditions or changes in the Group's business activities. The Group's internal audit department also regularly or randomly checks whether the implementation of the internal control system complies with the risk management policy.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, market risk (including exchange rate risk, interest rate risk and commodity price risk).

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and relevant guidelines and overseeing the implementation of risk management measures. The Group has developed risk management policies to identify and analyze the risks faced by the Group. These risk management policies clearly stipulate specific risks, covering market risk, credit risk, liquidity risk management and many other aspects. The Group regularly evaluates changes in the market environment and the Group's business activities to determine whether to update its risk management policies and systems.

The Group diversifies the risks of financial instruments through appropriate diversification of its portfolio of investments and businesses, and reduces the risk of concentration in a single industry, a specific region or a specific counterparty through the development of appropriate risk management policies.

(1) Credit Risk

Credit risk refers to the risk of financial loss to the Group resulting from the failure of the counterparty to fulfill its contractual obligations.

The Group manages credit risks according to portfolio classification. Credit risks mainly arise from bank deposits, notes receivable, accounts receivable, other receivables.

The Group's bank deposits are mainly held in state-owned banks and other large and medium-sized listed banks (or mainly in financial institutions with good reputations and high credit ratings), and the Group does not expect that the bank deposits will pose a significant credit risk.

For notes receivable, accounts receivable, other receivables and long-term receivables, the Group sets policies to control credit risk exposure. The Group evaluates customers' credit qualifications and sets credit periods based on their financial status, credit history and other factors such as current market conditions. The Group will regularly monitor the credit records of customers. For customers with poor credit records, the Group will use written methods to urge payment, shorten the credit period or cancel the credit period to ensure that the overall credit risk of the Group is within a controllable range.

The debtors of the Group's accounts receivable are customers distributed in different industries and regions. The Group continuously conducts credit assessments on the financial position of accounts receivable and, where appropriate, takes out credit guarantee insurance.

The maximum credit risk exposure of the Group is the carrying amount of each financial asset on the balance sheet. The Group does not provide any other security which may expose the Group to a credit risk.

Of the Group's accounts receivable, the accounts receivable of the top five customers account for 72.39% of the Group's total accounts receivable (in 2022: 56.87%); Among other receivables of the Group, other receivables from the top five companies in arrears amount to 65.00% (in 2022: 58.72%) of the total amount of other receivables of the Group.

(2) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter a shortage of funds when fulfilling its obligations to settle by delivering cash or other financial assets.

In managing liquidity risks, the Group maintains and monitors cash and cash equivalents deemed sufficient by the management to meet the operational needs of the Group and to reduce the impact of cash flow fluctuations. The Group's management monitors the use of bank borrowings and ensures compliance with borrowing agreements. It also secured a commitment from major financial institutions to provide adequate standby funds to meet short - and long-term funding needs.

The Group finances its working capital through funds generated from its operations and bank and other borrowings. As at 30 June 2023, the Group's unutilized bank loan amount is RMB 738.1234 million (31 December 2022: RMB 439.71 million).

At the end of the period, the maturity analysis of the financial liabilities and off-balance sheet guarantee items held by the Group according to the undiscounted remaining contract cash flow is as follows (unit: RMB 10,000) :

Item	30 June 2023			
	Within one year	Within one to five years	More than five years	Total
Financial liabilities:				
Short-term loans	4,505.07			4,505.07
Accounts payable	39,885.7			39,885.7
Other payables	55,506.56			55,506.56
Non-current liabilities due within one year	2,006.62			2,006.62
Long-term loans		14,189.34		14,189.34
Lease liabilities		1.24		1.24
Guarantees for client	38,038.27			38,038.27
Total financial liabilities and contingent liabilities	139,942.22	14,190.58		154,132.80

At the beginning of the period, the maturity analysis of the financial liabilities and off-balance sheet guarantee items held by the Group according to the undiscounted remaining contract cash flow is as follows (unit: RMB 10,000) :

Item	31 December 2022			
	Within one year	Within one to five years	More than five years	Total
Financial liabilities				
Short-term loans	5,113.81			5,113.81
Notes payable	42,478.79			42,478.79
Accounts payable	56,761.54			56,761.54
Interest payables	618.88			618.88
Other payables	5,426.10			5,426.10
Held-for-sale liabilities	5.39			5.39
Guarantees for client	40,158.39			40,158.39
Total financial liabilities and contingent liabilities	150,562.90			150,562.90

The amount of financial liabilities disclosed in the above table is undiscounted contractual cash flows and may be different from the carrying amount on the balance sheet.

The maximum amount of a guarantee contract that has been signed does not represent the amount to be paid.

(3) Market risks

The market risk of financial instruments refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to market price changes, including interest rate risk, exchange rate risk and other price risks.

Interest rate risk

Interest rate risk refers to the risk that the fair value of a financial instrument or future cash flow will fluctuate due to changes in market interest rates. Interest rate risk can arise from recognized interest-bearing financial instruments and from unrecognized financial instruments (such as certain loan commitments).

The interest rate risk of the Group mainly arises from bank borrowings. Floating interest rate financial liabilities expose the Group to cash flow interest rate risk, while fixed interest rate financial liabilities expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed and floating rate contracts based on prevailing market conditions and maintains an appropriate mix of fixed and floating rate instruments through regular review and monitoring.

