



SHENZHEN PROPERTIES & RESOURCES DEVELOPMENT (GROUP) LTD.

ANNUAL REPORT 2023

(Announcement No. 2024-06)

March 2024

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

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

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

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

The Board has approved a final dividend plan as follows: based on the share capital of 595,979,092 shares, a cash dividend of RMB3.12 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves.

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

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Documents Available for Reference

- I. The financial statements with the signatures and stamps of the Company's legal representative, head of financial affairs and head of the financial department;
- II. The original of the Independent Auditor's Report with the stamp of the CPA firm and the signatures and stamps of the certified public accounts; and
- III. The originals of all the Company's documents and announcements disclosed to the public in the Reporting Period.

Definitions

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

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	PRD, PRD-B	Stock code	000011, 200011
Previous stock name (if any)	N/A		
Stock exchange for stock listing	Shenzhen Stock Exchange		
Company name in Chinese	深圳市物业发展(集团)股份有限公司		
Abbr.	深物业集团		
Company name in English (if any)	ShenZhen Properties & Resources Development (Group) Ltd.		
Abbr. (if any)	SZPRD		
Legal representative	Liu Shengxiang		
Registered address	39/F and 42/F, International Trade Center, Renmin South Road, Luohu District, Shenzhen, Guangdong Province, P.R.China		
Zip code	518014		
Past changes of registered address	N/A		
Office address	16/F, 20/F, 39/F and 42/F, International Trade Center, Renmin South Road, Luohu District, Shenzhen, Guangdong Province, P.R.China		
Zip code	518014		
Company website	www.szwuye.com.cn		
Email address	000011touzizhe@szwuye.com.cn		

II Contact Information

	Board Secretary	Securities Representative
Name	Zhang Gejian	Ding Minghua and Chen Qianying
Address	20/F, International Trade Center, Renmin South Road, Luohu District, Shenzhen, Guangdong Province, P.R.China	39/F, International Trade Center, Renmin South Road, Luohu District, Shenzhen, Guangdong Province, P.R.China
Tel.	0755-82211020	0755-82211020
Fax	0755-82210610、82212043	0755-82210610、82212043
Email address	000011touzizhe@szwuye.com.cn	000011touzizhe@szwuye.com.cn

III Media for Information Disclosure and Place where this Report Is Lodged

Stock exchange website where this Report is disclosed	The Shenzhen Stock Exchange: http://www.szse.cn
Media and website where this Report is disclosed	For A-stock investors: Securities Times For B-stock investors: Ta Kung Pao (HK) www.cninfo.com.cn
Place where this Report is lodged	Board Office, 39/F, International Trade Center, Renmin South Road, Luohu District, Shenzhen, Guangdong Province, P.R.China

IV Change to Company Registered Information

Unified social credit code	No change
Change to principal activity of the Company since going public (if any)	No change
Every change of controlling shareholder since incorporation (if any)	<p>On 29 September 2004, the State-Owned Assets Supervision and Administration Commission of Shenzhen Municipality (“SASAC Shenzhen”) decided to incorporate Shenzhen Investment Holdings Co., Ltd. (“SIHC”) to include Shenzhen Investment Management Co., Ltd. (“SIM”, the former controlling shareholder of the Company) and Shenzhen Construction Investment Holdings Corporation (“SCIHC”). SCIHC and SIM hold 323,796,324 and 56,582,573 shares respectively in the Company, representing a combined stake of 63.82%.</p> <p>On 19 October 2018, the Company was notified by its actual controlling shareholder SIHC that it had received the Confirmation of Securities Transfer Registration from China Securities Depository and Clearing Co., Ltd. (Shenzhen branch), marking the completion of the equity transfer to SIHC. As such, SIHC has become the controlling shareholder of the Company.</p> <p>The controlling shareholder remained unchanged during the Reporting Period.</p>

V Other Information

The independent audit firm hired by the Company:

Name	Baker Tilly China Certified Public Accountants LLP
Office address	16A, B, C, D, E and F, as well as 18A1, D2, E and F2, SZMD Finance Center, 9 Pengcheng First Road, Fuxin Community, Lotus Street, Futian District, Shenzhen, Guangdong Province, China
Accountants writing signatures	Chen Zihan, and Zhong Qinfang

The independent sponsor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

The independent financial advisor hired by the Company to exercise constant supervision over the Company in the Reporting

Period:

Applicable Not applicable

VI Key Financial Information

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

Yes No

Reason for retrospective restatement:

Change in accounting policy

	2023	2022		2023-over-2022 change (%)	2021	
		Before	Restated	Restated	Before	Restated
Operating revenue (RMB)	2,965,117,025.04	3,708,669,046.85	3,708,669,046.85	-20.05%	4,911,120,528.33	4,911,120,528.33
Net profit attributable to the listed	464,014,492.11	537,664,698.69	537,291,574.13	-13.64%	1,025,380,909.03	1,027,457,653.96

company's shareholders (RMB)						
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	172,360,115.90	390,440,612.64	390,067,488.08	-144.19%	983,778,096.90	985,854,841.83
Net cash generated from/used in operating activities (RMB)	264,092,984.33	105,233,103.86	105,233,103.86	-350.96%	1,828,979,752.45	1,828,979,752.45
Basic earnings per share (RMB/share)	0.7786	0.9022	0.9015	-13.63%	1.7205	1.7240
Diluted earnings per share (RMB/share)	0.7786	0.9022	0.9015	-13.63%	1.7205	1.7240
Weighted average return on equity (%)	10.26%	12.37%	12.36%	-2.10%	24.49%	25.19%
	31 December 2023	31 December 2022		Change of 31 December 2023 over 31 December 2022 (%)	31 December 2021	
		Before	Restated	Restated	Before	Restated
Total assets (RMB)	16,988,062,068.09	15,800,287,610.40	15,824,788,371.56	7.35%	14,835,846,843.78	14,859,964,860.88
Equity attributable to the listed company's shareholders (RMB)	4,661,810,328.75	4,412,555,547.97	4,414,259,168.34	5.61%	4,590,052,057.75	4,614,170,074.85

Reason for change in accounting policy and correction of accounting error:

The relevant financial statement items of 2022 and 2023 were retrospectively restated as per the Accounting Standard No. 16 for Business Enterprises and the Accounting Standard No. 18—Income Tax for Business Enterprises.

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative for the last three accounting years, and the latest independent auditor's report indicated that there was uncertainty about the Company's ability to continue as a going concern.

Yes No

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative.

Yes No

Item	2023	2022	Remark
Operating revenue (RMB)	2,965,117,025.04	3,708,669,046.85	Business revenue unrelated to the principal operations was excluded, mainly income from compensation for temporary relocation for the Chuanbu Street scaffolding project and consultancy income
Amount deducted from operating revenue (RMB)	17,825,350.04	91,555,827.12	Business revenue unrelated to the principal operations was excluded, mainly income from compensation for temporary relocation for the Chuanbu Street scaffolding project and consultancy income
Operating revenue after deduction (RMB)	2,947,291,675.00	3,617,113,219.73	Business revenue unrelated to the principal operations was excluded, mainly income from compensation for temporary relocation for the Chuanbu Street scaffolding project and consultancy income

VII Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Net Profit and Equity under CAS and IFRS

Applicable Not applicable

No difference for the Reporting Period.

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

Applicable Not applicable

No difference for the Reporting Period.

VIII Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	411,469,619.15	1,493,995,013.70	521,861,580.85	537,790,811.34
Net profit attributable to the listed company's shareholders	13,216,750.95	207,686,693.68	10,448,055.65	232,662,991.83
Net profit attributable to the listed company's shareholders before exceptional gains and losses	13,335,100.35	207,509,610.79	11,244,393.64	-404,449,220.68

Net cash generated from/used in operating activities	-419,149,918.25	-160,871,739.90	-359,617,394.77	676,245,131.34
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Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or interim reports.

Yes No

IX Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	2023	2022	2021	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	702,127,250.52	175,644,543.02	-62,170.29	Receipt of payment for equity transfer
Government grants recognised in current profit or loss (exclusive of those that are closely related to the Company's normal business operations and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company's profit or loss)	7,802,977.21	10,633,227.34	23,923,655.59	
Gain or loss on fair-value changes in financial assets and liabilities held by a non-financial enterprise, as well as on disposal of financial assets and liabilities (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)		1,300.91		
Capital occupation charges on a non-financial enterprise that are charged to current profit or loss		132,289.35		
Current profit or loss on subsidiaries obtained in business combinations involving enterprises under common control from the period-beginning to combination dates, net		9,596,148.16	21,251,005.70	
Gain or loss on contingencies that are unrelated to the Company's normal business operations		70,578.79		
Non-operating income and expense other than the above	-2,773,489.32	2,448,235.99	2,915,682.88	
Other gains and losses that meet the definition of exceptional gain/loss	5,684,844.32	277,896.27	169,262.03	Over-deduction in VAT calculation
Less: Income tax effects	76,182,752.47	51,525,180.31	6,749,597.21	
Non-controlling interests effects (net of tax)	284,222.25	54,953.47	-154,973.43	
Total	636,374,608.01	147,224,086.05	41,602,812.13	--

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

Applicable Not applicable

The preferential policy in relation to over-deduction in VAT calculation expired on 31 December 2023. This income does not continue to impact the Company's gains and losses.

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 Industry Overview for the Reporting Period

(I) Macro-economic situation and industry development status

The international and domestic situations in 2023 were fraught with uncertainties, with the economy in a sluggish recovery and the traditional real estate market under sustained pressure. In order to mitigate risks in the real estate sector, there has been a gradual shift in policy towards a strategy of "supporting and leveraging" since the Meeting of the Political Bureau of the CPC Central Committee in July, which acknowledged the new dynamics in the supply-demand relationship in the Chinese real estate market. During the Reporting Period, central policy measures transitioned from stability to relaxation, with a specific focus on promoting the "Three Major Projects" of urban village transformation, affordable housing, and dual-use infrastructure construction. The implementation of financial policies to alleviate supply-side pressures persisted, resulting in a relief of funding constraints for real estate developers. Policies aimed at supporting residents in buying homes, such as reduced down payments, lowered interest rates, and measures allowing property recognition without mortgage verification, were introduced to stabilize demand on the consumer side. Continuous optimization of housing policies by government departments at all levels has been instrumental in ensuring the stable functioning of the real estate market, thereby creating a more accommodating policy environment.

The year unfolded with the sales market generally mired in torpor, as sales volume, development investment, and land supply and demand all dwindled. According to the data from the National Bureau of Statistics, the sales area of commercial housing throughout 2023 was 1,117.35 million square meters nationwide, a decrease of 8.5% from the previous year. Furthermore, sales revenue plummeted to RMB11,662.2 billion, down by 6.5%. The adjustment trend in the new housing market remained unchanged, with the sustainability of policy effects in core cities proving insufficient. As the market shifts towards trading volume for price, the secondary housing market in key cities outperformed that of new housing. In the period from January to November, there was a year-on-year decrease of about 5% in the transaction area of new residential properties in the top 100 cities, representing the lowest absolute level for the same period since 2016.

The total investment of the top 100 investors hit a new low, with no significant improvement observed in overall investment sentiment. Real estate investment in 2023 followed the declining trend seen in 2022, with national real estate development investment amounting to RMB11,091.3 billion, reflecting a 9.6% decrease from the previous year. The decrease in investment scale indicates a gradual reduction in incremental funds in the real estate sector, leading to diminishing industry attractiveness and the gradual exit of existing stock real estate enterprises. The housing new construction area in 2023 amounted to 953.76 million square meters, representing a 20.4% decline. Real estate development companies completed construction on a total area of 8,383.64 million square meters of houses throughout the year, reflecting a 7.2% decline from the previous year. The housing completion area reached 998.31 million square meters, representing a 17.0% increase.

Land acquisition decelerates as supply and demand decrease to a near-decade low. Since the end of last year onwards, the land market has continued to experience a downturn, prompting local governments to exercise greater caution in land supply, with enterprises showing a notable shrinkage in their land acquisition intentions on the demand side. In 2023, the total supply and demand scale of residential land in 300 cities nationwide experienced a year-on-year decline of over 20%. This included the release of 610 million square meters, down by 22.4% compared to the previous year, and the transaction of 480 million square meters, showing a 23.1% decrease. This absolute scale was the lowest in the last ten years. The total land transaction amount nationwide was RMB3,750.4 billion, representing an 18% year-on-year decrease compared to the same period last year. The majority of land transactions were conducted at base prices, resulting in transaction amounts maintaining substantial disparities compared to the same period last year. The premium rate remains relatively low, with an annual premium rate of only 4.5%. Thereinto, in 2023, the transaction amount in Shenzhen decreased by 62%, with the total transaction amount decreasing by over RMB55 billion compared to the previous year.

Policy Support Fails to Drive Significant Financial Improvement National real estate development investment has been on a continuous decline since April 2022, with the rate of decrease expanding overall in 2023. Real estate enterprises have witnessed a year-on-year downward trend in their available funds. At the end of October, the Central Financial Work Conference emphasized the importance of "encouraging positive interaction between finance and real estate, enhancing regulatory systems and fund supervision for real estate enterprises, refining macro-prudential management of real estate finance, and providing fair treatment to different types of real estate enterprises to address their financing requirements. Despite the acceleration of mortgage lending by banks, the uncertainty of economic recovery has negatively impacted homebuyers' confidence, resulting in individual mortgage loans amounting to RMB1.9 trillion, which represents a year-on-year decrease of 7.6%. Real estate companies' sales repayments have been negatively affected to varying degrees. The funds in place for real estate development enterprises throughout the year reached RMB12,745.9 billion, representing a 13.6% year-on-year decrease according to data from the National Bureau of Statistics. The central government and various ministries and commissions have continuously released stabilization signals since 2013. While the credit environment has marginally improved, it will take time for this improvement to be transmitted to the market end. The arrival of mortgage loans and development loans still requires time.

(II) Policy environment of the industry

In 2023, the central government introduced the concept of the "Three Major Projects," marking a shift in real estate industry policies from the mantra of "housing is for living, not for speculation" to focusing on "risk prevention and resolution, tailored policies for different cities, meeting essential and improvement needs, and fostering innovative models", with a strong emphasis on promoting the stable and healthy development of the real estate market. Policies such as reducing down payments, lowering interest rates, recognizing the house, not the loan, and extending tax refunds for slippage property replacements were successively implemented to address demand-side issues. On the supply side, relief measures like the extension of the "16 Financial Regulations", the "Three No-Lower-Than" policy, and the creation of a "White List" for real estate enterprises were successively proposed. In summary, there are three core aspects of the real estate industry policy in 2023: reinforcing financial support on the supply side to alleviate the financial pressure of real estate enterprises; intensifying support for personal credit to alleviate residents' mortgage pressure and boost housing demand release; and accelerating the relaxation of local regulatory policies to uplift market sentiment and bolster the confidence of homebuyers.

The demand-side is primarily focused on land and financial policies. (1) The policy of "Recognizing the House, Not the Loan" has been implemented. The implementation of the policy of "Recognizing the House, Not the Loan" was confirmed on August 25th through a joint announcement by the Ministry of Housing and Urban-Rural Development, the People's Bank of China, and the China Banking and Insurance Regulatory Commission. This policy benefits individuals seeking property replacements and those purchasing homes in different locations, with at least 63 provinces and cities, including major metropolitan areas like Beijing, Shanghai, Guangzhou, and Shenzhen, have publicly declared their adherence to the policy; (2) The lowering of the minimum down payment ratio has opened up space for reduced down payments in restricted purchase cities. On August 31st, the People's Bank of China and the China Banking and Insurance Regulatory Commission issued a notice regarding the adjustment and optimization of differentiated credit policies, which standardized the minimum down payment ratio for housing commercial loans at 20% and set the minimum down payment ratio for the second home at a minimum of 30%, no longer distinguishing between regions with or without purchase restrictions; (3) The hurdle rate of first-home mortgages underwent dynamic regulation, and the minimum interest rate on second-home mortgages was reduced. On January 5th, the People's Bank of China and the China Banking and Insurance Regulatory Commission established a dynamic adjustment mechanism for the minimum interest rate on first-home mortgages. Following this, nearly a hundred cities have lowered the hurdle rate of first-home mortgages, with over 20 cities abolishing the minimum limit. On August 31st, the Central Bank and the Banking Regulatory Commission announced the adjustment of the hurdle rate of second-home commercial loans from LPR+60BP to LPR+20BP; (4) The reduction of interest rates on existing housing loans is implemented to alleviate residents' debt pressure. On August 31st, the Central Bank and the Banking Regulatory Commission issued guidance for commercial banks to lower the interest rates on existing first-home mortgages; (5) Reserve ratios and interest rates are decreased. On March 27th and September 15th, there were comprehensive reductions of 0.25

percentage points in reserve ratios. The 1-year LPR was lowered by 10 basis points to 3.55% on June 20th, and the LPR rates for periods over 5 years were decreased by 10 basis points to 4.2%. On August 20th, the 1-year LPR saw a unilateral reduction of 10 basis points to 3.45%.

The supply side focused on land and financial control. (1) In terms of land, the land supply plan for 2023 was reduced by 10%, with an actual completion rate of around 40%. The completion rate of the 2023 land supply plan is relatively low. Local governments are actively optimizing and adjusting land auction rules and the structure of land supply to attract real estate developers to participate in bidding. Leading real estate companies continue to heavily invest in premium land parcels, with their advantages expected to grow further. The trend of "the strong getting stronger" is likely to continue, while local urban investment entities may scale back their land acquisition efforts. Private enterprises are adopting a cautious investment approach, necessitating an extended recovery period; (2) In terms of policies, the Central Political Bureau meeting proposed to "adapt to the new situation where significant changes have occurred in the supply and demand relationship of China's real estate market, timely adjust and optimize real estate policies, and implement differentiated policies based on local conditions to effectively utilize the policy toolbox. In July, the Central Bank extended the application deadline for the "16 Financial Measures". In August, the China Securities Regulatory Commission (CSRC) clarified that listed real estate enterprises were not subject to restrictions related to falling below the issue price, falling below net asset value, or incurring losses for refinancing. In October, the Central Financial Work Conference convened, highlighting the need to enhance regulatory systems and fund supervision for real estate enterprises, refine macro-prudential management of real estate finance, and provide fair treatment to different types of real estate enterprises to address their financing requirements. In November, three departments held a symposium for financial institutions, proposing the concept of "Three No-Lower-Than," and it is reported that regulators were also devising a "white list of 50 real estate enterprises". Afterward, banks such as the Industrial and Commercial Bank of China, Agricultural Bank of China, China Construction Bank, and Bank of Communications convened meetings with real estate enterprises to listen to their financing demands and affirmed their commitment to increasing support for real estate financing. In 2023, provinces and cities nationwide loosened policies, increased efforts, and sped up the process, with 273 provinces and cities implementing 622 policy relaxations, and almost all restrictive administrative measures were removed. The regulation of the real estate market continues to improve and upgrade, with the pace and intensity of policy tightening significantly increasing since the second half of the year. In anticipation of 2024, central-level real estate policies are expected to focus on three main areas: first, providing financial support for the construction of the "Three Major Projects" and using this as a catalyst to drive the development of a new model for real estate growth; second, implementing supply-side financial support measures like the "Three No-Lower-Than"; and third, reducing housing transaction taxes and fees to stabilize demand and thereby the market. As the tide of real estate market correction surges onward, one cannot help but ponder the scope for policy refinement in the top-tier cities. Additionally, it is not unreasonable to anticipate a more streamlined financing apparatus for real estate enterprises.