During the reporting period, the Group operates by its own working capital. As at 30 June 2021, the Group has no financial liabilities with fixed or floating interest rate, such as bank loan. Therefore, the Group believes that the interest rate risk is insignificant.

Currency risk

The term "exchange rate risk" refers to the risk that the fair value of a financial instrument or future cash flow will fluctuate due to changes in foreign exchange rates. Exchange rate risk can arise from financial instruments denominated in a foreign currency other than the standard currency.

Exchange rate risk is mainly the Group's financial position and cash flows are affected by foreign exchange rate fluctuations. In addition to the subsidiary established in Hong Kong holding assets in Hong Kong dollar as the settlement currency, only a small amount of Hong Kong market investment business, the group's foreign currency assets and liabilities accounted for the overall assets and liabilities of the proportion is not significant. Therefore, the Group believes that the exchange rate risk is not significant.

2. Capital Management

The objective of the Group's capital management policy is to ensure that the Group can continue as a going concern, thereby providing a return to shareholders and benefiting other stakeholders, while maintaining an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust its capital structure, the Group may adjust its financing method, adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and other equity instruments or sell assets to reduce its debt.

The Group monitors the capital structure on the basis of the debt-to-asset ratio (i.e., total liabilities divided by total assets). As at 30 June 2023, the Group's liability to asset ratio was 23.28% (31 December 2021: 24.66%).

XI. Fair Value

1. Items and amounts measured at fair value at the end of reporting period

Presented in RMB

Item	As at 30 June 2023			
	The first level of fair value measurement	The second level of fair value measurement	The third level of fair value measurement	Total
I.Recurring fair value measurement	--	--	--	--
(1) Trading financial assets	274,992,968.77			274,992,968.77
1. Financial assets at fair value through profit or loss	274,992,968.77			274,992,968.77
(3) Investments in other equity instrument			14,191,290.63	14,191,290.63
Total liabilities measured at fair value on a recurring basis	274,992,968.77		14,191,290.63	289,184,259.40

II. Non-recurring fair value measurements	--	--	--	--
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2. Basis for determining the market price of the items measured based on the continuous and non - continuous first level fair value

Level 1 inputs: unadjusted quoted prices in active markets that are observable at the measurement date for identical assets or liabilities.

3. Items measured based on the continuous or uncontinuous 2nd level fair value, valuation technique as used, nature of important parameters and quantitative information

Level 2 inputs: inputs other than Level 1 inputs that are either directly or indirectly observable for underlying assets or liabilities.

4. Items measured based on the continuous or uncontinuous 3rd level fair value, valuation technique as used, nature of important parameters and quantitative information

Level 3 inputs: inputs that are unobservable for underlying assets or liabilities.

Item	Ending fair value	Valuation techniques	The input value cannot be observed	Range (weighted mean)
Equity instrument investment				
Non-listed equity investments	14,191,290.63	Net asset method	Net assets in the book Liquidity discount	/

5. Items measured based on the continuous 3rd level fair value, sensitivity analysis on adjusted information and unobservable parameters between the book value at beginning and end of the period

6. In case items measured based on fair value are converted between different levels incurred in the current period, state the cause of conversion and determine conversion time point

7. Change of valuation technique incurred in the current period and cause of such change

8. the carrying value of other financial assets and financial liabilities which are not measured at fair value varies

9. Other

Fair value of financial assets and financial liabilities not measured at fair value

The financial assets and financial liabilities of the Group measured at amortized cost mainly include monetary funds, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables, etc.

Except for the following financial assets and financial liabilities, the carrying value of other financial assets and financial liabilities which are not measured at fair value varies very little from fair value.

XII. Related parties and related party transactions

1. Information about the parent of the Group

Name	Registration place	Business nature	Registered capital	Shareholding percentage %	Percentage of voting rights %
Shenzhen Investment Holdings Co., Ltd.	Shenzhen, Guangdong province	Investment, real estate development, guarantee	3,050,900.00	55.78%	55.78%

Note:

The ultimate controlling party of the Group is State-owned Assets Supervision and Management Commission of Shenzhen Municipal People's Government.

Other notes:

In the reporting period, the changes in the registered capital of the parent company are as follows:

Opening balance	Accrued during the year	Decreased during the year	Ending balance
3,050,900.00	185,000.00	--	3,235,900.00

2. Information about the subsidiaries of the Group

For information about the subsidiaries of the Group, refer to Note IX "1. Interests in subsidiaries".