(III) Regional market landscape

From the perspective of regional markets, Shenzhen's economy held steadfast in its fortitude in 2023, with real estate policies focusing on "stabilizing land prices, stabilizing house prices, stabilizing expectations, supporting both rigid and improved housing demand, and promoting the stable development of the real estate market". Several relaxed and favorable policies and housing credit policies were introduced. In the first half of the year, policies related to affordable housing were released, abolishing previous housing types such as affordable commercial housing and talent housing, and introducing new housing types like affordable rental housing and shared ownership housing. The original target of constructing and securing affordable housing during the "14th Five-Year Plan" period, set at 540,000 units, was adjusted to no fewer than 740,000 units. In the second half of the year, a notice was issued to optimize the criteria for determining the number of housing units eligible for personal housing loans, implementing policies such as "recognizing the house, not the loan", proposing an increase in the housing provident fund withdrawal limit for renting, and adjusting and optimizing the hurdle rate for personal housing loans. These policies aim to stimulate demand from essential and upgrading customers, driving the release of housing demand amid shifting market expectations.

(IV) The situation and tasks facing the Company

At the end of 2023, the National Conference on Housing and Urban-Rural Construction was held in Beijing, setting the tone for the development of the real estate industry in 2024: adhering to the principle of seeking progress while maintaining stability, promoting stability through progress, and prioritizing development before demolition; implementing differentiated policies based on local conditions, adopting tailored strategies for each city to achieve a balanced relationship between supply and demand in the real estate market. From the perspective of Shenzhen Property Group, there are certain challenges in both internal and external environments. The planned sequential market introduction of all ongoing projects emphasizes sales revenue as the primary focus for the year. Accelerating fund retrieval, enforcing strict expenditure control, safeguarding the security and stability of cash flow, and preempting liquidity risks are crucial for achieving sound business operations. By advancing in-depth, the high-quality development pattern in the property management sector is accelerated. By using multiple measures simultaneously, the overall promotion of the transformation and upgrading of commercial operations is coordinated. Through proactive action and deterministic work to address uncertain market conditions, the maintenance of strategic focus and the vigorous pursuit of comprehensive completion of annual tasks and objectives are aimed for, with the goal of driving the group's various businesses to a new level with higher positioning and greater accomplishments.

(V) Industry position of the Company

SZPRD arose together with Shenzhen's reform and opening up and has devoted itself to real estate, property management and other fields for nearly four decades. It has achieved gradual improvements in its comprehensive capacity, brand influence and industry position and won many honors and awards over the years. During the Reporting Period, the Company won the titles of "Top 20 in Comprehensive Strength in the Shenzhen Real Estate Development Industry in 2023, Integrity (High-Quality) Enterprise in the Shenzhen Real Estate Development Industry, and 2023 Shenzhen Top 500 Enterprises", with a ranking of 224th. ITC Property Management, a subsidiary of the Company, has once again been recognized with awards such as "2023 Top 100 China Property Service Enterprises with Comprehensive Strength", "2023 Top 100 China Property Service Enterprises in Brand Value", and "2023 Leading Enterprise in Property Services for Chinese Industrial Parks". The Shenzhen International Trade Center Building was listed in the first group of Shenzhen historical buildings announced by the People's Government of Shenzhen Municipality. The historical exhibition of Shenzhen International Trade Center was chosen for inclusion in the list of significant historical sites of reform and opening up and the Shenzhen demonstration base for social science popularization in 2023. These awards and honors demonstrated the Company's comprehensive strength and reflected the high recognition of the Company's comprehensive strength by the industry, customers and government departments.

During the Reporting Period, faced with the changing landscape of the real estate industry, the Company has set its sights on the target and is pushing to achieve all annual business targets by the end of the year. It takes proactive measures to adapt and flexibly address market challenges head-on. The Company is using a combination of approaches to enhance the market-oriented transformation of commercial operations. The smooth development of the group's businesses is safeguarded through active measures in safety production and maintaining stability in petitions and appeals.

II Principal Activity of the Company in the Reporting Period**(I) Core Business Overview**

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

The Company contracted and built Shenzhen International Trade Center Building as Party A and created, planned, and organized the world-famous "Shenzhen Speed". The building was the place where Chairman Deng Xiaoping gave talks in his inspection to the

south. SZPRD came into being because of the building and has risen amid the Reform and Opening up campaign. Emerging and growing together with Shenzhen, a city of miracles, the Company has been “a loyal practitioner of the spirit of the ox” and overcome difficulties in proposing new services in the new era. SZPRD employees have manifested the enterprise spirit of “going ahead and reforming” and centered on the functional positioning as state assets of “serving national economic and social development, the city, the industry, and the people”. The Company has adhered to the original aspiration and striven ahead to be a pioneer. Therefore, it has made remarkable achievements in development speed and quality. So far, the Company has grown into a large comprehensive industrial group from the project company that built Shenzhen International Trade Center Building. In the new era, the Company sizes up the situation, seizes the momentum and forges ahead toward the goal and vision of becoming a “leading smart operator of industry-city space in China”.

1. Industrial & urban space development

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

2. Property management services

The Company's property management segment takes ITC Property Management as its platform. As China's first batch of first-class qualified enterprises in property management, ITC Property Management, after more than 30 years of development, has become a domestic first-class property service provider with diversified business capabilities and technological strength, and has been awarded “Top 100 National Property Management Enterprises” and “Excellent Enterprise of Property Management in China's Industrial Parks” for many years in a row. The projects under its management are all over the country, and its business radiates to various regions in China, such as South China, Southwest China, East China and North China, as well as the China-Vietnam Cooperation Zone in Vietnam. The Company's existing business has covered industrial parks, cultural tourism scenic spots, government agencies, rail transportation, housing, hospitals, schools, hotels and other various business models, and is planning to develop the business of grassroots social governance. The Company collaborated with the government to create a safe, harmonious, civilized and orderly urban environment, basically forming a pattern of integrated development of multiple business models. There are more than 20 subsidiaries under ITC Property Management, and with the functional departments of the headquarters as the platform, it has actively built three centers of “market, empowerment and supervision”, and formed three business centers and profit centers of specialized business model companies, specialized companies and companies in other regions, so as to continuously and effectively realize the new pattern of coordinated development of “1+1>2”. During the Reporting Period, ITC Property Management completed the receipt of management rights and integrated management of five newly-acquired enterprises, and its market expansion reached a record high. The net increase in managed properties was approximately eight million meters, and the total managed properties have exceeded 40 million square meters. Notably, the scale of operational management for high-end industrial parks is predicted to retain its exalted status among domestic industrial park operations.

3. Industrial ecosystem operation

With respect to the industrial ecosystem operation segment, the Company gave full play to its foundation in the three basic industries, namely, real estate development, property management, and leasing and the advantage of the whole industry chain, focused on the two major strategies of “value-added operation of existing assets” and “light-asset operation output”, and deepened internal and external strategic cooperation. It is committed to creating a closed loop of the whole industrial ecosystem, covering project

development services, park operation services, and supporting rental operations, and keeping improving the space service and rental ecosystem in the industrial park. A unique and mature business development model has been put in place with the capability and experience of the whole chain of planning, dismantling, construction control, business invitation, operation, and on-site management with respect to various assets. The Company is expediting the stock taking and assessment of its properties in stock and strengthening the management over them. In the future, it will gradually expand the scope of leasing and raise the development capability of property rental. Moreover, the Company gradually shifts the focus of industrial ecosystem operation to sci-tech parks, provides supporting services covering the whole value chain, such as the import of industrial ecosystem, project development services, and park operation services, and serves the role of "space service provider" centering on sci-tech parks.

4. Other business

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

(II) Business review for the Company in 2023

2023 is a critical year bridging the past and the future of the "14th Five-Year Plan". In the face of the ever-changing international environment and complex economic conditions, the Company closely focused on the implementation of the key work plans formulated at the beginning of the year, emphasized accelerating project progress, maximized capital efficiency, empowered platforms, and ensured the effectiveness of indicators, in order to fully achieve the annual tasks and goals. The real estate enterprises responded to circumstances by flexibly adjusting their sales strategy, accurately seizing favorable opportunities to initiate pre-sales and refer remaining units, and setting the stage for achieving annual operational targets. The property management companies increased their overall profitability and core competitiveness through methods like organizational restructuring, system procedures reengineering, and optimized talent allocation. Aimed at expediting its transformation and upgrade, the commercial operations companies continued to enhance its operational management model, ensuring a steady and healthy growth trajectory across its various business segments. As at the end of the Reporting Period, the total assets of the Group stood at approximately RMB16.988 billion. During the year, the Group recorded operating revenue of approximately RMB2.97 billion and a gross profit of approximately RMB707 million, successfully achieving the major economic indicators for the year.

First, the industry-city space development segment took proactive measures and adopted flexible strategies to address market challenges. The real estate business recorded operating revenue of RMB1,235 million, accounting for 41.64% of the total operating revenue. During the Reporting Period, the simultaneous release of four major new real estate projects: the Jinling Project, the Guangming Yutang Shangfu Project, the Lanhu Shidai Project, and the Humen Sea Bay Project, occurred. The marketing management actively responded to market changes, exercised prudent judgment, closely monitored market dynamics in key areas, and seized market opportunities to drive sales and turnover. The Group's various business lines, such as cost, design, and engineering, continuously strengthened node targets and resource protection coordination while adhering to market-oriented management concepts and highly coordinated cooperation. Comprehensive planning and project construction were carried out in advance, including project scheme design, bidding and procurement, target cost determination, and on-site construction. Each project in progress was efficiently and orderly developed, with the refined management system for the entire real estate project development process taking shape. Projects such as Shenyang Digital Town, Haikou Hongqi County, Fuyuan Industrial Park, and Huiyang Danshui have also made significant breakthrough progress.

Second, the property management segment pushed forward with external outreach and internal coordination and worked in tandem to intensify market expansion efforts. The operating revenue from property management was RMB1.58 billion throughout the year, accounting for 53.24 % of the total operating revenue, increasing its share. During the Reporting Period, ITC Property Management actively engaged in expanding property management projects, and drove external expansion and internal coordination in parallel. The addition of 70 new expansion projects has increased the managed area to over 40 million square meters. Collaborative partnerships with Shenzhen Bay Super Headquarters Base, Urban Construction Group, and other entities were further deepened, resulting in the undertaking of multiple high-quality projects within the system, such as the Shenzhen-Hong Kong Innovation River Open Center and Dongguan Qingxi Park. ITC Property Management has once again secured awards such as "2023 Top 100 Chinese Property Service Enterprises in Comprehensive Strength", "2023 Top 100 China Property Service Enterprises in Brand Value", and "2023 Leading Enterprise in Property Services for Chinese Industrial Parks", continuously enhancing brand value and reputation. ITC Technology Park actively pursued initiatives in exploring pre-introduction services and community services, expanded new business formats like the Longhua District Smart Agricultural Market Supervision Platform, and enhanced management experience in smart platform operation and front-end consulting services. Furthermore, measures such as enriching and adjusting the team members of the platform company, optimizing the internal organizational structure, and formulating 25 key tasks for high-quality development are being taken to further enhance the core competitiveness, setting the direction for high-quality development of the property management segment in the "14th Five-Year Plan" period.

Third, multiple measures were taken at the same time and core operating capabilities were cultivated for industrial ecological operation and other segments. The operating revenue from property rental throughout the year was RMB150 million, accounting for 5.12% of the total operating revenue. In recent years, the Company has taken various steps to accelerate its transformation and upgrading, explored the establishment of an incremental sharing mechanism and intensified project expansion. Besides, core operating capabilities were cultivated in multiple paths and the transformation of the current simple leasing business mode to a commercial operation mode was promoted, thereby boosting the development and growth of the industrial ecological operation segment. During the Reporting Period, ITC Property Management, through proactive initiatives, operated in a self-operated mode, firmly progressing in creating the group's independent commercial brand and exploring market-oriented commercial operations. The industrial operation segment cultivated core operational capabilities through multiple paths, such as improving asset quality and efficiency and exploring the establishment of incremental sharing mechanisms. With quality improvement and efficiency enhancement as the core, efforts are accelerated to promote the transformation and upgrade of existing assets and revitalize their utilization. In terms of industrial investment attraction, there are plans to expand the industrial alliance system during the year and actively drive project investment attraction efforts.

(III) Production safety in 2023

In 2023, the Company continued to thoroughly implement General Secretary Xi Jinping's series of important expositions and important instructions on production safety and emergency management, co-ordinate development and safety, guard the red line of production safety, and urge all its business entities to take on responsibility in this respect. The Company's annual production safety situation remained stable and orderly, with no production safety liability accidents involving serious injuries to personnel or above or significant economic losses, and successfully completed the Company's production safety objectives for 2023.

Firstly, the Company comprehensively conveyed and implemented the safety work deployment of higher authorities. The Group and its affiliated enterprises have held party committees and safety committees for nearly 200 times to listen to reports on work safety, study and solve and comprehensively deploy major matters of work safety. Secondly, the Company established rules and regulations and adhered to system leadership. The Company has revised and released the "Compilation of Safety Production and Occupational Health Management System of SZPRD" and the "Award and Punishment System for Safety Production of SZPRD" and other rules and regulations to further improve the safety management system. Thirdly, the Company carried out in-depth

investigation of hidden safety hazards and special rectification actions for major hidden accidents. The leadership team of the Group and its affiliated enterprises conducted 892 person-time in-depth inspections, and found a total of 25,922 hidden safety hazards, of which 28,768 have been rectified, with a rectification completion rate of 96%. Fourthly, the Company fostered a safety culture and raised safety awareness. The Group and its subsidiaries organised 2,085 training sessions with 36,100 participants. Fifthly, the Company carried out emergency drills and strengthened its emergency rescue capability. The Group and its subsidiaries organised 985 emergency drills of various types, with a total of 30,255 participants. Through real drills and exercises, we tested the implementability of the enterprise emergency plan, and further enhanced the level of standardisation of the enterprise personnel's operation and emergency rescue capability. Sixthly, during the year, a number of subsidiaries were awarded honours for safety production; three subsidiaries were awarded 4A level through standardisation certificates for safety standardisation; a number of projects in the real estate sector were awarded provincial "Double Excellence" projects; and the SZPRD-Chuanqishan project was awarded the Shenzhen Safe and Civilised Advanced Community.

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)
Land in Danshui, Huiyang District, Huizhou City	1.77	4.25	4.25
Land in Hongqi Town, Haikou City	15.80	-	-
Total	17.57	4.25	4.25

Development status of major projects:

City/region	Name of project	Location	Usage	The Company's interest	Time for commencement of construction	% developed	% that has completed construction	Site area (m ²)	Planned floor area with plot ratio (m ²)	Floor area that completed construction in the Current Period (m ²)	Cumulative floor area that has completed construction (m ²)	Estimated total investment (RMB'0,000)	Cumulative investment (RMB'0,000)
Shenzhen	Fuhuihuayan	Futian District	Residential	100%	2018.12	Construction completed	100%	4,274	33,430	0	43,522	91,133	77,396
Dongguan City	Sea Bay Garden	Humen Town	Residential	100.00%	2022.03	Under construction	The main body has been roofed, and electrical and mechanical works are closing out	51,687	113,713	0	0	321,759	258,097
Shenzhen	Yutang Shangfu	Guanqin District	Residential	100.00%	2022.03	Under construction	The main body has been roofed, fine decoration is going on and the project has been opened for pre-sale	14,901	81,960	0	0	265,868	197,318
Shenzhen	Lanhu Shidai	Longhua District	Residential, industrial	69%	2020.10	Under construction	The main body of Lot 02# has	68,298	433,640	0	0	840,000	507,001

		ict	al, comme rcial and apartme nt				reached 46-50 floors, the main body of Lot 03# has reached the 8 th floor, the main body of Lot 04# has reached the 20 th floor, and Lot 06# has reached the -1 to 6 floors, and Phase I is working on the earthwork and pile foundation.						
Yangzhou	Shenyang Digital Town	Pingshan Village	Residential, industrial and office	67%	2023.03	Under construction	Phase I, Lot D is undergoing above ground main construction	231,612	370,258	0	0	252,911	77,307

Sales status of major projects:

City/region	Name of project	Location	Usage	The Company's interest	Floor area with plot ratio (m ²)	Floor area available for sale (m ²)	Cumulative pre-sold/sold floor area (m ²)	Floor area pre-sold/sold in the Current Period (m ²)	Pre-sale/sales revenue generate in the Current Period (RMB'0,000)	Cumulative settled floor area (m ²)	Floor area settled in the Current Period (m ²)	Pre-sale/sales revenue settled in the Current Period (RMB'0,000)
Shenzhen	Golden Collar's Resort apartments	Intersection of Futian South Road and Binhe Road in Futian District	Residential, studio apartments and commercial	100%	133800.6	125231.07	121190.94	2121.15	19322.8	123127.44	4122.93	19160.94
Yangzhou City	Hupan Yujing Phase I	Intersection of Shouxihu Road and Hangou Road	Residential units, shops, apartments, parking garages and lots	100%	36141.28	48870.98	45121.49	2097.68	2075.98	45121.49	2097.68	1904.57
Yangzhou City	Hupan Yujing Phase II	Intersection of Shouxihu Road and Hangou Road	Residential units, shops, apartments, parking garages and lots	100%	56935.75	73121.96	70203.09	153.07	62.7926	70183.98	153.07	57.61
Dongguan City	Songhu Langyuan	Dalang Town, Dongguan City	Residential, commercial,	100%	147139.96	157911.56	149758.71	408	359	149757.84	408	341.79

			kindergarten, and parking space									
Shenzhen	Yutang Shangfu	Northwest of the junction of Songbai Road and Changgang Second Road, Yutang Street, Guangming District, Shenzhen	Residential (including housing for talents), commercial, and community food market	100%	89,143.00	78,373.92	31,189.52	31,189.52	87,728.55	0	0	0

Rental status of major projects:

Name of project	Location	Usage	The Company's working interest	Rentable area (m ²)	Cumulative rented area (m ²)	Average occupancy rate
Xi Apartments (Longyuan)	Shenzhen	Apartments for long-term rental	100.00%	3967.05	3967.05	100%
Xi Apartments (Longhua)	Shenzhen	Apartments for long-term rental	100.00%	1609.42	1609.42	100%
Xi Apartments (Xinhu)	Shenzhen	Apartments for long-term rental	100.00%	1589.60	1119.7	70.44%
Food Court in the International Trade Center	Shenzhen	Commercial	100.00%	4152.47	1586.1	38.20%
Fumin Complex	Shenzhen	Commercial, apartments	100.00%	5900.19	4693.27	79.54%
Tower A of Wenjindu Port Building	Shenzhen	Office building	75.00%	5904.3	5644.3	95.6%
Haiwai Lianyi Building	Shenzhen	Commercial units and offices	75.00%	6635.08	6375.08	96.08%
Anhua Building	Shenzhen	Offices	75.00%	1414	1414	100%
Pengfu Building	Shenzhen	Offices	75.00%	6494	6494	100%
Jinfu Building	Shenzhen Shenzhen	Commercial	75.00%	1652.7	1535.7	92.92%
Jinfu Building	Shenzhen Shenzhen	Commercial	100.00%	567.56	567.56	100%
Fuxing Garden	Shenzhen	Residential/commercial	75.00%	5,787.22	5787.22	100%
Fuxing Garden	Shenzhen	Commercial	100.00%	1417.15	1417.15	100%
Plant area in Tangxia Town, Dongguan City	Dongguan City	Plant	75.00%	21135.12	21135.12	100%
Pacific Business Building	Shenzhen	Commercial units/offices	75.00%	3149.03	2856.16	90.70%
Pacific Business Building	Shenzhen	Commercial units/offices	15.00%	14888.76	13691.95	91.96%
Kangti Building	Shenzhen	Commercial units/offices	75.00%	2095.87	1925.47	91.87%
Kangti Building	Shenzhen	Commercial units/offices	15.00%	1146.81	1146.81	100%

Lyuhua Building	Shenzhen	Commercial and residential	75.00%	7106.95	6671.74	93.88%
Shops on the ground floor of Tower 48 in Lianhua North Village	Shenzhen	Shops	75.00%	1000.34	1000.34	100%
Haonianhua Building	Shenzhen	Apartments and commercial units	100.00%	1802.61	1760.53	97.67%
Haonianhua Building	Shenzhen	Apartments and commercial units	75.00%	2277.9	2277.90	100%
Kaifeng Garden in Shangmeilin	Shenzhen	Residential	100.00%	1302.65	824.42	63.29%
Fuyuan Industrial Zone	Shenzhen	Plant area	75.00%	47131.4	47131.4	100%
Tonglu Industrial Zone	Shenzhen	Plant area	100.00%	74845.08	73088.67	97.65%
Jiangling Industrial Zone	Shenzhen	Plant area	75.00%	10396.64	10396.64	100%
Zone 21	Shenzhen	Commercial/offices	75.00%	9514.3	9438.7	99.21%
Baoli Community	Shenzhen	Residential	75.00%	9020.07	8044.39	89.18%
Songgang Plant	Shenzhen	Plant area	75.00%	5700	5700	100%
Longbu Plant	Shenzhen	Plant area	75.00%	7471.36	7471.36	100%
Gonglu Building in Huanggang	Shenzhen	Offices	75.00%	4599.72	4401.88	95.69%
Yuetong Complex	Shenzhen	Offices	75.00%	3044	3044	100%
Department Store Plaza	Shenzhen	Offices	33%	12751.15	12751.15	100%
Southern Securities Building	Shenzhen	Offices	33%	8809.8	6590.22	74.81%
Building 409, Sangda Industrial Zone	Shenzhen	Plant area	33%	3309.2	3309.2	100%
Mianshui Studio Apartment	Shenzhen	Apartment	33.00%	3440.12	3440.12	100%
Xiangfu Building	Shenzhen	Commercial	33.00%	3109.4	3109.4	100%

Primary land development:

Applicable Not applicable

Financing channels:

Unit: RMB

Financing channel	Ending balance of financings	Financing cost range/average financing cost	Maturity structure			
			Within 1 year	1-2 years	2-3 years	Over 3 years
Bank loans	4,700,312,585.87	4%-6%	3,299,753,332.40	409,353,332.40	227,821,043.47	763,384,877.60
Non-bank loans	400,000,000.00	4%-6%	400,000.00	400,000.00	400,000.00	398,800,000.00
Total	5,100,312,585.87	4%-6%	3,300,153,332.40	409,753,332.40	228,221,043.47	1,162,184,877.60

Development strategy and operating plan for the coming year:

In 2024, the international and domestic situation was fraught with uncertainties, the economy was in a period of slow recovery, and the traditional property market continued to be under pressure. SZPRD will continue to actively search for the strategic breakthrough direction, comprehensively connect with the major strategic orientation of the state-owned asset system and firmly grasp the core processes of stock asset value management and industrial ecological operation services. Relying on the principle of "expanding the main business and making breakthroughs", efforts will be doubled to develop four major businesses, i.e., industry-city space development, property management services, industrial ecological operation and main business ecosystem investment, and guide high-quality development with a new development philosophy.

In terms of land reserve, the important window period of the real estate market is seized to achieve expansion and capacity expansion through market competition and capital operations. The focus is on potential economic development areas such as the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta. Projects are actively facilitated through various means such as market-oriented bidding and auctioning, industrial land acquisition, urban renewal, and project cooperation. Simultaneously, capital operations are prudently carried out to accelerate market mergers and acquisitions, enabling the Company to obtain more resources for sustainable development. In terms of project development, the guiding principle of "seeking progress while maintaining stability, promoting stability through progress, stability with initiative, and effectiveness in progress" is adhered to. The focus is tightly centered on precise and continuous efforts in the four aspects of "stabilizing cash flow, controlling costs, expanding capacity, and strengthening foundations". The development and construction of the Yutang Shangfu project, Lanhu Shidai project, Sea Bay Garden project, and Shenyang Digital Town project are prudently advanced. Efforts are made to continuously enhance development capabilities, strengthen quality control, deepen lean management, further expand and strengthen the overall advantages of the group's real estate sector, and actively promote stability in production and operations with positive results. In terms of sales and inventory turnover, the market window period is seized, marketing touchpoints are controlled, and full efforts are made to advance residential sales in the Yutang Shangfu project, Lanhu Shidai project, Sea Bay Garden project, and Shenyang Digital Town project, with the aim of achieving the annual sales targets for the final phase of historical projects.

The above business plan and business objectives do not represent the listed Company's profit forecast for 2024. Whether it can be achieved depends on various factors including changes in market conditions and the effort made by the management team. Investors must pay special attention to that because there exists great uncertainty.

Provision of guarantees for homebuyers on bank mortgages:

Applicable Not applicable

1) As a usual practice for real estate developers, the Company has been providing guarantees and security deposits for its homebuyers on their bank mortgages. As at 31 December 2023, security deposits for such outstanding guarantees amounted to RMB1,133,604.61, which will be returned upon the expiry of the guarantees.

2) As a usual practice for real estate developers, the Company has been providing guarantees and security deposits for its homebuyers on their bank mortgages. As at 31 December 2023, outstanding guarantees amounted to RMB211,064,285.20, which will be returned upon the expiry of the guarantees.

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

Applicable Not applicable

Name of project	Type of investment entity	Amount of investment (RMB'0,000)	% of investment amount	As % of the peak of the project funds	Cumulative income	Disinvestment	Compatibility of actual investment amount and distributed income

Urban Renewal of Bangling Section at Guanlan Street	Mandatory investment entities (including directors and senior management)	2,647.00	66.18%	N/A	None	None	N/A
	Voluntary investment entities	1,353.00	33.82%	N/A	None	None	N/A

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

III Core Competitiveness Analysis

Advantages in brand and cultural accumulation: SZPRD, a state-owned enterprise in Shenzhen, has forged an unparalleled legacy of pioneering development over the past four decades. The company has crafted a diversified development pattern with real estate development at the forefront, accompanied by urban renewal, property management, asset operation, and industrial investment. The brand value and comprehensive strength of "Shenzhen Property," imbued with the spirit of reform and opening up in international trade, have garnered significant market recognition. Born from the World Trade Building, the company has flourished through reform and opening up, coexisting and flourishing alongside the miraculous city of Shenzhen. The corporate culture of "daring to be the first and striving for transformation" intermingles with the "pioneering spirit" of surmounting challenges, providing guidance in advancing the remarkable progress of SZPRD from "Shenzhen speed" to "Shenzhen quality."

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

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

City-industry integration advantage: The Company's space development division endeavors to develop a abundance of business types, encompassing residential, high-end apartments, office buildings, and industrial parks. From the earliest urban complex of Shenzhen International Trade Center Building, Huanggang Port area development to the development and operation of large city-industry complex project of Lanhu Times project, the Group's advantages of city-industry complex development products have been highlighted, and with the implementation of a series of urban renewal projects and industrial projects, the advantages of city-industry complex will be further consolidated and enhanced.

Advantages as a holding subsidiary of a Fortune Global 500 company: Shenzhen Investment Holdings Co., Ltd., the controlling shareholder of the Company, has been committed to building a world-leading state-owned capital investment and operation company and a financial holding group. It has now developed into a state-owned capital investment company focusing on fintech, technology parks, infant industries and high-end services. In 2023, it ranked 391st in the Fortune Global 500 with operating revenue of approximately RMB290 billion. Relying on the controlling shareholder's advantages in the whole industrial

chain of technology parks, the Company carries out active transformation and upgrading and concentrates on the development and construction of industry-city complexes, heralding a broader development prospect.

IV Core Business Analysis

1. Overview

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

2. Revenue and Cost Analysis

(1) Breakdown of Operating Revenue

Unit: RMB

	2023		2022		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	2,965,117,025.04	100%	3,708,669,046.85	100%	-20.05%
By operating division					
Property development	1,234,537,188.62	41.64%	1,913,674,526.31	51.60%	-35.49%
Property management	1,578,719,323.98	53.24%	1,666,961,878.32	44.95%	-5.29%
Property rental	151,860,512.44	5.12%	128,032,642.22	3.45%	18.61%
By product category					
Property development	1,234,537,188.62	41.64%	1,913,674,526.31	51.60%	-35.49%
Property management	1,578,719,323.98	53.24%	1,666,961,878.32	44.95%	-5.29%
Property rental	151,860,512.44	5.12%	128,032,642.22	3.45%	18.61%
By operating segment					
Shenzhen	2,569,038,060.46	86.64%	3,122,667,234.12	84.20%	-17.73%
Other	396,078,964.58	13.36%	586,001,812.73	15.80%	-32.41%
By marketing model					

(2) Operating Division, Product Category, Operating Segment or Marketing Model Contributing over 10% of Operating Revenue or Operating Profit

Applicable Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Property development	1,234,537,188.6	818,496,053.38	33.70%	-35.49%	88.84%	-43.65%

	2					
Property management	1,578,719,323.98	1,316,777,091.32	16.59%	-5.29%	-8.65%	3.07%
By product category						
Property development	1,234,537,188.62	818,496,053.38	33.70%	-35.49%	88.84%	-43.65%
Property management	1,578,719,323.98	1,316,777,091.32	16.59%	-5.29%	-8.65%	3.07%
By operating segment						
By marketing model						

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

Applicable Not applicable

(3) Whether Revenue from Physical Sales Is Higher than Service Revenue

Yes No

(4) Execution Progress of Major Signed Sales and Purchase Contracts in the Reporting Period

Applicable Not applicable

(5) Breakdown of Cost of Sales

By operating division

Unit: RMB

Operating division	Item	2023		2022		Change (%)
		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	
Property development		818,496,053.38	36.65%	433,443,568.87	21.90%	14.75%
Property management		1,316,777,091.32	58.95%	1,441,477,771.44	72.85%	-13.90%
Property rental		98,252,237.79	4.40%	103,856,280.91	5.25%	-0.85%

Note:

N/A

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period

Yes No

See "IX Changes to the Consolidation Scope" in "Part X Financial Statements" in this Report.

(7) Major Changes to the Business Scope or Product or Service Range in the Reporting Period

Applicable Not applicable

(8) Major Customers and Suppliers**Major customers:**

Total sales to top five customers (RMB)	1,166,098,513.59
Total sales to top five customers as % of total sales of the Reporting Period (%)	39.32%
Total sales to related parties among top five customers as % of total sales of the Reporting Period (%)	4.01%

Information about top five customers:

No.	Customer	Sales revenue contributed for the Reporting Period (RMB)	As % of total sales revenue (%)
1	Corporation 1	977,069,378.47	32.95%
2	Corporation 2	119,090,512.11	4.01%
3	Corporation 3	29,159,908.84	0.98%
4	Corporation 4	22,426,604.08	0.76%
5	Corporation 5	18,352,110.09	0.62%
Total	--	1,166,098,513.59	39.32%

Other information about major customers:

Applicable Not applicable

Corporation 2 and the Company are under common control.

Major suppliers:

Total purchases from top five suppliers (RMB)	988,434,400.69
Total purchases from top five suppliers as % of total purchases of the Reporting Period (%)	61.79%
Total purchases from related parties among top five suppliers as % of total purchases of the Reporting Period (%)	3.91%

Information about top five suppliers:

No.	Supplier	Purchase in the Reporting Period (RMB)	As % of total purchases (%)
1	China Construction Third Bureau First Engineering Co., Ltd.	826,670,146.63	51.68%
2	Shenzhen Bay Technology Development Co., Ltd.	62,480,975.10	3.91%
3	Yangzhou Yong'an Electrical Installation Co., Ltd.	45,838,602.49	2.87%
4	Shenzhen Jinggong Architectural Decoration Group Co., Ltd.	26,909,176.47	1.68%
5	Shenzhen Shekou Security Service Co., Ltd.	26,535,500.00	1.66%
Total	--	988,434,400.69	61.79%

Other information about major suppliers:

Applicable Not applicable

Shenzhen Bay Technology Development Co., Ltd. is a wholly-owned subsidiary of the Company's controlling shareholder Shenzhen Investment Holdings Co., Ltd. Except for that, none of the other four suppliers is a related party of the Company.

3. Expense

Unit: RMB

	2023	2022	Change (%)	Reason for any significant change
Selling expenses	46,757,158.57	53,541,997.78	-12.67%	Decrease in commissions paid for sales agents
Administrative expenses	310,578,375.15	329,991,655.74	-5.88%	
Finance costs	43,846,029.30	50,571,183.83	-13.30%	Increase in interest expenses
R&D expenses	4,133,484.37	3,244,129.11	27.41%	Increase in remuneration expenses

4. R&D Investments

Applicable Not applicable

Major R&D program	Purpose	Progress	Objectives	Expected impact on the Company
Smart Park Visualization Display Platform [referred to as: K-BI]	Develop new modules to assist non-professional development engineers in quickly achieving visually appealing and practical big data visualization effects, and meet various usage demands in scenarios such as daily supervision of personnel and objects, decision support, and command dispatch.	Delivered	This product offers a WYSIWYG (What You See Is What You Get) visual design tool and a wide range of visualization component templates to assist non-professional development engineers in quickly achieving visually appealing and practical big data visualization effects, and meet various usage demands in scenarios such as daily supervision of personnel and objects, decision support, and command dispatch.	To increase product superiority and market competitiveness
Intelligent Energy Management System [referred to as: FMS-EMS]	Develop an information system to assist real estate and facility owners and users in achieving energy efficiency, reducing consumption, and promoting environmental protection to support the achievement of enterprise ESG goals.	Delivered	By adopting a "cloud-edge-end" architecture and integrating technologies such as IoT, big data, GIS, and 3D visualization, energy data is collected, monitored, processed, and analyzed online. In conjunction with "dual carbon requirements," calculations and monitoring are conducted against standards to assist real estate and facility owners and users in achieving energy efficiency, consumption reduction, and environmental protection, to support the attainment of enterprise ESG goals.	To introduce new revenue streams for the Company
Smart Park IoT Platform [referred to	Provide asset owners and operators with a	Delivered	The business architecture supports flexible configurations	To increase product

as: K-IOT]	comprehensive solution integrating powerful operation and maintenance tools, management, and intelligent decision-making capabilities.		for various scenarios, taking into account requirements related to projects and organizations, roles and permissions, and operations management, as well as the need for custom workflows, custom work standards, custom reports, custom alert management, and customizable work order fields. The technology architecture considers requirements such as technological sustainability, security, reliability, performance, capacity, scalability, and mobile technology.	superiority and market competitiveness
Sublease Supervision System	Develop an information system for regulating subleasing and subletting activities in the housing rental market.	Delivered	The system collects, manages, and analyzes housing rental-related data to monitor and control subleasing and subletting activities in the rental market, enhancing the standardization and transparency of the leasing market, protecting the rights of all parties involved in renting, reducing risks and disputes associated with subleasing and subletting, and improving the efficiency and credibility of the rental market.	Expand the Company's market scope
Facility Management System [referred to as: FMS]	Enhance support for flexible configurations across various scenarios, including functions for IoT integration, operational monitoring, maintenance work management, basic settings, intelligent analytics, to achieve digital operational management of equipment and facilities.	Delivered	Enhance support for flexible configurations across various scenarios to better facilitate comprehensive facility equipment management activities throughout the entire lifecycle of a building, including full coverage of handover and management transfer (customized feature), operation, maintenance, repair, renovation, and disposal processes. Support IoT integrated operational monitoring, maintenance work management, basic settings, intelligent analytics, and other functions.	Strengthen support for flexible configurations to advance comprehensive operational and digital management from an all-encompassing perspective in various scenarios, delivering enhanced value-added services to customers and offering robust support for future market expansion.

Details about R&D personnel:

	2023	2022	Change (%)
Number of R&D personnel	38	37	2.70%

R&D personnel as % of total employees	0.43%	0.40%	0.03%
Educational background			
Bachelor's degree	28	23	21.74%
Master's degree	2	4	-50.00%
Junior college	8	10	-20.00%
Age structure			
Below 30	27	24	12.50%
30~40	7	11	-36.36%
Over 40	4	2	100.00%

Details about R&D investments:

	2023	2022	Change (%)
R&D investments (RMB)	4,133,484.37	3,244,129.11	27.41%
R&D investments as % of operating revenue	0.14%	0.09%	0.05%
Capitalized R&D investments (RMB)	0.00	0.00	
Capitalized R&D investments as % of total R&D investments	0.00%	0.00%	

Reason for any significant change to the composition of R&D personnel and impact:

Applicable Not applicable

Reasons for any significant YoY change in the percentage of R&D investments in operating revenue:

Applicable Not applicable

Reason for any sharp variation in the percentage of capitalized R&D investments and rationale:

Applicable Not applicable

5. Cash Flows

Unit: RMB

Item	2023	2022	Change (%)
Subtotal of cash generated from operating activities	3,509,206,475.96	4,526,054,341.31	-22.47%
Subtotal of cash used in operating activities	3,773,299,460.29	4,420,821,237.45	-14.65%
Net cash generated from/used in operating activities	-264,092,984.33	105,233,103.86	-350.30%
Subtotal of cash generated from investing activities	634,734,196.73	197,490,121.81	221.40%
Subtotal of cash used in investing activities	7,641,999.39	45,114,342.34	-83.06%
Net cash generated from/used in investing activities	627,092,197.34	152,375,779.47	311.54%

Subtotal of cash generated from financing activities	1,484,580,254.47	303,349,674.44	389.40%
Subtotal of cash used in financing activities	624,251,511.63	963,797,633.48	-35.23
Net cash generated from/used in financing activities	860,328,742.84	-660,447,959.04	-230.16%
Net increase in cash and cash equivalents	1,223,445,277.64	-398,048,377.77	-407.36%

Explanation of why any of the data above varies significantly:

Applicable Not applicable

① Cash generated from operating activities decreased year on year, primarily driven by the decreased property sales revenue in the Reporting Period.