3. Information about joint ventures and associates of the Group

For information about the joint ventures and associates of the Company, refer to Note IX. 3 "Summarized financial information of immaterial joint ventures and associates"

Joint ventures and associates that have related party transactions with the Group during this year or the previous year are as follows:

Name of joint ventures or associates	Relationship with the Group

Other notes

4. Information on other related parties

Name	Related party relationship
Shenzhen Jian _an Group Co., Ltd.	Both controlled by the parent company
Shenzhen Dongfang New world store Co., Ltd	Participating stock companies
Shenxi Limited	Not included in Consolidated Financial Statements' Subsidiary that had been terminated its licenses by law but not cancellation
Shenzhen Zhentong New Electromechanical Industry	Not included in Consolidated Financial

Development Co., Ltd.	Statements' Subsidiary (Long-term without operation)
Shenzhen Nanyang Hotel Co., Ltd.	Not included in Consolidated Financial Statements' Subsidiary that had been terminated its licenses by law but not cancellation
Shenzhen Real Estate Electromechanical Management Company	Not included in Consolidated Financial Statements' Subsidiary that had been terminated its licenses by law but not cancellation
Shenzhen Longgang Henggang Huagang Industrial Co., Ltd.	Not included in Consolidated Financial Statements' Subsidiary that had been terminated its licenses by law but not cancellation
Guangzhou Bopi Enterprise Management Consulting Co., Ltd.	Shareholder of Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.
Directors, Supervisors, CFO and Board secretary	Key management personnel
Shenzhen Property Management Co., Ltd.	Both controlled by the parent company
Guoren Property and Casualty Insurance Co., Ltd.	Both controlled by the parent company
Shenzhen Water Planning & Design Institute Co., Ltd.	Both controlled by the parent company
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Both controlled by the parent company

Other notes

5. Transactions with related parties

(1) Purchases/sales

Purchase of goods/receiving of services

Presented in RMB

Related party	Nature of transaction	Year ended 2023.6.30	Approved transaction limit	Whether it exceeds the transaction limit	Year ended 2022.6.30
Shenzhen Water Planning & Design Institute Co., Ltd.	Design of foundation ditch for Shenfang Guangmingli project, etc.	0.00		No	554,056.60
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Design of Construction Engineering of Shenfang Guangmingli Project	0.00		No	763,773.58
Guoren Property and Casualty Insurance Co., Ltd.	Insurance Service	80,263.00		No	4,134.00
Shenzhen Property Management Co., Ltd.	Property Service	352,967.09		No	100,579.23
Shenzhen Shenfang Property	Cleaning service	22,924.56		No	

Cleaning Co., Ltd.					
Shenzhen Property Management Co., Ltd. Shantou branch	Property service	1,049,250.38		No	

Sales of goods/rendering of services

Presented in RMB

Related party	Nature of transaction	Year ended 2023.6.30	Year ended 2022.6.30
Guoren Property and Casualty Insurance Co., Ltd.	Rental Service	421,519.98	421,519.98
Shenzhen Property Management Co., Ltd.	Rental Service	2,678,833.32	2,678,833.32

Note:

(2) Trust/contracting arrangement

Asset management/contracting undertaken by the Group on behalf of related parties

Presented in RMB

Name of related party	Name of trustee/sub-contractor	Type of assets entrusted/contracted	Inception date of trust/contracting	Maturity date of trust/contracting	Trust/contracting revenue	Trust/contracting revenue recognized in the reporting period

Asset management / contracting undertaken by related parties on behalf of the Group

Presented in RMB

Name of trustor/main contractor	Name of related party	Type of assets entrusted/contracted	Inception date of trust/contracting	Maturity date of trust/contracting	Trust/contracting revenue	Trust/contracting revenue recognized in the reporting period

Notes

(3) Leases

As the lessor

Presented in RMB

Lessee	Type of assets leased	Lease income recognized in the reporting period	Lease income recognized in last period
Shenzhen Property Management Co., Ltd.	Building	421,519.98	421,519.98
Guoren Property and Casualty Insurance Co., Ltd.	Building	2,678,833.32	724,518.75

As the lessee

Presented in RMB

Lesser	Type of assets leased	Rental costs for simplified short-term leases and low value asset leases (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Interest expense on lease liability		Increased right-of-use assets	
		Current amount	Amount of previous period	Current amount	Amount of previous period	Current amount	Amount of previous period	Current amount	Amount of previous period	Current amount	Amount of previous period

Note:

(4) Guarantee

As the guarantor

Presented in RMB

Guarantee holder	Amount of guarantee	Inception date of guarantee	Maturity date of guarantee	Guarantee expired (Y/N)
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As the guarantee holder

Presented in RMB

Guarantor	Amount of guarantee	Inception date of guarantee	Maturity date of guarantee	Guarantee expired (Y/N)
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Note

(5) Funding from related party

Presented in RMB

Related party	Amount of funding	Inception date	Maturity date	Note
Funds received				
Funds provided				

(6) Transfer of assets and debt restructuring

Presented in RMB

Related party	Nature of transaction	Year ended 2023.6.30	Year ended 2022.6.30
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(7) Remuneration of key management personnel

Presented in RMB

Item	Year ended 2023.6.30	Year ended 2022.6.30
Remuneration of key management personnel	2,521,369.00	2,902,600.00

(8) Other related party transactions

In order to encourage the core employees of the group to share the operating results of the market-oriented projects with the company, share the operating risks, stimulate the endogenous motivation of improving efficiency and increasing benefits, enhance the efficiency of asset management, and realize the preservation and appreciation of the value of state-owned assets, the company has formulated the "Management Measures for Investment From the Staff of Shenfang Group Linxi Jun Project". According to the above-mentioned management measures, the related party transactions will form a joint investment with some directors, supervisors and senior executives of the company. As of 30 June 2023, the company's directors, supervisors and senior executives had invested a total of CNY 8.95 million.