② Cash generated from investing activities increased year on year, primarily driven by the receipt of payment for equity transfer in the Reporting Period.

③ Cash used in investing activities decreased year on year, primarily driven by the payment for investment last year.

④ Cash generated from financing activities increased year on year, primarily driven by new bank borrowings in the Reporting Period.

⑤ Cash used in financing activities decreased year on year, primarily driven by the payment for an equity acquisition involving entities under common control last year.

Reason for any big difference between the net operating cash flow and the net profit for this Reporting Period:

Applicable Not applicable

For the Reporting Period, net cash generated from operating activities stood at RMB-264,092,984.33, representing a big difference from the net profit of RMB449,858,861.48, primarily driven by the increased development costs in the Reporting Period.

V Analysis of Non-Core Businesses

Applicable Not applicable

Unit: RMB

	Amount	As % of total profit	Main source/reason	Recurrent or not
Return on investment	705,759,652.36	99.86%	Income from equity transfer	Yes (except for equity transfer income)
Gain/loss on changes in fair value	0.00	0.00%		Not
Asset impairments	-212,173,623.03	-30.02%	Inventory valuation allowances	Not
Non-operating income	3,604,677.09	0.51%	Confiscation of security deposits	Not
Non-operating expense	6,504,504.20	0.92%	Payments for liquidated damages and fines	Not
Credit impairment loss	-19,844,952.87	-2.81%	Allowances for doubtful accounts	Not

VI Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	31 December 2023		1 January 2023		Change in percentage (%)	Reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
Monetary assets	2,748,798,476.72	16.18%	1,517,528,893.83	9.59%	6.59%	New bank loan
Accounts receivable	502,806,453.88	2.96%	419,933,915.30	2.65%	0.31%	
Contract assets	844,485.57	0.00%	1,094,632.90	0.01%	-0.01%	
Inventories	11,098,209,095.74	65.33%	10,975,334,223.37	69.36%	-4.03%	Increased development costs
Investment property	386,810,800.47	2.28%	405,762,739.18	2.56%	-0.28%	
Long-term equity investments	84,057,750.55	0.49%	79,781,437.31	0.50%	-0.01%	Increased returns from joint ventures
Fixed assets	66,436,408.90	0.39%	82,745,172.12	0.52%	-0.13%	
Construction in progress		0.00%		0.00%	0.00%	
Right-of-use assets	23,516,796.22	0.14%	70,168,415.65	0.44%	-0.30%	Early termination of the leased assets
Short-term borrowings	230,915,000.00	1.36%		0.00%	1.36%	New bank loan
Contract liabilities	820,424,953.42	4.83%	920,828,040.81	5.82%	-0.99%	Operating revenue carryforwards
Long-term borrowings	1,399,889,274.47	8.24%	3,618,782,344.00	22.87%	-14.63%	New bank loan
Lease liabilities	10,571,092.27	0.06%	77,963,283.55	0.49%	-0.43%	Early termination of the leased assets
Prepayments	11,983,086.35	0.07%	100,341,806.56	0.63%	-0.56%	Transfer of prepaid land premiums to development costs
Other receivables	624,394,372.82	3.68%	639,903,523.33	4.04%	-0.36%	Recovery of certain current accounts and increased allowances for doubtful accounts
Long-term receivables	0.00	0.00%	22,651,454.07	0.14%	-0.14%	Termination of financing lease
Deferred income tax	1,276,440,386.83	7.51%	1,407,551,347.20	8.89%	-1.38%	Reversal of deductible

assets						losses
Accounts payable	662,869,059.59	3.90%	608,283,388.52	3.84%	0.06%	Increased construction payables
Other payables	1,217,303,294.25	7.17%	1,515,085,832.45	9.57%	-2.40%	Decreased current accounts
Current portion of non-current liabilities	3,092,324,853.07	18.20%	218,858,766.82	1.38%	16.82%	Decreased current portion of long-term borrowings
Other current liabilities	68,373,661.13	0.40%	83,991,786.83	0.53%	-0.13%	Decreased sales tax to be transferred
Long-term payables	400,105,655.56	2.36%	0.00	0.00%	2.36%	Increased sale and leaseback financing

Indicate whether overseas assets account for a higher proportion of total assets.

Applicable Not applicable

2. Assets and Liabilities at Fair Value

Applicable Not applicable

Unit: RMB

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Cumulative fair-value changes charged to equity	Impairment allowance for the Reporting Period	Purchased in the Reporting Period	Sold in the Reporting Period	Other changes	Ending amount
Financial assets								
4. Investments in other equity instruments	887,838.64		- 261,743.15				10,830.71	636,926.20
Total of the above	887,838.64		- 261,743.15				10,830.71	636,926.20
Financial liabilities	0.00							0.00

Contents of other changes:

Other changes were resulted from exchange rate movements.

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

Yes No

3. Restricted Asset Rights as at the Period-End

Item	Ending carrying value	Reason for restriction
Monetary assets	15,659,341.60	Notes 1-10
Total	15,659,341.60	

Note 1: In terms of monetary assets with restricted right to use at the period-end, there was a bank guarantee money of RMB2,200,000.00 of the subsidiary company Shenzhen Shenfubao Property Development Co., Ltd.

Note 2: In terms of monetary assets with restricted right to use at the period-end, there was RMB3,000,000.00 of the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. frozen by a court of law due to pre-litigation preservation for contract disputes.

Note 3: In terms of monetary assets with restricted right to use at the period-end, there was a loan deposit of RMB1,133,604.61 provided as mortgage loan guarantees for commercial housing purchasers and paid by the Company as a real estate developer according to real estate business practices.

Note 4: In terms of monetary assets with restricted right to use at the period-end, there was RMB8,644,166.67 of interest on term deposits accrued at the period-end.

Note 5: In terms of monetary assets with restricted right to use at the period-end, there was RMB90,000.00 of the subsidiary SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd. frozen due to house sale contract dispute case.

Note 6: In terms of monetary assets with restricted right to use at the period-end, there was RMB129,021.18 in the account of the subsidiary company Shenzhen Property Engineering and Construction Supervision Co., Ltd. The account was in a receiving-only status because the legal person change formalities had not been completed by the period-end.

Note 7: In terms of monetary assets with restricted right to use at the period-end, there was RMB99,103.58 due to the fact that the information of shareholders retained in the bank by the subsidiary Shenzhen Yufa Industry Co., Ltd. was inconsistent with the information of industrial and commercial shareholders in the Administration for Market Regulation, and the bank account was frozen.

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

Note 9: In terms of monetary assets with restricted right to use at the period-end, there was RMB1,000.00 which was the deposit for POS machine of Jiangxi Branch of Shenzhen Shenfubao Property Development Co., Ltd., a subsidiary.

Note 10: In terms of monetary assets with restricted right to use at the period-end, there was RMB18,570.85 which were restricted funds frozen due labor arbitration case of the subsidiary Shenzhen Free Trade Zone Security Service Co., Ltd.

VII Investments Made

1. Total Investment Amount

Applicable Not applicable

2. Major Equity Investments Made in the Reporting Period

Applicable Not applicable

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

Applicable Not applicable

4. Financial Investments

(1) Securities Investments

Applicable Not applicable

Unit: RMB

Variety of security	Code of security	Name of security	Initial investment cost	Accounting measurement method	Beginning carrying value	Gain/Loss on fair value changes in Reporting Period	Accumulated fair value changes charged to equity	Purchased in Reporting Period	Sold in Reporting Period	Gain/loss in Reporting Period	Ending carrying value	Accounting title	Source of investment funds
Domestic/Foreign stock	400016 、 420016	Gintian A, Gintian B	3,565,856.06	Fair value method	887,838.64		-261,743.15			10,830.71	636,926.20	Investments in other equity instruments	Obtained in Gintian's debt restructuring
Total			3,565,856.06	--	887,838.64	0.00	-261,743.15	0.00	0.00	10,830.71	636,926.20	--	--

(2) Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

5. Use of Funds Raised

Applicable Not applicable

No such cases in the Reporting Period.

VIII Sale of Major Assets and Equity Interests

1. Sale of Major Assets

Applicable Not applicable

No such cases in the Reporting Period.

2. Sale of Major Equity Investments

Applicable Not applicable

Transaction party	Equity sold	Date of sale	Transaction price (RMB', 0,000)	Net profit contributed to the Company from the period-	Effect on the Company	Ratio of the net profit contributed by	Pricing principle	Related-party transaction or not	Relationship between the transaction	Ownership of the equity involved has	Creditor's rights and liabilities	Executed as scheduled or not; if not,	Disclosure date
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				begin to the date of sale (RMB'0,000)		the sale of the equity to the Company's total profit (%)			party and the Company	been all transferred or not	involved have been all transferred or not	give reasons and measures taken	
China Union Holdings Ltd.	Shenzhen Jinghengtai Real Estate Development Co., Ltd.	22 December 2023	83,500	62,801.21	Successfully resolved historical problems and realized the preservation and enhancement of the value of state-owned assets.	135.34%	Market valuation	No	Non-related party	Yes	Yes	26 December 2023	For details, see the <i>Announcement on the Progress of the Public Listing Transfer of 100% Equity Interests in Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd. and Completion of the Registration of Changes in Industry and Commerce on www.cninfo.com.cn (Announcement No.: 2023-39).</i>

IX Principal Subsidiaries and Joint Stock Companies

Applicable Not applicable

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

Unit: RMB

Name	Relationship with the Company	Principal activity	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Huangcheng Real Estate Co., Ltd.	Subsidiary	Development and sales of real estate	30,000,000.00	7,923,999,367.48	3,005,339,544.18	215,220,323.33	45,520,508.59	32,969,496.22
Shenzhen International Trade Center Property Management Co., Ltd.	Subsidiary	Property management services	20,000,000.00	1,859,543,115.90	380,027,860.65	1,575,002,528.77	101,844,913.39	67,786,715.32

Subsidiaries obtained or disposed in the Reporting Period

Applicable Not applicable

Subsidiary	How subsidiary was obtained or disposed in the Reporting Period	Effects on overall operations and operating performance
Shenzhen Jinghengtai Real Estate Development Co., Ltd.	Equity transfer	Net profit contributed is 628,012,100

Notes to the principal subsidiaries and joint stock companies:

X Structured Bodies Controlled by the Company

Applicable Not applicable

XI Prospects

(I) Industry Overview and Trends

See “I Industry Overview for the Reporting Period” in “Part III Management Discussion and Analysis”.

(II) The Company’s Development Strategy

As the traditional real estate market’s development declines on the whole, Shenzhen Properties & Resources Development (Group) Ltd. specialized in the traditional real estate will be confronted with the extremely severe industrial situation.

In this context, the Company put forward the “12345” overall development idea of “1 Vision + 2 Major Divisions + 3 Driving Factors + 4 Businesses + 5 Value-added Services”. In other words, the Company will take effective measures with the focus on “industrial and urban space asset management” and “space digital ecosystem operation” to develop four major businesses including industrial and urban space development, industrial ecological operation, property management services, and main ecological investment through expanding the main business and making breakthroughs. Meanwhile, the Company will realize rapid deployment and integration of five major value-added services including high-end consulting services, customized housekeeper services, intelligent operation platform, data tapping and commercial ecosystem integration. Base on Shenzhen with scientific and technological innovation as the primary driving force, the Company will include Guangdong, Hong Kong and Macao metropolitan area and surrounding areas to maximize the leverage of capital to build a door type intelligent management and control service platform with smart society basic functions, aiming to build “China’s leading intelligent operator of industrial and urban space”.

In accordance with three-step strategic implementation route of “strengthening bases, brink breakthrough, and focus on leading”, the Company will seek transformation and upgrading in the development base on the current development conditions, and promote incremental development in the transformation to build unique development advantages and create a new pattern of innovation and development of the Company.

(III) Business plan for 2024

In 2023, amidst the continued global economic downturn and the challenging scenario of simultaneous decline in volume and prices in the domestic real estate market, the Group's management team remained steadfast in upholding the comprehensive leadership of the Party, maintained strategic resilience, rigorously implemented decisions and arrangements of the Board of Directors and the Party Committee, pursued innovation, tackled difficulties, and concentrated on key tasks, resulting in steady progress across various business operations. Throughout the year, the Group did not suffer any material safety incidents or material risk stability maintenance events, showing a positive and promising opening.

In 2024, the Group continues to adhere to the working principle of "seeking progress while maintaining stability, promoting stability through progress, stability with initiative, and effectiveness in progress", rigorously implement the principle of "determining production based on sales and determining expenses based on income," addressing uncertain market conditions through proactive measures and definitive actions to uphold strategic resilience. Emphasis is placed on being target-oriented, problem-oriented, and results-oriented, with a focused effort on the precise and sustained execution around the four aspects of "stabilizing cash flow, controlling costs, expanding capacity, and strengthening foundations". Active achievements are utilized to promote the stability of the overall production and operation. And resolutely overcome a number of difficulties affecting the advancement of major projects. Besides, the Group's development will be guided toward a benign track where business segments and projects move forward together and compete for development. The Group will continue to be a pioneer in enterprise reform and development, comprehensively accomplish the annual tasks and objectives and make new contributions to the Group's high-quality sustainable development and the

vision of building China's leading smart operator of industry-city space.

First, the Group will create conditions on the basis of the current resource endowment and business level and strive to accomplish the leading annual indicators according to the plan. Advance key project marketing and the development of existing projects in an organized manner to meet the annual budget objectives for operating revenue, total profits, and other metrics. The opening of Lanhu Shidai, Yutang Shangfu, Sea Bay, and Shenyang Digital Town projects will be timed according to market conditions to guarantee the fulfillment of annual sales objectives.

Second, the Group will overcome difficulties, strengthen node management and achieve the overall acceleration of projects under construction. Schedule control will be intensified, responsibilities will be fulfilled and improvements will be made in the capability of commanding and controlling projects and the operating efficiency. The following work needs to be done for newly started projects in a forward-looking manner, including scheme design, construction drawing design, the determination of cost targets at various phases and the implementation of bidding and tendering plans. Such work will be matched seamlessly with the phased plans and will be carried out ahead of schedule moderately, to ensure that each project is implemented with both quality and quantity guaranteed in strict accordance with the phased plans. Advance in an orderly manner with the work progress of the Tianjun Industrial Park and Fuyuan Industrial Park projects, and sustain the integration and project proposal submissions for the Huiyang Danshui project area.

Third, the Group will continue to strengthen the building of independent operating capacity of secondary platform companies, the development of platform functions and the playing of roles and stick to the development pattern of real estate as the main business. A standardized model of the whole process of real estate project development will be built. The results of real estate work conferences will be implemented, as well as the improvement plans of "3+1" for project management and "1+5" for cost management. Continuous efforts will be made to improve the project development management system and achieve the complementation, synergy and coordination among the business lines in the Group's project design, construction, bidding and tendering and marketing. In addition, the Group will compare its projects with benchmarking projects of the industry to enhance the management level and build an efficient, standardized model of the whole process of real estate project development to guarantee the efficient and stable operation of projects during the whole life cycle. **With respect to the property management segment, the high-quality expansion will be sped up and various steps will be taken to enhance the internal management level.** According to the annual target, external M&As and endogenous expansion will be strengthened and the integration of property management assets in the system will continue to be promoted, in a bid to achieve the target of adding 10 million square meters of management scale through M&As within the year. Furthermore, the opportunity from inspection and remediation will be used for comprehensive remediation and the building of a service standardization system will be deepened so that it will match the strategic positioning of the system's property management platform as soon as possible. **The focus will be placed on improving the quality and efficiency of stock assets and transformation and upgrading will be accelerated.** The growth of annual rental income shall not be less than 10% and the average occupancy rate shall not be less than 95%. With the establishment of an indicator system for quality and efficiency improvement assessment of stock properties and an incentive and restraint mechanism, the format transformation and upgrading of old properties will be promoted and the stock asset management will change from "passive lease" to "active operation".

Fourth, the Group will adhere to the Party's overall leadership, promote the decentralization of business focus, the downward shift of management priorities and the penetration of management capabilities. The Group will continue to consolidate the Party building, strengthen the building of grass-roots Party organizations and Party members, give full play to the Party's political leadership to facilitate operation and development and carry out characteristic theme Party building and corporate culture publicity and creation activities in due time. Financial management will aim at improving the efficiency and effectiveness of resource utilization. The corresponding measures include optimizing resource allocation, tightening budget control and assessment, strengthening industry-finance integration, financial analysis and tax management and raising funds through multiple channels. Sustain the improvement of the selection and employment system, expedite talent pool development through a blend of "internal selection and external recruitment," continue the deepening of multi-tier incentive and constraint mechanism construction,

and ensure comprehensive implementation across second and third-tier companies; The Group's industrial operation platform of "industry-university-research-application" will be built, the industrial operation system will be improved gradually and the investment attraction capability and level will be enhanced.

Fifth, the Group will be always vigilant about production safety, complaint letters and visits and stability maintenance.

Improve the system framework, enforce quarterly safety production evaluations, and establish a rational reward and punishment system. Deepen the building of safe production standardization and the "dual prevention mechanism", and intensifying regular production safety inspections. In addition, hidden risks will be collated regularly, list management will be implemented for risk points in key areas and key processes, and remediation will be strictly carried out, to ensure that no production safety accident occurs throughout the year. Enhance the coordination and linkage between petition work and the Group's key operational endeavors, deepen the use of cases as examples and catalysts for improvement, and fully utilize the supportive, protective, and enabling functions of petition work in operations.

(IV) Potential risks

1. Market risk

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

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

2. Land Reserve Risk

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

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

3. Financing Risk

In the process of actively increasing land reserves and accelerating the business development in the recent years, the Company needs to invest a large amount of funds for land acquisition and project development. In addition to its own funds, the Company's project development funds need to be externally financed through bank loans and issuing securities.

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

The above business plan and business objectives do not represent the listed Company's profit forecast for 2024. Whether it can be achieved depends on various factors including changes in market conditions and the effort made by the management team. Investors must pay special attention to that because there exists huge uncertainty.

XII Communications with the Investment Community such as Researches, Inquiries and Interviews during the Reporting Period

Applicable Not applicable

Date of visit	Place of visit	Way of visit	Type of visitor	Visitor	Contents and materials provided	Index to relevant information
28 January 2023	The Company	Online communication	Individual	Individual	Inquire about how the company signs various business contracts and whether electronic contract signing is used	N/A
30 January 2023	The Company	Online communication	Individual	Individual	Inquire about whether the Company adopts digital management methods to effectively integrate and manage various business operations	N/A
6 February 2023	The Company	Online communication	Individual	Individual	Inquire about the land reserve situation	N/A
11 April 2023	The Company	Online communication	Individual	Individual	Inquire about the Company's market value management plan	N/A
31 May 2023	The Company	By phone	Individual	Individual	Inquire about the Company's business structure and the reasons for the decline in first-quarter performance	N/A
7 June 2023	The Company	Online communication	Individual	Individual	Inquire about the number of shareholders	N/A
9 June 2023	The Company	By phone	Institution	Individual	Inquire about the Company's relevant business layout and the merger and acquisition situation in the property management segment	N/A
3 July 2023	The Company	Online communication	Individual	Individual	Inquire about whether the company has formulated and made public the Management System for Information Disclosure	N/A
5 July 2023	The Company	Online communication	Individual	Individual	Inquire about the staffing of the research and development center	N/A
12 July 2023	The Company	By phone	Individual	Individual	Inquire about the timing of the dividend payment for the Company's B shares	N/A
17 July 2023	The Company	By phone	Individual	Individual	Inquire about the timing of the dividend payment for the Company's A shares	N/A
23 July 2023	The Company	Online communication	Individual	Individual	Inquire about the company's related business layout	N/A
1 August 2023	The Company	Online communication	Individual	Individual	Inquire about the company's related business layout	N/A
2 August 2023	The Company	By phone	Individual	Individual	Inquire about issues related to horizontal competition	N/A

12 August 2023	The Company	Online communication	Individual	Individual	Inquire about the company's investment plan	N/A
1 September 2023	The Company	By phone	Individual	Individual	Inquire about the current status of the Company's projects	N/A
4 September 2023	The Company	Online communication	Individual	Individual	Inquire about dividend distribution	N/A
14 September 2023	The Company	By phone	Individual	Individual	Inquire if the Company has any financing plans	N/A
10 October 2023	The Company	Online communication	Individual	Individual	Inquire about whether the Company has repurchase plans	N/A
11 October 2023	The Company	Online communication	Individual	Individual	Inquire about solutions to industry competition	N/A
12 November 2023	The Company	Online communication	Individual	Individual	Inquire about the company's related business layout	N/A
15 November 2023	The Company	By phone	Individual	Individual	Inquire about the number of shareholders	N/A
19 November 2023	The Company	Online communication	Individual	Individual	Inquire about the Company's 14th Five-Year Plan	N/A
23 November 2023	The Company	Online communication	Individual	Individual	Inquire about the company's related business layout	N/A
29 November 2023	The Company	By phone	Individual	Individual	Inquire about the progress in resolving competition from peers and the Company's current cash flow situation	N/A
13 December 2023	The Company	Online communication	Individual	Individual	Inquire about the Company's plans regarding ESG governance	N/A
18 December 2023	The Company	By phone	Institution	Individual	Inquire about the Company's main business operations and capital operations.	N/A
26 December 2023	The Company	By phone	Individual	Individual	Inquire about the progress in resolving competition from peers	N/A
27 December 2023	The Company	By phone	Individual	Individual	Inquire about the equity transfer of Jinghentai	N/A
29 December 2023	The Company	By phone	Individual	Individual	Inquire about the equity transfer of Jinghentai	N/A

XIII Implementation of the Action Plan for “Dual Enhancement of Quality and Profitability”

Has the Company disclosed its Action Plan for “Dual Enhancement of Quality and Profitability”

Yes No

Part IV Corporate Governance

I General Information of Corporate Governance

The internal control system of the Company is complete, accomplished and defined that in accordance with Company Law, Articles of Association and other laws and regulations as well as requirements of regulatory documents. The convene of Shareholders' General Meeting, the Board of Directors and Supervisory Board are strictly in accordance with relevant rules and regulations, all directors and supervisors earnestly and diligently commit their responsibilities. Corporate structure of the Company is complete and the operation of the Company is standardized.

Organized by the principle of being scientific, simplified and high efficient, the Company's departments and institutions currently include Party-mass office, discipline inspection and supervision office (the audit department, office of the supervisory committee, office of board of directors, comprehensive office (procedure and information center, letters and visits office), HR department (training center), financial management department (settlement center), investment development department, operation and management department, design management department (technological center), cost contract department, engineering management department (office of security committee), office of industrial operation. Each department performs its own functions, and strictly carries out work according to internal control system, to ensure the normal and efficient operation of the Company.

The Company has always attached great importance on standardizing insider information management, formulated and completed *Management Provisions on Information Disclosure*, *Work Procedures of Annual Report of Auditing Committee*, *Accountability System of Major Errors in Information Disclosure of Annual Report*, *Work System of Annual Report*, *Insider Management System of Insider Information*, *Management System of Investor Relationship*, and other internal control system, to ensure the authenticity, accuracy and completeness of Company information disclosure. During the reporting period, the Company strictly carried out information disclosure, corporate governance conference organization, and other work according to requirements of securities supervision, disclosed information timely, accurately and completely, without any accidents which violate relevant internal control system of information disclosure.

The Company carried out quality self-examination of listed companies according to the requirements of Shenzhen Securities Regulatory Bureau to find out deficiencies in the operation of the Company and formulate rectification plan to improve company governance and standard operation.

Indicate by tick market whether there is any material incompliance with the applicable laws, administrative regulations, and regulations issued by the CSRC governing the governance of listed companies.

Yes No

No such cases in the Reporting Period.

II The Company's Independence from Its Controlling Shareholder and Actual Controller in Asset, Personnel, Financial Affairs, Organization and Business

The Company was independent from the controlling shareholder in business, personnel, assets, organization and finance to realize that independent personnel, independent finance, complete assets, independent organization and independent business. In aspect of business: The Company was independent from the controlling shareholder with independent and complete business and independent operation capability. There was no business which was same or competitive with the controlling shareholder. In aspect of personnel: The Company was complete independent from the controlling shareholder in terms of labor and personnel, management on remuneration. Personnel of the Company are independent, all ones signed labor contract with the Company. The Company was

independent from the shareholders or other related parties in personnel management, social security, salary etc. In aspect of asset: The Company's assets were complete and independent, the property relationship was clear. There was no capital occupation by controlling shareholder, and assets of the Company were completely independent from controlling shareholder. In aspect of organization: The Company's organization was independent, and the Company implemented rules and regulations as well as responsibilities for all departments, formed independent responsibilities and rights, scientific and rational internal control system. In aspect of finance: The Company's finance was independent with independent finance department. The Company established the independent finance settling system and financial management system, had its own finance account and paid the tax in line with laws, run finance decision-making independently.

The controlling shareholder of the Company performed normatively with no conduct that intervened with the operation decision-making and operation activities directly or indirectly over the shareholders' general meeting, however, the controlling shareholder could influence on the significant decision-making through the shares holding.

III Horizontal Competition

Applicable Not applicable

Type of problem	Relationship with the Company	Company name	Company nature	Cause of problem	Solution	Progress and subsequent plan
Horizontal competition	Controlling shareholder	Shenzhen Investment Holdings Co., Ltd.	Other	Note 1	Note 2	Note 3

Note 1: According to the overall plan of the Shenzhen Municipal Government on the restructuring of the state-owned assets management system, the State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipal decided to establish Shenzhen Investment Holdings Co., Ltd. (SIHC), merging Shenzhen Investment Holdings Co., Ltd., Shenzhen Management-Investment Company and Shenzhen Trade Investment Holdings Co., Ltd. As a result, SIHC inherited 63.82% of the equity interests in the listed company ShenZhen Properties & Resources Development (Group) Ltd. (SZPRD) held by Shenzhen Investment Holdings Co., Ltd. and Shenzhen Management-Investment Company in accordance with the law. On 19 October 2018, SIHC obtained the Confirmation of Securities Transfer Registration regarding the equity interest of SZPRD and completed the transfer of the equity interest in SZPRD. In view of the fact that Shenzhen Construction Development (Group) Company ("Shenzhen Construction Development"), ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. ("SPG") and SZPRD, all wholly-owned subsidiaries of SIHC, are operating real estate development and commercial property sales business, which belong to the same industry, and there is competition in the same industry.

Note 2: To avoid horizontal competition, SIHC make the following commitments: 1. On the horizontal competition solution of Shenzhen Construction Development: as the holding shareholder of the Listed Company, during the listing period at Shenzhen Stock Exchange of the Listed Company, as for the current business of Shenzhen Construction Development which has horizontal competition with the Listed Company, within the scope permitted by law and regulation, within 12 months from the equity of SZPRD being transferred to SIHC, SIHC will start the solution with practical operability among below horizontal competition solution timely and complete implementation of the solution within 3 years from the date that the equity of SZPRD is transferred to SIHC to solve current horizontal competition problems: (1) Shenzhen Construction Development signs asset custody agreement with the Listed Company, entrusts the assets which has direct competition with the Listed Company to the Listed Company, confirms fair custodian fee at the same time, and takes effective measures to solve horizontal competition within commitment period; (2) Inject assets with direct competition with the Listed Company into the Listed Company; (3) Transfer assets with direct competition with the Listed Company to unrelated third party; (4) other measures which can solve horizontal competition effectively and is favorable for protecting the interest of the Listed Company and legal interests of other shareholders. Before solving current horizontal competition, while company, enterprise, economic organization (not including enterprises controlled by

the Listed Company, hereinafter referred to as subordinated Companies) which the Listed Company and SIHC hold controlling shares or controls actually have business, in case the involved dispute, etc. have major influence on the business, SIHC should keep neutral as a controlling shareholder to ensure that the Listed Company and subordinated Companies can take part in market competition on the principle of fair competition. 2. Horizontal competition solution of SPG: From 14 September 2016 to now, SPG has had stock suspension because of major assets restructuring. According to *Review Opinions on Delaying Stock Resumption because of Major Assets Restructuring of SPG announced by CITIC Securities and Huatai Securities* on 26 November 2016, the restructuring solution is that SPG plans to issue A share and / or use currency to purchase 100% equity of Evergrande Group (hereinafter referred to as “the restructuring of SPG”). Guangzhou Chiron Real Estate Co., Ltd. will be the controlling shareholder of SPG upon the completion of the restructuring of SPG. If the restructuring of SPG is completed, SIHC will cease to control SPG, which means there will be no horizontal competition between SPG and SZPRD. If the restructuring of SPG is terminated, for business of SPG which has horizontal competition with the Listed Company, SIHC, within the scope permitted by law and regulation, SIHC will start a rational horizontal competition solution according to actual situation at the time within 12 months after the termination of reconstruction of SPG and stock resumption announcement date, and fulfill announcement obligation, and SPG will complete to implement the solution and solve the horizontal competition between SZPRD and SPG within 3 years from the date SPG terminates the reconstruction and announces stock resumption. 3. Other commitments to avoid horizontal competition: as the controlling shareholder of the Listed Company and during the listing period of the Listed Company at Shenzhen Stock Exchange, other subordinated Companies of SIHC will not engage in relevant business which has direct horizontal business competition with the Listed Company in new business fields except for in the business field where it already has had horizontal competition with the Listed Company. Shenzhen Investment Holdings promises not to seek improper benefits with the position of controlling shareholder of the Listed Company and damage the interest of the Listed Company and its shareholders. In case of violating above commitment, SIHC shall undertake corresponding legal liabilities, including but not limited to undertaking compensation responsibilities for all losses caused to the Listed Company.

Note 3: SIHC has always been actively committed to fulfilling its relevant commitments. During the term of commitment, SIHC did not seek any illegitimate interests as the controlling shareholding of SZPRD or damage any rights and interests of SZPRD and its shareholders. During the term of commitment, SIHC actively collated the underlying assets and businesses of Shenzhen Construction Development (Group) Company and devoted itself to developing practical and feasible plans as soon as possible to solve the horizontal competition issue for SZPRD. It also actively promoted the restructuring of SPG. However, given the objective circumstances, SIHC failed to fulfill the original commitment to avoid horizontal competition. SIHC re-issued the Letter on Changing the Commitment to Avoiding Horizontal Competition on 31 August 2021 and such commitment change matter was approved at the first extraordinary general meeting of 2021 held on 27 September 2021. For more details, see the Announcement on the Application by the Company's Controlling Shareholder for Changing the Commitment to Avoiding Horizontal Competition (Announcement No.: 2021-32) disclosed by the Company on www.cninfo.com.cn on 11 September 2021.

IV Annual and Special General Meetings Convened during the Reporting Period

1. General Meeting Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Date of the meeting	Disclosure date	Resolutions
The 2022 Annual General Meeting	Annual General Meeting	60.01%	19 May 2023	20 May 2023	The reports and proposals deliberated and approved at the meeting included the <i>Report on the Work of the Board of Directors in 2022</i> , the <i>Report on the Work of the Board of Supervisors in 2022</i> , the <i>2022</i>

					<p><i>Annual Report, the 2022 Financial Accounts Report, the 2023 Financial Budget Report, the Plan on Profit Distribution and Capitalization from Capital Reserve in 2022, the Proposal on the Comprehensive Credit Line for 2023, the Proposal on Estimated Routine Related-party Transactions for 2023, and the Proposal on Renewing the Engagement of Accounting Firm. For details, please refer to the Announcement on the Resolutions of the 2022 Annual General Meeting (No.: 2023-12) on www.cninfo.com.cn.</i></p>
The 1 st Extraordinary General Meeting of 2023	Extraordinary General Meeting	60.04%	20 November 2023	21 November 2023	<p><i>The Proposal on the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghentai Real Estate Development Co., Ltd. was deliberated and approved. For additional information, please refer to the announcement of resolutions made at the 2023 First Extraordinary Shareholders' Meeting, with the reference No. 2023-32 on www.cninfo.com.cn.</i></p>
The 2 nd Extraordinary General Meeting of 2023	Extraordinary General Meeting	57.27%	28 December 2023	29 December 2023	<p><i>The proposals deliberated and approved at the meeting included the Proposal on the Follow-up Development of the Company's Project of Slender West Lake Ecological Health Valley in Yangzhou (GZ342, GZ399 Plots), the Proposal on Amending the Articles of Association of the Company, the Proposal on Revising the Rules of Procedure for General Meetings, the Proposal on Revising the Rules of Procedure for the Board of Directors, the Proposal on the Amendment of the Rules of Procedures for the Supervisory Committee, the Proposal on Revising the Working Regulations for Independent Directors, and the Proposal on the Amendment and Establishment of Governance Systems of the Company Like the Annual Auditor Selection System. For details, see the Announcement on the Resolutions of the Second Extraordinary General Meeting in 2023 (No. 2023-40) on</i></p>

					www.cninfo.com.cn.
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2. Special General Meetings Convened at the Request of Preferred Shareholders with Resumed Voting Rights

Applicable Not applicable

V Directors, Supervisors and Senior Management

1. General Information

Name	Gender	Age	Office title	Incumbent/Former	Start of tenure	End of tenure	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Other increase/decrease (share)	Ending shareholding (share)	Reason for share change
Liu Shengxiang	Male	52	Party Secretary and Chairman of the Board	Incumbent	15 June 2018	26 September 2024						
Wang Hangjun	Male	57	Director, Deputy Party Secretary, GM	Incumbent	15 June 2018	26 September 2024						--
Zhang Zhimin	Male	46	Director, Deputy Party Secretary	Incumbent	29 June 2022	26 September 2024						
Shen Xueying	Female	54	Director and CFO	Incumbent	15 June 2018	26 September 2024						
Wang Ge	Male	52	Director	Incumbent	15 June 2018	26 September 2024						
Xie Chang	Male	51	Director	Incumbent	7 April 2020	26 September 2024						
Mei Yonghong	Male	59	Independent Director	Incumbent	15 June 2018	26 September 2024						
Li Donghui	Male	51	Independent Director	Incumbent	27 September 2021	26 September 2024						
Hu Caimei	Female	41	Independent Director	Incumbent	27 September 2021	26 September 2024						
Ma Hongtao	Mal	55	Chairman of the	Incu	21 July 2022	26 September 2024						

	e		Supervisory Committee	mbe nt								
Zhang Manhua	Mal e	48	Supervisor	Incu mbe nt	15 June 2018	26 September 2024						
Li Qinghua	Mal e	41	Supervisor	Incu mbe nt	15 June 2018	26 September 2024						
Wang Qiuping	Fem ale	54	Employee Supervisor, Executive Director of ITC Park, Secretary of the Party Committee	Incu mbe nt	15 June 2018	26 September 2024						
Gu Weimin	Fem ale	42	Employee Supervisor, Discipline Inspection Director, Deputy Secretary of the Discipline Inspection Commission	Incu mbe nt	15 June 2018	26 September 2024						
Chen Hongji	Mal e	55	Member of the Party Committee and Deputy GM	Incu mbe nt	28 December 2020	26 September 2024						
Cai Lili	Fem ale	51	Member of the Party Committee and Deputy GM	Incu mbe nt	15 June 2018	26 September 2024						
Li Peng	Mal e	47	Member of the Party Committee and Deputy GM	Incu mbe nt	15 June 2018	26 September 2024						
Zhang Gejian	Mal e	48	Member of the Party Committee, Deputy GM and Board Secretary	Incu mbe nt	15 June 2018	26 September 2024						
Total	--	--	--	--	--	--	0	0	0	0	0	--

Indicate whether any director, supervisor or senior management resigned before the end of their tenure during the Reporting Period.

Yes No

Change of directors, supervisors and senior management:

Applicable Not applicable

2. Biographical Information

Professional backgrounds, major work experience and current duties in the Company of the incumbent directors, supervisors and senior management:

Members of the Board of Directors:

Mr. Liu Shengxiang, born in August 1971, is a now member of the Communist Party of China, professor-level senior engineer, National Certified Architect (Level 1), and has obtained his Bachelor Degree, Master of Engineering, and MBA. In June 1994, he joined Shenzhen Tagen Group Co., Ltd., and successively served as the deputy general manager, general manager, and general Party branch secretary of Shenzhen Municipal Engineering Corp. and the deputy general manager of Shenzhen Tagen Group Co., Ltd. In June 2013, he joined Shenzhen Road & Bridge Group as the executive director, Secretary of the Party Committee and general manager. He starts to serve as the Secretary of the Party Committee and the Chairman (June 2018) of the Company since September

2017. Concurrently, he was the Secretary of the Party Committee, Executive Director and GM (from August 2018 to May 2020) in Shenzhen Toukong Property Management Co., Ltd.. Mr. Liu Shengxiang was awarded the title of Outstanding Communist Party Member of Shenzhen in 2001, and obtained Tien-yow Jeme Civil Engineering Prize in 2013, and May 1st Labor Medal of Shenzhen in 2015, the Party representative of the 6th Party Congress in Shenzhen.

Mr. Wang Hangjun, born in Nov. 1966, member of Communist Party of China, is a senior auditor with a master degree of economy. He ever took post of Deputy Chief of Audit Bureau of Nanshan District, Shenzhen; Vice Minister, Minister of Audit Department of Shenzhen Investment and Management Company; Vice Minister, Minister of Supervision Department of Shenzhen Investment and Management Company; Minister of Audit and Inspection Department of Shenzhen Investment Holding Co., Ltd. He has been Deputy GM of the Company since Oct. 2007. Now he is the Director, deputy Party Secretary and GM of the Company.

Mr. Zhang Zhimin, born in October 1977, is a Chinese Communist Party member who holds a master's degree. In 2016, he joined the State-owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government, where he has held various roles including chief staff member of the office (petition office), chief staff member of the office (party committee of the office), deputy researcher of the office (party committee of the office), fourth-level researcher of the office, and third-level researcher of the office (party committee of the office). Since May 2022, he has served as the deputy secretary of the company's party committee, and since June 2022, he has taken on additional roles as the company's director, deputy secretary of the party committee, and chairman of the labor union.