6. Receivables from and payables to related parties**(1) Receivables from related parties**

Presented in RMB

Item	Related party	As at 30 June 2023		As at 1 January 2023	
		Book value	Provision for bad and doubtful debts	Book value	Provision for bad and doubtful debts
Accounts receivable	Shenzhen Fresh Peak property consultant Co., Ltd	1,231,177.92	1,231,177.92	1,201,345.82	1,201,345.82
Other receivables	Guangdong Province Huizhou Luofu Hill Mineral Water Co., Ltd	10,465,168.81	10,465,168.81	10,465,168.81	10,465,168.81
Other receivables	Shenzhen Runhua Automobile Trading Co., Ltd	3,072,764.42	3,072,764.42	3,072,764.42	3,072,764.42
Other receivables	Canada GreatWall (Vancouver) Co., Ltd	89,035,748.07	89,035,748.07	89,035,748.07	89,035,748.07
Other receivables	Bekaton Property Limited	12,559,290.58	12,559,290.58	12,559,290.58	12,559,290.58
Other receivables	Paklid Limited	19,506,273.32	19,506,273.32	18,689,545.58	18,870,785.54
Other receivables	Shenzhen Shenfang Department Store Co. Ltd	237,648.82	237,648.82	237,648.82	237,648.82
Other receivables	Shenzhen RongHua JiDian Co., Ltd	475,223.46	475,223.46	475,223.46	475,223.46

Other receivables	Xi'an Fresh Peak property management & Trading Co., Ltd	8,419,205.19	8,419,205.19	8,419,205.19	8,419,205.19
Other receivables	Shenxi Limited	7,660,529.37	7,660,529.37	7,660,529.37	7,660,529.37
Other receivables	Shenzhen Nanyang Hotel Co., Ltd.	3,168,721.00	3,168,721.00	3,168,721.00	3,168,721.00

(2) Payables to related parties

Presented in RMB

Item	Related party	As at 30 Jun 2023	As at 1 January 2023
Interest payables	Shenzhen Investment Shareholding Co. Ltd	16,535,277.94	16,535,277.94
Accounts payable	Shenzhen Jian'an Group Co., Ltd.	9,154,310.21	10,654,310.21
Accounts payable	Shenzhen Property Management Co., Ltd.	11,053,366.80	11,053,366.80
Other payables	Shenzhen Property Management Co., Ltd.	48,908.08	148,908.08
Other payables	Shenzhen Dongfang New world store Co., Ltd	902,974.64	902,974.64
Other payables	Guangdong Fengkai County Lianfeng Cement Manufacturing Co., Ltd.	1,867,348.00	1,867,348.00
Other payables	Shenzhen Real Estate Electromechanical Management Company	14,981,420.99	14,981,420.99
Other payables	Shenzhen Zhentong New Electromechanical Industry	8,827,940.07	8,310,832.50
Other payables	Shenzhen Shenfang Department Store Co. Ltd	639,360.38	639,360.38
Other payables	Shenzhen Longgang Henggang Huagang Industrial Co., Ltd.	165,481.09	165,481.09
Other payables	Guangzhou Bopi Enterprise Management Consulting Co., Ltd.	203,265,265.50	203,345,881.60

7. Related party commitment**8. Other****XIII. Share-based payment****1. The general situation of share-based payment**

Applicable Not Applicable

2. Share payment settled in equity

Applicable Not Applicable

3. Cash-settled share payments

Applicable Not Applicable

4. Modification and termination of share-based payment

5. Other

XIV. Commitments and contingencies

1. Significant commitments

As at 30 June 2023, there exist significant commitments.

Capital commitments entered into but not recognized in the financial statements	30 June 2023	31 December 2022
Material sales or purchases contracts	321,823,819.24	328,654,477.52

As of June 30, 2023, the Group had no other commitments that should be disclosed.

2. Contingencies

(1) Significant contingencies existing on the balance sheet date

① Contingent liabilities arising from pending litigation and arbitration and their financial impact

Plaintiff	Defendant	Case	Court of Appeal	Amount involved	Progress of cases
Xi'an Fresh Peak Holding limited company	Xi'an Commercial and Trade Commission Xi'an Commerce and Tourism Co., Ltd.	Investment compensation disputes	Shanxi Higher People's Court	36.62 million yuan and interest	In progress

Xi'an Fresh Peak Holding limited company (hereinafter referred to as "Fresh Peak Company") was Sino-foreign joint venture set up in Xi'an. Among them, Fresh Peak Enterprise Co., Ltd made 67% of the shares in cash. Xi'an Trade Building, a company directly under the Xi'an Commercial and Trade Commission (hereinafter referred to as "Xi'an C&T Commission"), invested 16% of the shares in land use rights. Hong Kong Dadiwang Industrial Investment Company holds 17% of the shares. The core business was property development. And the project was Xi'an Trade Building. The project was started on 28 November 1995. But the project had been stopped in 1996 because of the two parties' differences on the operating policy of the project. In 1997, the Xi'an government withdrew the Xi'an Fresh Peak investment project compulsively and assigned the project to Xi'an Business Tourism Co., Ltd (hereinafter referred to as "Business Tourism Company"). But two parties had insulted a lawsuit on compensation. The ShanXi Province High Peoples Court made a judgment "(2000) SJ-CZ No.25". The judgment was as follows: 1. Business Tourism Company had to pay for the compensation RMB 36,620 thousand to Xi'an Fresh Peak Company after the judgment entering into force. If the Business Tourism Company failed to pay in time, it had to pay double debt interests to Xi'an Fresh Peak

Company. 2. Xi'an Joint Commission on Commerce had jointly and severally obligation of the interests of the compensation.