Ms. Shen Xueying, born in October 1969, member of the Communist Party of China, Bachelor of Economics, is a senior accountant. Ms. Shen Xueying has been engaged in the financial management of listed companies for nearly 30 years. She joined the Finance Department of the Company in 1991 and successively served as the clerk and deputy manager of the financial management department of the Company. She was the manager of the financial management department of the Company from 2007-2018 and has served as the CFO of China Shenzhen Foreign Trade (Group) Corp., Ltd. since March 2020. Now she is currently the Director and Chief Financial Officer of the Company.

Mr. Wang Ge, born in October 1971, the member of the Communist Party of China, is now the senior engineer with the degree of Bachelor of Engineering. Mr. Wang Ge has been engaged in the enterprise management for many years. He successively served as the deputy director and director of the engineering department of Shenzhen Jian'an (Group) Co., Ltd., the manager and the deputy secretary of the Party Branch of Jian'an Group Construction and Municipal Engineering Company, and the deputy general manager, director, the deputy secretary of the Party Committee and the general manager of Jian'an Group. From March 2017 to present, he has served as the Chief Engineer of Shenzhen Investment Holdings Co., Ltd.

Mr. Xie Chang, born in November 1971, CPC member, bachelor of engineering, senior engineer, economist, and political engineer. He used to be the head of the Party and Mass Work Department, member of the Disciplinary Committee, and head of the Asset Management Department of Shenzhen Jian'an (Group) Co., Ltd.; the deputy GM of Shenzhen Sibiono GeneTech Co., Ltd.; the head of the operation management department, office director, secretary of the Board of Directors of Shenzhen Foreign Labor Service Co., Ltd.; office director of Shenzhen Talent Exchange Service Center Co., Ltd. He has served as the head of the comprehensive management department of Shenzhen Investment Holdings Co., Ltd. from September 2017, and a director of the Company from April 2020.

Mr. Mei Yonghong, born in October 1964, is the member of the Communist Party of China, and graduated from the Department of Agriculture of Huazhong Agricultural University with the Degree of Bachelor of Agriculture. He successively served as the deputy director of the General Office of Ministry of Science and Technology and the director of the information research office, the director of the Policy, Regulations and System Reform Department of Ministry of Science and Technology and the mayor of Jining City in Shandong Province. Now he serves as the Director of BGI Group, Chairman of the Board of BGI Agricultural Group (starting from September 2015), CEO of County Garden Agricultural Holdings Co., Ltd. (starting from August 2018) and Executive Vice President of BGI Group since May 2022.

Mr. Li Donghui, born in June 1976, is a graduate with a bachelor's degree from the Audit Department of the Economics and Management School of Wuhan University and received a PhD degree in Accounting and Finance at the University of New South

Wales Business School, Australia. He once worked as a civil servant at the Department of Financial System Audit of the National Audit Office of the People's Republic of China and as the Executive Dean of the School of Management, Jinan University. He is currently a distinguished professor of accounting and finance and doctoral supervisor at the College of Economics Shenzhen University and the Director of the Committee of Professors of the college. Many of his articles were published in top international journals and key authoritative academic journals of China. He was named a talented person of Shenzhen's overseas high-level "Peacock Plan" and served as an expert of the Senior Title Review Committee of the Shenzhen Financial Bureau, an expert of the Xinshen Communication Think-tank of Shenzhen Press Group and a reviewer of the National Natural Science Foundation of China.

Ms. Hu Caimei, born in September 1982, is a Doctor of Management, Postdoctoral Fellow in Economics, Associate Professor and backup talent of Shenzhen. She currently serves as the Deputy Director of the Institute of Financial Development and State-owned Assets and Enterprises, China Development Institute and has been long engaged in policy research and consultation in finance and state-owned assets and enterprises, with extensive experience in the consultation on the reform and development of state-owned assets and enterprises. She presided over and participated in a number of national, ministerial and provincial scientific research projects and more than 50 consulting topics. Many of her research results were adopted by government departments and won scientific research awards.

Members of the Supervisory Committee:

Mr. Ma Hongtao, born in October 1968 and holding a master's degree. He is a member of the Chinese Communist Party. Throughout his career, Mr. Ma has held various positions in the banking sector. From 1991 to 2000, he worked at the Bank of China Taiyuan Branch as a cashier, auditor, credit section chief, and deputy director of the office. Following that, he served as the branch manager and department general manager of China Minsheng Bank Taiyuan Branch from 2000 to 2004. From 2004 to 2016, he held the position of business supervisor and department general manager at the head office of China Minsheng Bank. From 2016 to 2019, Mr. Ma took a study tour and provided teaching support in mountainous areas. He then served as the deputy general manager of the finance department and capital director of Kelu Electronics Co., Ltd. from 2019 to 2020. From 2020 to 2022, he was the general manager of the office of Wanhe Securities Co., Ltd. Currently, Mr. Ma is the chairman of the supervisory board of the company. He has held this position since July 2022.

Mr. Zhang Manhua, born in Feb. 1975, master's degree, member of the Communist Party of China, studied and worked in Central South University from 1992 to 2004; Senior Manager in the Investment Center of Konka Group and concurrently worked as the Board Secretary for Shenzhen Jvlong Optoelectronic Co., Ltd., and Investment Manager in Shenchao Technological Investment Co., Ltd. from 2004 to 2013; he worked as deputy director in the Strategy & Development Department in Shenzhen Investment Holding Co., Ltd from 2013 to 2018. He is the director in Law and Risks Management department of Shenzhen Investment Holdings Co., Ltd since 2018.

Mr. Li Qinghua, born in April 1982, has obtained his Bachelor degree. From 2003 to 2013, he worked for DZX International Appraisal Limited, and successively served as the project assistance, the project manager and the senior manager; from 2013 to 2017, he served as the senior executive of the property right management and legal affairs department of Shenzhen Investment Holdings Co., Ltd., and from 2017 till now, he serves as the deputy director of the audit department of Shenzhen Investment Holdings Co., Ltd.

Ms. Wang Qiuping, born in January 1970, is a Party member and senior economist with a bachelor's degree. From 1992 to 2015, she was engaged in management in the General Manager's Office, Accounting and Finance Department, Operation Management Department and Development Management Department of the Company. From 2015 to 2018, she served as the Party Secretary, Deputy General Manager and Trade Union President of ITC Property Management. From 2018 to 2020, she served as the Party Secretary and General Manager of ITC Property Management. From 2020 to August 2021, she served as the Party Secretary, Executive Director and General Manager of ITC Technology Park. She is currently the Party Secretary and Executive Director of ITC Technology Park.

Ms. Gu Weimin, Born in October 1981, is the member of the Communist Party of China with the Master's Degree. From 2007 to 2010, she served in KPMG Shenzhen in external audit; from 2011 till now, she has worked for the Company in the audit department

(the office of the board of supervisors), and is now the Deputy Secretary of the Discipline Inspection Commission and the director of the Discipline Inspection and Supervision Office (Audit Department, the Office of the Supervisory Committee) of the Company.

Executive officers:

Mr. Wang Hangjun, born in Nov. 1966, member of Communist Party of China, is a senior auditor with a master degree of economy. He ever took post of Deputy Chief of Audit Bureau of Nanshan District, Shenzhen; Vice Minister, Minister of Audit Department of Shenzhen Investment and Management Company; Vice Minister, Minister of Supervision Department of Shenzhen Investment and Management Company; Minister of Audit and Inspection Department of Shenzhen Investment Holding Co., Ltd. He has been Deputy GM of the Company since Oct. 2007. Now he is the Director, deputy Party Secretary and GM of the Company.

Mr. Chen Hongji, born in May 1968, CPC member, postgraduate degree, and master of philosophy. He has worked in Shenzhen Municipal People's Government for many years. He joined Shenzhen Construction Investment Holding Co., Ltd. in January 1998 and successively served as section chief of development research department, deputy director of office, deputy director of Party committee office and director of secretary office of board of directors. In October 2004, he joined Shenzhen Investment Holding Co., Ltd. and successively served as director of the party mass department and director of the board office. Since July 2012, he has been the deputy GM of Shenzhen Expander. From December 2020, he has served as a member of the party committee and deputy GM of the Company.

Ms. Cai Lili, Born in November 1972, is the member of the Communist Party of China, and has obtained the Master's Degree in Economics. Since 1995, he has worked in Shenzhen Tax Service, SAT, and ever served as the deputy chief of the taxation and scientific and technological development department of Shenzhen Tax Service, SAT, and the member of the Party Organization and the deputy director of Futian District Tax Bureau in Shenzhen. Currently, he is the member of the Party Committee, deputy general manager and Chief Financial Officer.

Mr. Li Peng, Born in May 1976, is the member of the Communist Party of China, the Bachelor of Engineering and the intermediate economist. Since July 1999, he has worked for the Company as the operation manager, and successively served as the deputy manager of the Company's development management department, the manager of the cost control department, and the secretary of the Party branch and the deputy general manager of Shenzhen Huangcheng Real Estate Co., Ltd. Currently, he now is the member of the Party Committee, and deputy general manager.

Mr. Zhang Gejian, born in September 1975, the member of the Communist Party of China, MBA, is an Accountant as well as Auditor. He was engaged in internal auditing work in Audit Department of the Company since July 1997. He acted as the audit manager, Supervisor of the Company and concurrently the Cost Control Manager. Now he is the member of the Party Committee, the vice GM and Board Secretary of the Company.

Ms. Shen Xueying, born in October 1969, the member of the Communist Party of China, Bachelor of Economics, is a senior accountant. Ms. Shen Xueying has been engaged in the financial management of listed companies for nearly 30 years. She joined the Finance Department of the Company in 1991 and successively served as the clerk and deputy manager of the financial management department of the Company. She has been the manager of the financial management department of the Company from 2007 to 2018, and the Chief Financial Officer of China Shenzhen Foreign Trade (Group) Corp., Ltd. since March 2020, and now she is the Director, and Chief Financial Officer of the Company.

Offices held concurrently in shareholding entities:

Applicable Not applicable

Name	Shareholding entity	Office held in the shareholding entity	Start of tenure	End of tenure	Remuneration or allowance from the shareholding entity

Wang Ge	Shenzhen Investment Holdings Co., Ltd.	Chief Engineer	1 March 2017		Yes
Xie Chang	Shenzhen Investment Holdings Co., Ltd.	Director of the general management department	7 April 2020		Yes
Zhang Manhua	Shenzhen Investment Holdings Co., Ltd.	Director of the legal and risk management department	1 January 2017		Yes
Li Qinghua	Shenzhen Investment Holdings Co., Ltd.	Deputy director of the audit department	1 January 2017		Yes
Note	Except for the major offices held concurrently in shareholding entities above, Directors Wang Ge and Xie Chang, as well as Supervisors Zhang Manhua and Li Qinghua also serve as Director or Supervisor in a number of non-listed subsidiaries or invested companies of relevant shareholders.				

Offices held concurrently in other entities:

Applicable Not applicable

Name	Other entity	Office held in the entity	Start of tenure	End of tenure	Remuneration or allowance from the entity
Shen Xueying	China Shenzhen Foreign Trade (Group) Co., Ltd.	Chief Financial Officer	1 March 2020		No
Mei Yonghong	BGI Group, BGI Agricultural Group, County Garden Agricultural Holdings Co., Ltd.	Director and Executive Vice President of BGI Group, Chairman of BGI Agricultural Group, CEO of Country Garden Agricultural Holdings Co. Ltd.	1 September 2015		Yes
Li Donghui	Shenzhen University	Distinguished professor, doctoral supervisor, director of the Professor Committee of the School of Economics	1 April 2019		Yes
Hu Caimei	China (Shenzhen) Development Institute	Deputy Director of the Institute of Financial Development and State-owned Assets and Enterprises	1 November 2016		Yes
Note	N/A				

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior management as well as those who left in the Reporting Period:

Applicable Not applicable

3. Remuneration of Directors, Supervisors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors, supervisors and senior management:

During this Reporting Period, the board and the management of the Company signed statement of operation objectives responsibility for 2023, conducted appraisal system integrating operation indicators, classification indicators with management objectives. After the end of this Reporting Period, assessment was implemented by the board. Remuneration of senior executives

was determined according to “Management Method of Annual salary System of Directors, Supervisors and Senior Executives of ShenZhen Properties & Resources Development (Group) Ltd.” and “Long-term Incentive-and-Restraint Mechanism of ShenZhen Properties & Resources Development (Group) Ltd.” and need to be implemented after the annual assessment of the board.

Remuneration of directors, supervisors and senior management for the Reporting Period

Unit: RMB'0,000

Name	Gender	Age	Office title	Incumbent/Former	Total before-tax remuneration from the Company	Any remuneration from related party
Liu Shengxiang	Male	52	Party Secretary and Chairman of the Board	Incumbent	113.60	No
Wang Hangjun	Male	57	Director, Deputy Party Secretary, GM	Incumbent	107.95	No
Zhang Zhimin	Male	46	Director, Deputy Party Secretary	Incumbent	96.65	No
Shen Xueying	Female	54	Director and CFO	Incumbent	114.72	No
Wang Ge	Male	52	Director	Incumbent	0	Yes
Xie Chang	Male	51	Director	Incumbent	0	Yes
Mei Yonghong	Male	59	Independent Director	Incumbent	8	Yes
Li Donghui	Male	51	Independent Director	Incumbent	8	No
Hu Caimei	Female	41	Independent Director	Incumbent	8	No
Ma Hongtao	Male	55	Chairman of the Supervisory Committee	Incumbent	103.92	No
Zhang Manhua	Male	48	Supervisor	Incumbent	0	Yes
Li Qinghua	Male	41	Supervisor	Incumbent	0	Yes
Wang Qiuping	Female	54	Employee supervisor, executive director of ITC Technology Park, Secretary of the Party Committee	Incumbent	62.55	No
Gu Weimin	Female	42	Employee supervisor, Director of Discipline Inspection Office, and Deputy Secretary of the Discipline Inspection Commission	Incumbent	48.47	No
Chen Hongji	Male	55	Member of the Party Committee, Vice GM	Incumbent	96.65	No
Cai Lili	Female	51	Member of the Party Committee, Vice GM	Incumbent	96.65	No
Li Peng	Male	47	Member of the Party Committee, Vice GM	Incumbent	96.65	No
Zhang Gejian	Male	48	Member of the Party Committee, Vice GM, Board Secretary	Incumbent	96.65	No
Total	--	--	--	--	1058.46 ¹	--

Note: 1. Pay Statement: (1) The above table of remuneration does not include the long term incentive bonus deferred to be paid in 2023: Liu Shengxiang, Wang Hangjun, Chen Hongji, Cai Lili, Li Peng and Zhang Gejian received deferred long term incentive bonuses of RMB397,700, RMB377,800, RMB106,400, RMB288,600, RMB295,900, RMB261,000, respectively, in the year 2023. (2) As the assessment for the year 2023 has not been completed, the data in the above table is estimated according to the relevant rules, and the actual number of awards will ultimately prevail.

Other notes

 Applicable Not applicable

VI Performance of Duty by Directors in the Reporting Period

1. Board Meetings Convened during the Reporting Period

Meeting	Date of the meeting	Disclosure date	Resolutions
The 16 th Meeting of the 10 th Board of Directors	27 February 2023		The meeting reviewed and approved the <i>Proposal on Signing Performance Target Responsibility Letters for Senior Management in 2023</i>
The 17 th Meeting of the 10 th Board of Directors	24 March 2023	25 March 2023	The board of directors has approved a range of proposals, which include the <i>Work Report of the Board of Directors for 2022, Annual Report and Summary for 2022, Financial Final Account Report for 2022, Financial Budget Report for 2023, Proposal on Provision and Reduction of Various Asset Impairment Reserves, Proposal on Profit Distribution and Capitalization of Reserve Fund for 2022, Proposal on Comprehensive Credit Limits and Financing Limits for 2023, Proposal on Operating Plan and Investment Budget for 2023, Proposal on Estimated Routine Related Party Transactions for 2023, Internal Control Self-assessment Report for 2022, Proposal on Renewing the Engagement of Accounting Firm, and Report on Social Responsibility for 2022</i> . For more details, please refer to the <i>Announcement of Board Resolution on the 17th Meeting of the 10th Board of Directors</i> (No. 2023-03) on www.cninfo.com.cn .
The 18 th Meeting of the 10 th Board of Directors	27 April 2023	28 April 2023	The <i>Proposal on Convening the 2022 Shareholders' Meeting and the Company's First Quarter Report for 2023</i> were deliberated and approved. For details, see the <i>Announcement on the Resolutions of the 18th Meeting of the 10th Board of Directors</i> (No. 2023-09) on www.cninfo.com.cn .
The 19 th Meeting of the 10 th Board of Directors	25 August 2023	28 August 2023	The <i>Semi-annual Report and Summary of the Company for 2023 and Proposal on the Follow-up Development of the Company's Yangzhou Shouxihu Ecological Health Valley Project (GZ342, GZ399 Plots)</i> were deliberated and approved. For details, see the <i>Announcement on the Resolutions of the 19th Meeting of the 10th Board of Directors</i> (No. 2023-17) on www.cninfo.com.cn .
The 20 th Meeting of the 10 th Board of Directors	27 October 2023	30 October 2023	The <i>Proposal on the Long-Term Incentive Settlement of Shenzhen Property Group for 2019-2021, Proposal on the Payout of Long-Term Incentive Bonuses for 2021, Proposal for the Payout of Deferred Long-Term Incentive</i>

			<i>Bonuses for 2022, and Deliberation on the Company's Third Quarter Report of 2023 were deliberated and approved. For details, see the Announcement on the Resolutions of the 20th Meeting of the 10th Board of Directors (No. 2023-24) on www.cninfo.com.cn.</i>
The 21 st Meeting of the 10 th Board of Directors	3 November 2023	6 November 2023	<i>The Proposal on the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd. and the Proposal on Convening the First Extraordinary General Meeting of 2023 were deliberated and approved. For details, see the Announcement on the Resolutions of the 21st Meeting of the 10th Board of Directors (No. 2023-26) on www.cninfo.com.cn.</i>
The 22 nd Meeting of the 10 th Board of Directors	12 December 2023	13 December 2023	<i>The proposals deliberated and approved included the Proposal on the Results of the Company's 2022 Executive Assessment and Its Application Plan, Proposal on the Adjustment of Members of the 10th Board of Directors' Special Committee, Proposal on Amending the Articles of Association of the Company, Proposal on Revising the Rules of Procedure for General Meetings, Proposal on Revising the Rules of Procedure of the Board of Directors, Proposal on Revising the Working Regulations for Independent Directors, Proposal on the Amendment and Establishment of Governance Systems of the Company Like the Annual Auditor Selection System, and Proposal on Convening the Second Extraordinary General Meeting of 2023. For details, see the Announcement on the Resolutions of the 22nd Meeting of the 10th Board of Directors (No. 2023-33) on www.cninfo.com.cn.</i>

2. Attendance of Directors at Board Meetings and General Meetings

Attendance of directors at board meetings and general meetings							
Director	Total number of board meetings the director was eligible to attend	Board meetings attended on site	Board meetings attended by way of telecommunication	Board meetings attended through a proxy	Board meetings the director failed to attend	The director failed to attend two consecutive board meetings (yes/no)	General meetings attended
Liu Shengxiang	7	1	6	0	0	No	3
Wang Hangjun	7	1	6	0	0	No	3
Shen Xueying	7	1	6	0	0	No	3
Wang Ge	7	1	6	0	0	No	3
Xie Chang	7	0	7	0	0	No	3

Mei Yonghong	7	1	6	0	0	No	3
Li Donghui	7	1	6	0	0	No	3
Hu Caimei	7	0	7	0	0	No	3
Zhang Zhimin	7	1	6	0	0	No	3

Why any director failed to attend two consecutive board meetings:

Not applicable

3. Objections Raised by Directors on Matters of the Company

Indicate by tick mark whether any directors raised any objections on any matter of the Company.