In 2004, the Shaanxi Provincial High Court auctioned off all the assets of the company in accordance with the law through multiple execution with the applicant receiving 15.201 million yuan in payment. Now there is no property available for execution for Commerce and Tourism Company. But Xi'an Municipal Bureau of Commerce has been refusing to fulfill the judgment, and it is more difficult to continue to recover the money. The case is now in the execution stage.

As at 30 June 2023, the book value of the long-term equity investment of Xi'an Fresh Peak Company is RMB 32,840,729.61. The book balance of assets was RMB 8,419,205.19. Both have been taken full provision for impairment loss.

Plaintiff	Defendant	Case	Court of Appeal	Amount involved	Progress of cases
Huizhou Mingxiang Economic Information Consulting Co., Ltd., Huizhou Huiyang Hongfa Industry and Trade Co., Ltd., Huizhou Jinlongsheng Industrial Co., Ltd.	Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Bill dispute litigation	Huiyang District People's Court	The principal amount is CNY 177,151,400	The verdict has been rendered in the first instance

Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. (hereinafter referred to as "Jianbang Company") is a subsidiary of the Group holding 51% of the shares. Because Jianbang Company was unable to honor the commercial acceptance bill due in January 2022, with a total amount of CNY 177,151,400.00, the plaintiff company filed a lawsuit against the Huiyang District People's Court for the dispute of bill payment claim. The Huiyang District Court ruled in March 2023 that Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. should pay the promissory note amount and interest in the first instance. Shenfang Group and Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd. are actively negotiating a package solution with the plaintiff.

② Contingent liabilities arising from guarantee provided to other entities and related financial effects.

As at 30 June 2023, the Group provides commercial housing purchaser with guarantees at 38,038.27 ((RMB in ten thousand) for the following loans:

Item	Duration	Amount (In ten thousand)	Note
Shanglinyuan	Until the Premises Permit mortgage registration is finished and in bank custody	49.35	
Shenfang Cuilinyuan	Until the Premises Permit mortgage registration is finished and in bank custody	2,148.92	
ChuanQi DongHu Building (Former DongHuDiJing)	Until the Premises Permit mortgage registration is finished and in bank custody	1,229.46	

Building)			
TianYue Bay	Until the Premises Permit mortgage registration is finished and in bank custody	33,640.55	
Linxinyuan	Until the Premises Permit mortgage registration is finished and in bank custody	970.00	
Total		38,038.27	

③ Other contingencies (Not including contingent liabilities that are highly unlikely to result in an outflow of economic benefits from the business)

For details of contingent liabilities related to investment of joint ventures or associates, refer to Note IX.3.

(2) It is necessary to explain if the group has no material contingencies to be disclosed.

There is no material contingencies to be disclosed.

3. Other

XV. Post balance sheet date events

1. Significant non-adjustment matters

Presented in RMB

Item	Contents	Influence number to the financial position and operating results	Reason of inability to estimate influence number
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2. Profit appropriations after the balance sheet date

3. Sale returns

4. Other events after the balance sheet date

XVI. Other significant items

1. Corrections of errors in prior periods

(1) Retrospective method

Presented in RMB

Details of corrections of errors	Adjustment procedure	Financial item affected in the comparable period	Cumulative amount
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(2) Prospective method

Details of correction of errors	Approval procedure	Reason for using prospective method
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2. Major debt restructuring**3. Replacement of assets**

(1) Exchange of non-monetary assets

(2) Other asset replacement

4. Annuity plan**5. Termination of operation**

Presented in RMB

Item	Revenue	Costs	Profit before taxation	Income tax expenses	Net profit	Profit from discontinued operations attributable to owners of the Company as the parent
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Other notes

6. Segment reporting

(1) The basis for determining the reporting segments and accounting policy

(2) Financial information of the reporting segments

Presented in RMB

Item		Offset among segment	Total
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(3) In case there is no reporting segment or the total assets and liabilities of the reporting segments cannot be disclosed, explain the reason

(4) Other notes

7. Other significant transactions and matters that may affect investors' decision making**8. Other****XVII. Notes for main items in the parent company's financial statements****1. Accounts Receivable**

(1) Accounts receivables disclosed by categories

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
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	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion	Amount	Provision proportion		Amount	Proportion	Amount	Provision proportion	
Bad debt provisions made on an individual basis	9,653,566.27	63.67%	9,653,566.27	100.00%	0.00	10,020,587.91	45.38%	10,020,587.91	100.00%	
Including :										
Bad debt provisions made on a combination basis	5,509,350.65	36.33%	279,538.03	5.07%	5,229,812.62	12,059,521.38	54.62%	352,843.17	2.93%	11,706,678.21
Including :										
Accounts receivable from related parties in consolidated scope	32,453.79	0.21%			32,453.79	5,002,657.79	22.66%		5,002,657.79%	5,002,657.79
Accounts receivable from other customers	5,476,896.86	36.12%	273,844.84	5.00%	5,203,052.02	7,056,863.59	31.96%	352,843.17	5.00%	6,704,020.42
Total	15,162,916.92	100.00%	9,933,104.30	65.51%	5,229,812.62	22,080,109.29	100.00%	10,373,431.08	46.98%	11,706,678.21

Bad debt provisions made on an individual basis:

Presented in RMB

Item	As at 30 June 2023			
	Book balance	Bad debt provision	Percentage of	Reason for accrual

			provision	
long-term accounts receivable from property sales	9,677,610.54	9,677,610.54	100.00%	Expected to be uncollectable
Total	9,677,610.54	9,677,610.54		

Bad debt provisions made on a combination basis:

Presented in RMB

Item	As at 30 June 2023		
	Book balance	Bad debt provision	Percentage of provision
Accounts receivable from related parties in consolidated scope	32,453.79		
Total	32,453.79		

Note to the basis for determining the combination:

Bad debt provisions made on a combination basis: receivables from other customers:

Presented in RMB

Item	As at 30 June 2023		
	Book balance	Bad debt provision	Percentage of provision
Accounts receivable from other customers	5,476,896.86	279,538.03	5.10%
Total	5,476,896.86	279,538.03	

Note to the basis for determining the combination:

Please refer to the way of disclosing other receivables' bad debt provision to disclose relevant information, if the group choose to use general model of expected credit losses to accrue bad debts of accounts receivable.

Applicable Not Applicable

Disclosed by aging

Presented in RMB

Aging	As at 30 June 2023
Within 1 year (with 1 year inclusive)	5,509,350.65
Above 3 year	9,653,566.27
Above 5 year	9,653,566.27
Total	15,162,916.92

(2) Additions, recoveries or reversals of provision for the current period

Provision for the current period:

Presented in RMB

Types	As at 1 January 2023	Amount changes in current period				As at 30 June 2023
		Provision	Recoveries or reversals	Written-off	Others	

Including: significant recoveries or reversals of bad debt provisions in the current period are as follows:

Presented in RMB

Name of the entity	Recoveries or reversals amount	Recovery manner
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(3) Actual write-off of accounts receivable in the current

Presented in RMB

Item	Written-off amount
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Including the significant write-offs of accounts receivable are as follows:

Presented in RMB

Name of the entity	Nature of accounts receivable	Written-off amount	Reason written-off	Approval procedures performed	Accounts receivable arising from related party transactions(Y/N)
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Notes:

(4) The top five units with the ending balance of accounts receivable collected by the debtor

Presented in RMB

Name of the entity	Accounts receivable The ending balance	% of the total closing balance of accounts receivable	Bad debt provision The ending balance
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(5) Accounts receivable terminated due to the transfer of financial assets**(6) Transfer of accounts receivable and continue to involve the amount of assets and liabilities formed**

Other notes:

2. Other receivables

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
Dividends receivable	34,222,722.88	39,222,722.88
Other receivables	1,702,132,747.86	1,672,657,609.57
Total	1,736,355,470.74	1,711,880,332.45

(1) Interest receivable**1) Classification of interest receivable**

Presented in RMB

Item	As at 30 June 2023	As at 1 January 2023
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2) Significant overdue interest

Presented in RMB

Borrowing unit	The ending balance	Overdue time (month)	Overdue reason	Whether impairment occurs and the basis for judgment
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Other notes:

3) Bad Debt Provisions Applicable Not Applicable**(2) Dividends receivable****1) Dividends receivable classification**

Presented in RMB

Items (or invested units)	As at 30 June 2023	As at 1 January 2023
Shenzhen City SPG Long Gang Development Ltd.	34,222,722.88	39,222,722.88
Total	34,222,722.88	39,222,722.88

2) Significant dividends receivable overdue more than one year are as follows:

Presented in RMB

Items (or invested units)	As at 30 June 2023	Aging	Reasons for not recovered	Whether impairment occurs and the basis for judgment
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3) Bad Debt Provisions Applicable Not Applicable

Other notes:

(3) Other receivables**1) Other receivables disclosure by nature**

Presented in RMB

Item	Book balance as at 30 June 2023	Book balance as at 1 January 2023
Other receivables from the collecting and paying on behalf	81,000.00	61,133.60
Other receivables from other customers	5,380,433.19	7,106,322.88
Other receivables from related parties	137,686,536.98	137,686,536.98
Other receivables in consolidated scope	2,363,782,867.02	2,328,975,282.16

Total	2,506,930,837.19	2,473,829,275.62
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2) Bad Debt Provision

Presented in RMB

Bad Debt Provision	first stage	Second stage	Third stage	Total
	To 12-month expected credit loss	To 12-month expected credit loss (no credit impairment)	To lifetime expected credit loss (has occurred credit impairment)	
Balance as at 1 January 2023	178,826.36	659,978,808.23	141,014,031.46	801,171,666.05
Balance as at 1 January 2023 in current period				
Current roll-back	-8,000.00			-8,000.00
Other movements		3,634,423.28		3,634,423.28
Balance as at 30 June 2023	170,826.36	663,613,231.51	141,014,031.46	804,798,089.33

Changes in the book balance with significant changes in the loss provision for the current period:
 Applicable Not Applicable