Yes No

No such cases in the Reporting Period.

4. Other Information about the Performance of Duty by Directors

Indicate by tick mark whether any suggestions from directors were adopted by the Company.

Yes No

Suggestions from directors adopted or not adopted by the Company:

During the Reporting Period, all directors of the Company actively attended Board meetings and general meetings and performed their duties diligently and conscientiously in strict accordance with the *Articles of Association*, the *Rules of Procedure of the Board of Directors* and relevant laws, rules and regulations. Based on the Company's reality, they put forward relevant opinions on the Company's major governance and operation decisions and reached consensus through sufficient communication and discussion. Additionally, they resolutely supervised and promoted the implementation of the resolutions of the Board of Directors, to ensure scientific, timely and efficient decision-making and safeguard the legitimate rights and interests of the Company and all shareholders.

VII Special Committees under the Board of Directors during the Reporting Period

Name of committee	Members	Number of meetings convened	Date of meeting	Contents	Important comments and suggestions	Other performance of duties	Specific disputed matters (if any)
Audit and Risk Committee	Li Donghui, Wang Hangjun, Zhang Zhimin, Mei Yonghong, and Hu Caimei (adjusted at the 22 nd Meeting of the 10 th Board of Directors convened on 12 December 2023 to: Li Donghui, Mei Yonghong, Hu Caimei, Liu	5	23 March 2023	<ol style="list-style-type: none"> The proposal for reappointment of the accounting firm was reviewed and approved; The <i>Company's 2022 Annual Audit Report and the 2023 Annual Audit Work Plan</i> was reviewed; The <i>Inspection Report on the Company's 2022 Guarantee, Related Party Transactions and Other Matters</i> was deliberated; The <i>Company's 2022 Financial Statements</i> was vetted; The <i>Report on the Audit of the</i> 	Agree	Supervising the work of external audit agencies and the Company's internal audit work; supervising the implementation of the Company's	

	Shengxiang, Xie Chang)			<i>Company's 2022 Annual Consolidated Financial Statements</i> was vetted; 6. <i>The Report on the Audit of the Company's 2022 Internal Control</i> was vetted;		internal control policies; coordinating the communication of the management, internal audit departments and relevant departments with external audit agencies.	
			26 April 2023	1. <i>The Report on the Progress of Audit Work in the First Quarter of 2023</i> was vetted; 2. <i>The 2023 Major Risk Assessment Report</i> was vetted; 3. <i>The 2022 Internal Control System Work Report</i> was vetted; 4. <i>The Form for Monitoring Significant Risks in Q1 2023</i> was vetted; and 5. <i>The Company's First Quarter Report for 2023</i> was vetted.	Agree		
			24 August 2023	1. <i>The Semi-annual Report and Summary of the Company for 2023</i> was vetted; <i>The Report on the Progress of Audit Work in the Second Quarter of 2023</i> was vetted; 3. <i>The Report on Guarantees and Related Party Transactions Inspection of the First Half of 2023</i> was vetted; 4. <i>The Monitoring Report on Significant Risks in Q2 2023</i> was vetted; and 5. <i>The Report on Public Sentiment Management for Q2 2023</i> was vetted.	Agree		
			26 October 2023	1. <i>The Company's 2023 Third Quarterly Report</i> was vetted. 2. <i>The Report on the Progress of Audit Work in the Third Quarter of 2023</i> was vetted; 3. <i>The Monitoring Report on Significant Risks in Q3 2023</i> was vetted; and 4. <i>The Report on Public Sentiment Management for Q3 2023</i> was vetted.	Agree		
			20 December 2023	The Auditor's Report on the Audit Plan for the 2023 Annual Report was received.	Agree		
Remuneration and Evaluation Committee	Hu Caimei, Mei Yonghong, Li Donghui, Xie Chang, Shen Xueying	2	25 May 2023	<i>The Proposal on the 2022 Performance Evaluation Results of the Group Company</i> was vetted	Agree	Studying the assessment standards, remuneration policies and plans for the Company's directors	
			1 November 2023	1. <i>The 2022 Annual Performance Evaluation Plan for Senior Management of the Group</i> was deliberated and approved 2. <i>The 2022 Individual Duty Reports of Senior Management of</i>	Agree		

				<p>SZPRD was reviewed and approved</p> <p>3. The <i>Completion Status Chart for Annual Performance Objectives of Senior Management of SZPRD</i> was reviewed and approved</p> <p>4. The supplementary and veto items for the 2022 senior management assessment was deliberated</p> <p>5. The roster of personnel accountable for the 2022 senior management assessment was deliberated</p>		<p>and senior management personnel; supervising the performance of duties by the Company's directors and senior management personnel; conducting annual performance assessment on the Company's directors and senior management personnel and offering suggestions.</p>	
Strategic Development and Investment Decision Committee	<p>Liu Shengxiang, Wang Hangjun, Zhang Zhimin, Wang Ge, Xie Chang (adjusted at the 22nd Meeting of the 10th Board of Directors convened on 12 December 2023 to: Liu Shengxiang, Wang Hangjun, Zhang Zhimin, Wang Ge, Shen Xueying)</p>	0					
Nomination Committee	<p>Mei Yonghong, Liu Shengxiang, Wang Ge, Hu Caimei, Li Donghui (adjusted at the 22nd Meeting of the 10th Board of Directors convened on 12 December 2023 to: Mei Yonghong,</p>	0					

	Zhang Zhimin, Wang Ge, Hu Caimei, Li Donghui)						
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VIII Performance of Duty by the Supervisory Committee

Indicate by tick mark whether the Supervisory Committee found any risk to the Company during its supervision in the Reporting Period.

Yes No

The Supervisory Committee raised no objections in the Reporting Period.

IX Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the Company as the parent at the period-end	98
Number of in-service employees of major subsidiaries at the period-end	8,719
Total number of in-service employees at the period-end	8,817
Total number of paid employees in the Reporting Period	8,817
Number of retirees to whom the Company as the parent or its major subsidiaries need to pay retirement pensions	0
Functions	
Function	Employees
Production	6,381
Sales	50
Technical	1,433
Financial	174
Administrative	544
R&D	38
Managerial	197
Total	8,817
Educational backgrounds	
Educational background	Employees
Junior college and technical secondary school and above	2,852
Senior high school and below	5,965
Total	8,817

2. Employee Remuneration Policy

To align with the Group's development strategy requirements in 2023, the Group implemented a performance-based assessment and management system for managers of subordinate enterprises, which further increased the work efficiency and created a good entrepreneurial atmosphere for officers. The Group headquarters rigorously implemented several compensation management systems and conducted market-oriented research and revision on subordinate companies' organizational structure design, department function division, post establishment and staffing, and compensation and performance system.

3. Employee Training Plans

In 2023, the Group and its subsidiaries each focused on their respective roles, worked together to optimize talent development mechanisms, accelerated the cultivation of leadership talents, conducted specialized training courses for key positions and mid-to-senior level talents, further enhanced the business proficiency and capability qualities of the cadre team, optimized learning resources, activated the "talent pool" of internal trainers, and further strengthened the internal empowerment system. It continuously built a learning organization and offered courses to enhance management abilities, improve professional skills, and upgrade job skills for employees at all levels, so as to continuously enhance the employees' professional knowledge, business capabilities, and execution skills, and realize the win-win situation of company development and staff growth.

4. Labor Outsourcing

Applicable Not applicable

X Profit Distributions (in the Form of Cash and/or Stock)

How the profit distribution policy, especially the cash dividend policy, was formulated, executed or revised in the Reporting Period:

Applicable Not applicable

On 28 December 2023, the Company revised the Shareholders' Return Plan for the Next Three Years (2023-2025), which was considered and approved at the Second Extraordinary General Meeting of 2023 of the Company, with separate counting of votes for small and medium-sized investors, and the Independent Directors expressed their independent opinions on the revision of the system. For details, please refer to the Announcement on Resolutions of the 22nd Meeting of the Tenth Session of the Board of Directors (Announcement No. 2023-33) and the Announcement on Resolutions of the Second Extraordinary General Meeting of 2023 (Announcement No. 2023-40) disclosed by the Company on 13 December 2023.

Special statement about the cash dividend policy	
In compliance with the Company's Articles of Association and resolution of general meeting	Yes
Specific and clear dividend standard and ratio	Yes
Complete decision-making procedure and mechanism	Yes
Independent directors faithfully performed their duties and played their due role	Yes
Specific reasons and the next steps it intends to take to enhance the investor return level if the Company did not conduct cash dividend:	N/A
Non-controlling interests are able to fully express their opinion and desire and their legal rights and interests are fully protected	Yes
In case of adjusting or changing the cash dividend policy, the conditions and procedures involved are in compliance with	N/A

applicable regulations and transparent	
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Indicate by tick mark whether the Company fails to put forward a cash dividend proposal despite the facts that the Company has made profits in the Reporting Period and the profits of the Company as the parent distributable to shareholders are positive.

Applicable Not applicable

Final dividend plan for the Reporting Period:

Applicable Not applicable

Bonus shares for every 10 shares (share)	0
Dividend for every 10 shares (RMB) (tax inclusive)	3.12
Total shares as the basis for the profit distribution proposal (share)	595979092
Cash dividends (RMB) (tax inclusive)	185,945,476.70
Cash dividends in other forms (such as share repurchase) (RMB)	0.00
Total cash dividends (including those in other forms) (RMB)	185,945,476.70
Distributable profit (RMB)	1,495,323,958.98
Total cash dividends (including those in other forms) as % of total profit distribution	100%
Cash dividend policy	
If the Company is in a mature development stage and has no plans for any significant expenditure, in profit allocation, the ratio of cash dividends in the profit allocation shall be 80% or above.	
Details about the proposal for profit distribution and converting capital reserve into share capital	
The Board has approved a final dividend plan as follows: based on the share capital of 595,979,092 shares, a cash dividend of RMB3.12 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves.	

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

Applicable Not applicable

No such cases in the Reporting Period.

XII Construction and Implementation of Internal Control System during the Reporting Period

1. Internal Control Construction and Implementation

During the Reporting Period, the Company established, improved and effectively implemented internal control according to the Basic Code for Internal Control of Enterprises, the Guidelines on Internal Control of Listed Companies and the Company's actual situation, to ensure the legitimacy and compliance of business and management, guarantee scientific and rational operating procedures and promote the normal and orderly functioning of all major processes.

Building on the issuance of the Guidelines for the Construction of Risk, Internal Control, and Compliance System of SZPRD, the Company regularly reviewed the weaknesses and deficiencies in the risk, internal control, and compliance systems. In response to new business, changes, and issues, it specified measures to address compliance in key business areas and critical processes, promptly carried out relevant system abolishment, revision, and establishment work, and organized the release of the

Comprehensive Risk Management Manual and Internal Control Manual. By formalizing compliance management experience through rules and regulations, the Company simultaneously conducted specialized training on risk management and internal control for 120 employees, aiming to extend internal control from the group headquarters to all subsidiaries, continuously expanding the management scope and effectively broadening the coverage of risk management and internal control efforts.

2. Material Internal Control Weaknesses Identified for the Reporting Period

Yes No

XIII Management and Control of Subsidiaries by the Company during the Reporting Period

Name of company	Integration plan	Integration progress	Problems encountered in integration	Solutions taken	Settlement progress	Follow-up settlement plan
Shenzhen Property Management Co., Ltd.	Transfer of operational management authority to ITC Property Management in 2023	Completed	1. Heavy personnel burdens; 2. Disparities exist in the salary and benefits system; 3. Inability of the cadre pool to meet operational needs	1. Develop a plan for transferring business management rights; 2. Speed up the enhancement of modern corporate systems, promote the modernization of corporate governance systems and capabilities, and establish a robust hierarchical authorization and control system; 3. Explore actions to minimize losses or reverse losses after the unit has moved beyond the support period of the original shareholders, drive ongoing quality improvement and efficiency gains, and establish a collaborative business working mechanism; 4. Research the professional advantages of supporting service companies in areas such as Electromechanical maintenance and elevator maintenance, establish seamless connections in the upstream and downstream industry chains, and enhance business support capabilities; and 5. Deepen human resources reform, establish rules and regulations, establish a sound compensation management system, and continue to advance market-oriented employment reform.	The work is being progressed as per the plan.	None at the moment
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Transfer of operational management authority to ITC Property Management in 2023	Completed	1. Heavy personnel burdens, severe aging of cadres, and insufficient reserves of reserve cadres; 2. Disparities exist in the salary and benefits system; 3. Subpar standard of business; 4. Significant pressure to reduce losses and turn losses around.	1. Develop a plan for transferring business management rights; 2. Speed up the enhancement of modern corporate systems, promote the modernization of corporate governance systems and capabilities, and establish a robust hierarchical authorization and control system; 3. Explore actions to minimize losses or reverse losses after the unit has moved beyond the support period of the original shareholders, drive ongoing quality improvement and efficiency gains, and	The work is being progressed as per the plan.	None at the moment

				<p>establish a collaborative business working mechanism;</p> <p>4. Research the professional advantages of supporting service companies in areas such as hydroelectric maintenance and landscaping management, establish seamless connections in the upstream and downstream industry chains, and enhance business support capabilities; and</p> <p>5. Deepen human resources reform, establish rules and regulations, establish a sound compensation management system, and continue to advance market-oriented employment reform.</p>		
Shenzhen Shenfubao Property Development Co., Ltd.	Transfer of operational management authority to ITC Property Management in 2023	Completed	<p>1. Heavy personnel burdens, severe aging of cadres, and insufficient reserves of reserve cadres; 2. Disparities exist in the salary and benefits system; 3. Subpar standard of business; 4. Significant pressure to reduce losses and turn losses around.</p>	<p>1. Develop a plan for transferring business management rights;</p> <p>2. Speed up the enhancement of modern corporate systems, promote the modernization of corporate governance systems and capabilities, and establish a robust hierarchical authorization and control system;</p> <p>3. Explore actions to minimize losses or reverse losses after the unit has moved beyond the support period of the original shareholders, drive ongoing quality improvement and efficiency gains, and establish a collaborative business working mechanism;</p> <p>4. Research the professional advantages of supporting service companies in areas such as urban services, establish seamless connections in the upstream and downstream industry chains, and enhance business support capabilities; and</p> <p>5. Deepen human resources reform, establish rules and regulations, establish a sound compensation management system, and continue to advance market-oriented employment reform.</p>	The work is being progressed as per the plan.	None at the moment
Shenzhen Free Trade Zone Security Service Co., Ltd.	Transfer of operational management authority to ITC Property Management in 2023	Completed	<p>1. Heavy personnel burdens, severe aging of cadres, and insufficient reserves of reserve cadres; 2. Disparities exist in the salary and benefits system; 3. Subpar standard of business; 4. Significant pressure to reduce losses and turn losses around.</p>	<p>1. Develop a plan for transferring business management rights;</p> <p>2. Speed up the enhancement of modern corporate systems, promote the modernization of corporate governance systems and capabilities, and establish a robust hierarchical authorization and control system;</p> <p>3. Explore actions to minimize losses or reverse losses after the unit has moved beyond the support period of the original shareholders, drive ongoing quality improvement and efficiency gains, and establish a collaborative business working mechanism;</p> <p>4. Research the professional advantages of supporting service companies in areas such</p>	The work is being progressed as per the plan.	None at the moment

				as security service, establish seamless connections in the upstream and downstream industry chains, and enhance business support capabilities; and 5. Deepen human resources reform, establish rules and regulations, establish a sound compensation management system, and continue to advance market-oriented employment reform.		
Shenzhen Foreign Trade Property Management Co., Ltd.	Transfer of operational management authority to ITC Property Management in 2023	Completed	1. Heavy personnel burdens, severe aging of cadres, and insufficient reserves of reserve cadres; 2. Disparities exist in the salary and benefits system; 3. Subpar standard of business; 4. Significant pressure to reduce losses and turn losses around.	1. Develop a plan for transferring business management rights; 2. Speed up the enhancement of modern corporate systems, promote the modernization of corporate governance systems and capabilities, and establish a robust hierarchical authorization and control system; 3. Explore actions to minimize losses or reverse losses after the unit has moved beyond the support period of the original shareholders, drive ongoing quality improvement and efficiency gains, and establish a collaborative business working mechanism; and 4. Deepen human resources reform, establish rules and regulations, establish a sound compensation management system, and continue to advance market-oriented employment reform.	The work is being progressed as per the plan.	None at the moment

XIV Evaluation Report or Independent Auditor's Report on Internal Control

1. Internal Control Evaluation Report

Disclosure date of the internal control self-evaluation report	30 March 2024	
Index to the disclosed internal control self-evaluation report	http://www.cninfo.com.cn	
Evaluated entities' combined assets as % of consolidated total assets	100.00%	
Evaluated entities' combined operating revenue as % of consolidated operating revenue	100.00%	
Identification standards for internal control weaknesses		
Type	Weaknesses in internal control over financial reporting	Weaknesses in internal control not related to financial reporting
Nature standard	Serious defect: 1. the control environment is invalid; 2. Commitment of major fraud by directors, supervisors or senior management of the Company; 3. the audit institution discovered the current financial report had great defect while the internal control of the Company didn't found out during the operating process;	Major defects: 1. Serious violation of national laws and regulations leading to major litigation, or investigation of regulatory agencies, ordered suspension of business for rectification, investigation for criminal responsibility or replacement of senior managers; 2. Abnormal major changes of directors, supervisors, senior management and