Disclosure by aging

Presented in RMB

Aging	As at 30 June 2023
Within 1 year (include 1 year)	664,588,609.32
1 to 2 years	400.00
2 to 3 years	209,903,457.31
Over 3 years	1,632,438,370.56
3 to 4 years	78,698,092.26
Over 5 years	1,553,740,278.30
Total	2,506,930,837.19

3) Additions, recoveries or reversals of provision for the current period

Provision for bad debts in the current period:

Presented in RMB

Types	As at 1 January 2023	Amount changes in current period				As at 30 June 2023
		Additions	Recoveries or reversals	Written-off	Others	
Other receivables bad debt provision	801,171,666.05		-8,000.00		3,634,423.28	804,798,089.33
Total	801,171,666.05		-8,000.00		3,634,423.28	804,798,089.33

Including significant recoveries or reversals of bad debt provisions in the current period are as follows:

Presented in RMB

Name of the entity	Amount of recoveries or reversals	Recovery manner
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4) Other receivables actually written off in the current period

Presented in RMB

Item	Amount of written-off
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Including significant accounts receivable written-off situation is as follows:

Presented in RMB

Name of the entity	Nature of other receivable	Amount of written-off	Reason	Verification and cancellation procedures to be performed	Whether the payment is generated by an affiliate transaction
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Notes:

5) The top five units of ending balance of other receivables

Presented in RMB

Name of the entity	Nature of other receivables	Ending balance of other receivables	Aging	Proportion of total ending balance of other receivables (%)	Ending balance of bad debt provision
Shantou Huafeng Estate Development Co., Ltd	Receivable from Subsidiary	756,160,642.87	1-3 years.. over 3 years	30.16%	
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	Receivable from Subsidiary	782,131,884.73	Within 3 years	31.20%	
Fresh Peak Enterprise Co., Ltd	Receivable from Subsidiary	528,148,362.01	Within 2 years, over five years	21.07%	508,377,320.74
American Great Wall Co., Ltd	Receivable from Subsidiary	106,865,680.98	Over five years	4.26%	103,231,257.70
Fresh Peak Zhiye Co., Ltd.	Receivable from Subsidiary	91,208,173.59	Over five years	3.64%	
Total		2,264,514,744.18		90.33%	611,608,578.44

6) Government subsidies receivable

Presented in RMB

Name of the organization	Name of government subsidy item	The ending balance	Aging	Estimated time, amount and basis of collection
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7) Other receivables terminated due to the transfer of financial assets

8) Amount of assets and liabilities formed by transferring other receivables and continuing to involve them

Other notes:

3. Long-term equity investments

Presented in RMB

Item	As at 30 June 2023			As at 1 January 2023		
	Book balance	Impairment reserve	Book value	Book balance	Impairment reserve	Book value
Investment in subsidiaries	1,716,020,833.00	133,839,271.15	1,582,181,561.85	1,716,020,833.00	133,839,271.15	1,582,181,561.85
Investment in associates and joint ventures	12,071,773.22	11,977,845.58	93,927.64	12,071,773.22	11,977,845.58	93,927.64
Total	1,728,092,606.22	145,817,116.73	1,582,275,489.49	1,728,092,606.22	145,817,116.73	1,582,275,489.49

(1) Investment in subsidiaries

Presented in RMB

Name of investee	As at 1 January 2023 (book value)	Increase/ Decrease (+ / -) in current period				As at 30 June 2023 (book value)	provision for impairment as at 30 June 2023
		Additional investment	Decrease of investment	Provision for impairment	Other		
Shenzhen Petrel Hotel Co. Ltd.	20,605,047.50					20,605,047.50	
Shenzhen City Shenfang Investment Ltd.	9,000,000.00					9,000,000.00	
Fresh Peak Enterprise Ltd.	556,500.00					556,500.00	
Fresh Peak Zhiye Co., Ltd.	22,717,697.73					22,717,697.73	
Shenzhen Zhen Tung Engineerin	11,332,321.45					11,332,321.45	

g Ltd							
American Great Wall Co., Ltd	1,435,802.00					1,435,802.00	
Shenzhen City Shenfang Free Trade Trading Ltd.	4,750,000.00					4,750,000.00	
Shenzhen Huazhan Construction Supervision Co., Ltd.	6,000,000.00					6,000,000.00	
Beijing Shenfang Property Management Co., Ltd.	0.00					0.00	500,000.00
Shenzhen Lain Hua Industry and Trading Co., Ltd.	13,458,217.05					13,458,217.05	
Shenzhen City SPG Long Gang Development Ltd.	30,850,000.00					30,850,000.00	
Beijing Fresh Peak Property Development Management Limited Company	0.00					0.00	64,183,888.90
Shantou City Huafeng Real Estate Development Co., Ltd	16,467,021.02					16,467,021.02	
Paklid Limited	0.00					0.00	201,100.00
Bekaton Property Limited	0.00					0.00	906,630.00
Shenzhen Shenfang Department Store Co.	0.00					0.00	9,500,000.00

Ltd.								
Shantou Fresh Peak Building	0.00					0.00	58,547,652.25	
Guangdong Jianbang Group (Huiyang) Industrial Co., Ltd.	450,000.00					450,000.00		
Shenzhen Shenfeng Chuanqi Real Estate Development Co., Ltd.	995,000.00					995,000.00		
Wellam Co., Ltd.	8,955.10					8,955.10		
Total	1,582,181,561.85					1,582,181,561.85	133,839,271.15	

(2) Investment in associates and joint ventures

Presented in RMB

Investees	Opening balance (book value)	Increase/ Decrease (+ / -) in the Jan to Jun 2023								Ending balance (book value)	Ending balance of the provision for impairment
		Additi onal invest ment	Decre ase of invest ment	Incom e from Equity invest ment recog nized under equity metho d	Other compr ehensi ve Inco me adjust ment	Other equity move ment	Annou nced for distrib uting cash divide nd or profit	Provis ion for impair ment	Others		
I. Joint Venture											
Fengk ai Xinghua Hotel											9,455,465.38
Subtotal											9,455,465.38
II. Associates											
Shenzhen Ronghua Jidian Co.,	93,927.64									93,927.64	1,076,954.64

Ltd											
Shenz hen Runhu a Autom obile Tradin g Co., Ltd	0.00										1,445, 425.56
Subtot al	93,927 .64									93,927 .64	2,522, 380.20
Total	93,927 .64									93,927 .64	11,977 ,845.5 8

(3) Other notes**4. Operation Income and Costs**

Presented in RMB

Items	Jan to Jun 2023		Jan to Jun 2022	
	Income	Costs	Income	Costs
Principal business	45,457,639.46	14,351,721.51	160,962,949.24	48,054,643.10
Other businesses	354,014.90		6,035.31	
Total	45,811,654.36	14,351,721.51	160,968,984.55	48,054,643.10

Revenue related information:

Information related to performance obligations:

There are four criteria need to be satisfied when the group recognizing the revenue from property sales:

(1) the sale contract has been signed and filed with the land department; (2) the property development is completed and pass the acceptance; (3) For Lump-sum payment, revenue is recognized by the group when the consideration is fully received. For instalment payment, revenue is recognized when the first installment has been received and the bank mortgage approval procedures have been completed. (4) completed the procedures for entering the partnership in accordance with the requirements stipulated in sale contract.

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have been signed but not yet performed or not yet completed is RMB 127,778,556.13 yuan, Among them, RMB29,610,712.32 yuan is expected to be recognized as revenue in 2023, RMB 46,182,244.76 is expected to be recognized as revenue in the year 2024, and RMB 32,218,840.95 yuan is expected to be recognized as revenue in the year 2025.

Other notes:

5. Investment income

Presented in RMB

Item	Jan to Jun 2023	Jan to Jun 2022
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Investment income from disposal of financial assets held for trading		174,021,073.48
Gains on residual equity remeasured at fair value after losing control power	161,491.79	159,619.01
Interest arising from debt obligation investments during the holding period		813,960.00
Other	1,644,822.69	
Total	1,806,314.48	174,994,652.49

6. Other

XVIII. Supplementary Information

1. Statement of non-recurring gains and losses for the current period

Applicable Not Applicable

Presented in RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	3,750.50	
Government subsidies in the current profit and loss (except the part that are closely related to the company's normal business operations, comply with national policies and regulations, and will continuously enjoyed with a fixed or quantitative manner according to certain standards)	123,732.31	Government grants received
Gain or loss on assets entrusted to other entities for investment or management	3,638,607.35	Changes in fair value and investment income arising from investment in monetary funds
Gain/Loss incurred from contingency unrelated to the Company's normal operating businesses.	1,644,822.69	
Non-operating income/(expenses) except the above	-37,754.41	
Less: Amount affected by the income tax	22,432.10	
Total	5,350,726.34	--

Details of other profit and loss items that meet the definition of non recurring gain and loss:

Applicable Not Applicable

Details of the company does not have other profit and loss items that meet the definition of non recurring profit and loss.

Description of defining the non recurring profit and loss items listed in ‘Explanatory Announcement No. 1 on information disclosure of companies offering securities to the public - non recurring profits and losses’ as recurring profit and loss items.

Applicable Not Applicable

2. Return on equity and earnings per share

Profit in reporting period	Basic earnings per share	Basic earnings per share	
		Basic earnings per share	Diluted earnings per share
Net income attributable to the common shareholders of the Group	-0.94%	-0.0367	-0.0367
Net profit attributable to common shareholders of a company after deducting non-recurring gains and losses	-1.07%	-0.0420	-0.0420

3. Differences in accounting data under domestic and foreign accounting standards

(1) The difference between net profit and net assets in the financial report disclosed in accordance with International Accounting Standards and Chinese Accounting Standards

Applicable Not Applicable

Presented in RMB

	Net profit		Net assets	
	Current amount	Amount of previous period	Ending balance	Opening balance
According to the accounting standards for Chinese enterprises	-37,118,182.81	145,128,330.14	3,903,638,382.72	4,004,240,547.70
Items and Amount Adjusted according to International Accounting Standards:				
According to the international accounting standards	-37,118,182.81	145,128,330.14	3,903,638,382.72	4,004,240,547.70

(2) The difference between net profit and net asset in the financial report disclosed in accordance with International accounting standards for overseas enterprises and Chinese accounting standards for enterprises

Applicable Not Applicable

(3) Note to the discrepancy in accounting data under the accounting standards outside Mainland China. In case the discrepancy in data which have been audited by an overseas auditing agent has been adjusted, please specify the name of the overseas auditing agent.

Not Applicable

4. Other