	<p>4. Correction of major misstatement in financial reports reported or disclosed by the Company;</p> <p>5. the supervision of the Company's Audit and Risk Management Committee and the internal audit department on the internal control was invalid.</p> <p>Important defect:</p> <ol style="list-style-type: none"> 1. didn't abide by the universally acknowledged accounting standard to choose and apply the accounting policies; 2. had not built up the anti-fraud process and the control measures; 3. had not built up the corresponding control mechanism or had not executed the corresponding compensating control for the accounting treatment which was unconventional or with special transaction; 4. the control during the process of the financial report at the period-end existed one or multiple defects that could not guarantee the compile of the financial report reach the goal of being real and complete; 5. Important or general defects of internal control to be rectified. <p>Common defect: refers to the other control defect except for the above great defect and significant defect.</p>	<p>main technical personnel of the Company;</p> <ol style="list-style-type: none"> 3. Major decision-making errors due to lack of internal democratic decision-making procedures or unscientific procedures; 4. Serious loss of core management or technical personnel; 5. Vicious negative news frequently appeared in the media, involving a wide range and negative existing influence; 6. Significant impact on the Company's production and operation due to lack of system control or system failure of important business; 7. Major defects of internal control evaluation to be rectified; 8. Any other negative circumstances generating significant impact on the Company. <p>Significant defects:</p> <ol style="list-style-type: none"> 1. Incomplete democratic decision-making process that affects production and operation of the Company; 2. Violation of internal rules and regulations leading to important losses; 3. Exposure of negative news by the media leading to significant impact on the Company; 4. Important defects of important business regulations or system to be rectified; 5. Any other negative case leading to great impact on the Company. <p>Common defects: any other control defect except for the above major and significant defects.</p>
Quantitative standard	<p>Serious defect:</p> <p>potential misstatement of the operating income $\geq 1\%$ of the operating income of the consolidated statements of the Company, potential misstatement of the total assets amount $\geq 0.30\%$ of the total assets of the consolidated statements of the Company, potential misstatement of the net assets $\geq 1.00\%$ of the net assets of the consolidated statements of the Company.</p> <p>Important defect:</p> <p>0.50% of the operating income of the consolidated statements of the Company \leq misstatement $< 1\%$ of the operating income of the consolidated statements of the Company; 0.15% of the total assets of the consolidated statements of the Company \leq misstatement $< 0.30\%$ of the total assets of the consolidated statements of the Company, 0.5% of the net assets of the consolidated statements of the Company \leq misstatement $< 1\%$ of the net assets of the consolidated statements of the Company.</p> <p>Common defect:</p>	<p>Major defects: direct property loss $\geq 1.00\%$ of net assets of the previous year;</p> <p>Significant defects: 0.5% of net assets of the previous year \leq direct property loss $< 1.00\%$ of net assets of the previous year;</p> <p>Common defects: direct property loss $< 0.5\%$ of net assets of the previous year.</p>

	misstatement of the operating income<0.5% of the operating income of the consolidated statements of the Company, misstatement of the total assets amount<0.15% of the total assets amount of the consolidated statements of the Company, misstatement of the net assets<0.5% of the net assets of the consolidated statements of the Company.	
Number of material weaknesses in internal control over financial reporting		0
Number of material weaknesses in internal control not related to financial reporting		0
Number of serious weaknesses in internal control over financial reporting		0
Number of serious weaknesses in internal control not related to financial reporting		0

2. Independent Auditor's Report on Internal Control

Applicable Not applicable

Opinion paragraph in the independent auditor's report on internal control	
We believe that Shenzhen Properties & Resources Development (Group) Ltd. maintained efficient internal control of financial reports in all significant aspects according to "Basic Standards of Corporate Internal Control" and relevant regulations.	
Independent auditor's report on internal control disclosed or not	Disclosed
Disclosure date	30 March 2024
Index to such report disclosed	http://www.cninfo.com.cn
Type of the auditor's opinion	Unmodified unqualified opinion
Material weaknesses in internal control not related to financial reporting	None

Indicate by tick mark whether any modified opinion is expressed in the independent auditor's report on the Company's internal control.

Yes No

Indicate by tick mark whether the independent auditor's report on the Company's internal control is consistent with the internal control self-evaluation report issued by the Company's Board.

Yes No

XV Remediation of Problems Identified by Self-inspection in the Special Action on the Governance of Listed Companies

Not applicable.

Part V Environmental and Social Responsibility

I Major Environmental Issues

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

Yes No

Administrative penalties imposed for environmental issues during the Reporting Period

Name of the company or subsidiary company	Penalty reason	Violation situation	Penalty result	Impact on the production and operation of the listed companies	Remediation measures of the Company
N/A	N/A	N/A	N/A	N/A	N/A

Other environmental information disclosed with reference to key emission units

The Company attaches great importance to environmental protection and strictly implements relevant laws and regulations. During the Reporting Period, no major environmental violations occurred and no administrative penalties were imposed on environmental protection. In 2023, Huangcheng Real Estate Company, a subsidiary of the Company, had construction projects: the Humen Sea Bay Project in Dongguan and Guangming Yutang Shangfu Project in Shenzhen, which were both located near major roads in the areas and close to residential communities and municipal roads, with strict ecological requirements for all environmental work. Since the commencement of construction, efforts have been made to actively carry out pollution prevention, pollution control, dust prevention, noise reduction, and other works to enhance the satisfaction of the surrounding residents. The environmental risk prevention responsibilities of the project management department were diligently carried out, with active cooperation with environmental regulatory personnel for on-site inspections, strict adherence to environmental impact assessment and "three simultaneous" requirements, and the standardization of methods for wastewater discharge, dust reduction, and noise reduction. The projects under construction in Humen Sea Bay and Guangming Yutang Shangfu are planned with measures conducive to environmental protection and pollution control. The requirement is for environmental protection and pollution control facilities to be designed, constructed, and utilized simultaneously with the main engineering works. Various pollutants (such as exhaust gas, wastewater, garbage, industrial waste residue, noise, oil pollution, and various radioactive and non-radioactive pollutants contained in building materials) and all types of building materials shall be effectively managed and meet the required standards. The construction projects, Lanhu Times Phase 1 and Phase 2, of Rongyao Real Estate Company, a subsidiary of the Company, are situated near the main thoroughfare Osmanthus Road in the Guanlan area. The vicinity of the projects is predominantly industrial parks, with a national environmental monitoring station and a school to the south of the site, and residential buildings at the northeast corner of the site. Since the commencement of construction, the project has established an organizational structure for pollution prevention and control management and a system of pollution prevention and control measures. The overall planning incorporates measures favorable to environmental protection and pollution control, making full use of the terrain and strictly implementing the soil and water conservation plan.

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

Applicable Not applicable

Reasons for not disclosing other environmental information

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

II Social Responsibility

(1) Annual tax payments and cash dividends.

Shenzhen Property Group and its subsidiaries fulfilled a tax payment obligation of RMB42.87 million in the fiscal year 2023 and distributed a cash dividend of RMB215,148,500 to shareholders as per the Company's bylaws and shareholder resolutions. In the fiscal year 2023, Shenzhen Property Group showcased exceptional operational results and financial stability, demonstrating its tax compliance awareness and sense of responsibility. This also indicates a sound financial position and a consistent growth in profitability, fostering a mutually beneficial relationship between the Company and its shareholders. These accomplishments not only showcase the Company's financial prowess and governance competencies but also exemplify its commitment to ethical business practices and social responsibility. In future development, Shenzhen Property Group will continue to maintain a prudent business strategy and sound financial condition, creating more value for its shareholders and society.

(2) Solving unemployment problems.

Shenzhen Property Group and its affiliated enterprises provided a total of 221 positions to the society in 2023, hiring a total of 1,369 individuals, including 18 fresh graduates, 34 military veterans, and 4 disabled individuals. Shenzhen Property Group actively embraced social responsibility by actively advancing a strategy of talent diversification, bringing new vigor and innovative capabilities to its development. As a socially responsible company, Shenzhen Property Group consistently adheres to a people-oriented development philosophy, emphasizing talent recruitment and cultivation, while also making positive contributions to social harmony and stability.

(3) Employee care.

In order to strengthen the people-centered development philosophy and implement the Group's work mechanism of assistance in depth, the Party Committee of the Shenzhen Property Group held a symposium to extend regard to the employees in difficulty and the symposium of "July 1st" Party members in need before the Spring Festival. Before the Spring Festival employee welfare event for those in need, the Group conducted an overall and scrupulous investigation, identification and category-based registration and record, and confirmed 55 persons as the targets in need of assistance, including 12 Party members in difficulty. A total of 4 Party members in need were comforted during the "July 1st" event for Party members facing difficulties. In order to safeguard the safety of frontline workers operating in hot weather conditions, the general Party branch of Wuhe Urban Renewal Company and Yangzhou Shouxihu Jingyue Company, both subsidiaries of Shenzhen Property Group, organized the "deliver beverages to construction sites, pool solidarity and strength to facilitate development" event, providing cooling tea and refreshing drinks to frontline workers.

(4) Carry out blood donation activity.

Shenzhen Property Group's subsidiary, ITC Property Management, is fully committed to creating a "Virtue Culture" centered around volunteer activities, which has launched the "red flag, red action" public welfare blood donation campaign across various enterprises nationwide. Over the past two years, the scope of public welfare blood donation activities has expanded from the Shenzhen region to encompass the entire country. In 2023, a total of 730 individuals participated, with 560 successfully donating blood, amounting to a total volume of 190,700ml. The "red flag, red action" campaign started in 2011 and has now held twelve sessions. It has organized a total of 1,171 instances of voluntary blood donation by Party members and the public, with a cumulative blood donation volume exceeding 399,600ml.

(5) Longhua District General Union's charitable donations.

The Rongyao Real Estate Company, a subsidiary of Shenzhen Property Group, actively responded to the government's call to participate in donation activities, which donated a total of RMB5,000 to the Longhua District General Union, to be used for caring for new forms of employment workers in Longhua District, workers on the edge of difficulty, children of workers in need, conducting emergency relief and warmth initiatives, promoting charitable activities, publicizing public welfare projects, and purchasing materials.

III Efforts in Poverty Alleviation and Rural Revitalization

SZPRD and its affiliated business organisations organised and carried out consumption assistance activity, and spent RMB1,620,000 in total on the procurement of agricultural products through consumption assistance in 2023.

Part VI Significant Events

I Fulfillment of Commitments

1. Commitments of the Company's Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company Itself and other Entities Fulfilled in the Reporting Period or Ongoing at the Period-end

Applicable Not applicable

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
Commitments made in acquisition documents or shareholding alteration documents	Shenzhen Investment Holdings Co., Ltd. (SIHC)	Commitments on horizontal competition, related-party transactions and capital occupation	Wholly-owned subsidiary Shenzhen Construction Development and majority-owned subsidiary SPG of SIHC deal with real estate operation and commercial house sales, which belong to the same industry of the Listed Company, and has horizontal competition with the Listed Company. To avoid horizontal competition, SIHC make the following commitment. ¹	6 September 2018	Three years	Normal performance ²
Commitments made in acquisition documents or shareholding alteration documents	Shenzhen Investment Holdings Co., Ltd.	Commitments on horizontal competition, related-party transactions and capital occupation	To reduce and standardize related transactions with the Listed Company, SIHC makes the following commitment. ³	6 September 2018	Long-term	Normal performance
Fulfilled on time	Yes					

Note 1: Wholly-owned subsidiary Shenzhen Construction Development and majority-owned subsidiary SPG of SIHC deal with real estate operation and commercial house sales, which belong to the same industry of the Listed Company, and has horizontal competition with the Listed Company. To avoid horizontal competition, SIHC make the following commitments: 1. On the horizontal competition solution of Shenzhen Construction Development: as the holding shareholder of the Listed Company, during the listing period at Shenzhen Stock Exchange of the Listed Company, as for the current business of Shenzhen Construction Development which has horizontal competition with the Listed Company, within the scope permitted by law and regulation, within

12 months from the equity of SZPRD being transferred to SIHC, SIHC will start the solution with practical operability among below horizontal competition solution timely and complete implementation of the solution within 3 years from the date that the equity of SZPRD is transferred to SIHC to solve current horizontal competition problems: (1) Shenzhen Construction Development signs asset custody agreement with the Listed Company, entrusts the assets which has direct competition with the Listed Company to the Listed Company, confirms fair custodian fee at the same time, and takes effective measures to solve horizontal competition within commitment period; (2) Inject assets with direct competition with the Listed Company into the Listed Company; (3) Transfer assets with direct competition with the Listed Company to unrelated third party; (4) other measures which can solve horizontal competition effectively and is favorable for protecting the interest of the Listed Company and legal interests of other shareholders. Before solving current horizontal competition, while company, enterprise, economic organization (not including enterprises controlled by the Listed Company, hereinafter referred to as subordinated Companies) which the Listed Company and SIHC hold controlling shares or controls actually have business, in case the involved dispute, etc. have major influence on the business, SIHC should keep neutral as a controlling shareholder to ensure that the Listed Company and subordinated Companies can take part in market competition on the principle of fair competition.

2. Horizontal competition solution of SPG: From 14 September 2016 to now, SPG has had stock suspension because of major assets restructuring. According to *Review Opinions on Delaying Stock Resumption because of Major Assets Restructuring of SPG announced by CITIC Securities and Huatai Securities* on 26 November 2016, the restructuring solution is that SPG plans to issue A share and / or use currency to purchase 100% equity of Evergrande Group (hereinafter referred to as “the restructuring of SPG”). On 9 November 2020, SPG issued an announcement that the current condition to continue to promote the major assets restructuring was not sound yet based on the current market environment and decided to terminate this transaction to safeguard interests of the company and all shareholders. After the termination of this transaction, SIHC is still the controlling shareholder of SPG. For business of SPG which has horizontal competition with the Listed Company, SIHC, within the scope permitted by law and regulation, SIHC will start a rational horizontal competition solution according to actual situation at the time within 12 months after the termination of reconstruction of SPG and stock resumption announcement date, and fulfill announcement obligation, and SPG will complete to implement the solution and solve the horizontal competition between SZPRD and SPG within 3 years from the date SPG terminates the reconstruction and announces stock resumption.

3. Other commitments to avoid horizontal competition: as the controlling shareholder of the Listed Company and during the listing period of the Listed Company at Shenzhen Stock Exchange, other subordinated Companies of SIHC will not engage in relevant business which has direct horizontal business competition with the Listed Company in new business fields except for in the business field where it already has had horizontal competition with the Listed Company. Shenzhen Investment Holdings promises not to seek improper benefits with the position of controlling shareholder of the Listed Company and damage the interest of the Listed Company and its shareholders. In case of violating above commitment, SIHC shall undertake corresponding legal liabilities, including but not limited to undertaking compensation responsibilities for all losses caused to the Listed Company.

Note 2: SIHC has always been actively committed to fulfilling its relevant commitments. During the term of commitment, SIHC did not seek any illegitimate interests as the controlling shareholding of SZPRD or damage any rights and interests of SZPRD and its shareholders. During the term of commitment, SIHC actively collated the underlying assets and businesses of Shenzhen Construction Development (Group) Company and devoted itself to developing practical and feasible plans as soon as possible to solve the horizontal competition issue for SZPRD. It also actively promoted the restructuring of SPG. However, given the objective circumstances, SIHC failed to fulfill the original commitment to avoid horizontal competition. SIHC re-issued the Letter on Changing the Commitment to Avoiding Horizontal Competition on 31 August 2021 and such commitment change matter was approved at the first extraordinary general meeting of 2021 held on 27 September 2021. For more details, see the *Announcement on the Application by the Company's Controlling Shareholder for Changing the Commitment to Avoiding Horizontal Competition* (Announcement No.: 2021-32) disclosed by the Company on www.cninfo.com.cn on 11 September 2021.

Note 3: To reduce and standardize related transactions with the Listed Company, as controlling shareholder of the Listed company and during the listing period of the Listed Company at Shenzhen Exchange Stock, SIHC promises: 1. SIHC and its controlling or

actually controlled companies, enterprises, economic organizations (not including enterprises controlled by the Listed Company, hereinafter referred to as the “subordinated companies”) will strictly exercise the rights of shareholders according to provisions of laws, regulations, and other normative documents, and fulfill the obligations of shareholders, and keep the independence of the Listed Company in assets, finance, employees, business and agency, etc. 2. SIHC promises not to use its position of controlling shareholder to promote board of shareholders or board of directors to make resolutions which may damage the legal interest of the Listed Company or other shareholders; 3. SIHC and its subordinated companies will try their best to avoid having related transactions with the Listed Company. In case the transaction with the Listed Company is inevitable, SIHC and its subordinated companies will have transaction with the Listed Company on the basis of equality and free will, according to fair, rational and normal commercial transaction conditions, will not require or accept conditions which is more preferential than the Listed Company gives to the third party in any fair market transactions, and strictly fulfill various related transactions with the Listed Company with good will. 4. SIHC and its subordinated companies will strictly fulfill decision making procedures and relevant information disclosure obligations of related transactions according to articles of association of the Listed Company and relevant laws and regulations. 5. SIHC and its subordinated companies will make sure that they will not seek special interests beyond above stipulations by having related transactions with the Listed Company, will not use related transactions to illegally transfer funds and profits of the Listed Company and to maliciously damage the legal interests of the Listed Company and its shareholders. 6. As for current related transaction with the Listed Company, within the scope permitted by laws and regulations, SIHC promises to confirm rational related transaction solution within 12 months after the Company shares are transferred to SIHC, and complete to implement the solution within 5 years after the Company shares are transferred to SIHC, to solve such related transactions completely. The specific forms include: (1) After current related transaction contract expires, it will not be renewed. In case contract renewal is necessary according to the operation needs of the Listed Company, it will fulfill relevant decision making procedures strictly according to procedures of related transactions. (2) Under the precondition of possible realization, terminate contract which is being fulfilled, and adopt marketized and open bid invitation, etc., inquire again on service items involved in such related transactions to confirm appropriate service provider. In case related transaction is involved, it should fulfill relevant decision making procedures according to related transaction procedures. (3) In case there is possibility of price re-negotiation in the related transaction contract which is being fulfilled, conduct price negotiation again, make the contract amount after re-pricing conform to market price and not higher than the amount of contract which is being fulfilled, and strictly fulfill relevant decision making procedures according to related transaction procedures.(4) Other appropriate measures which can reduce and finally eliminate current related transaction but not necessary. 7. In case of violating above commitments, SIHC shall undertake corresponding legal liabilities, including but not limited to undertaking compensation liability for all the losses caused to the Listed Company.

2. Where there had been an earnings forecast for an asset or project and the Reporting Period was still within the forecast period, explain why the forecast has been reached for the Reporting Period.

Applicable Not applicable

II Occupation of the Company’s Capital by the Controlling Shareholder or 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 Explanations Given by the Board of Directors Regarding the Latest “Modified Opinion” Issued by the Independent Auditor

Applicable Not applicable

V Explanations Given by the Board of Directors, the Supervisory Board and the Independent Directors (if any) Regarding the Independent Auditor's “Modified Opinion” on the Financial Statements of the Reporting Period

Applicable Not applicable

VI YoY Changes to Accounting Policies and Estimates and Correction of Material Accounting Errors

Applicable Not applicable

As of January 1, 2023, the Company adopts the relevant provisions of Accounting Standards Interpretation for Business Enterprises No. 16 (CK (2022) No. 31). For a single transaction that is not a business combination, does not affect accounting profit or taxable income (or deductible loss) at the time of the transaction, and the initial recognition of assets and liabilities results in an equal amount of taxable temporary difference and deductible temporary difference (including a lease transaction in which the lessee initially recognizes the lease liability on the beginning date of the lease term and credits the right to use assets), As well as due to the existence of fixed assets and other disposal obligations to recognize the projected liabilities and include the cost of the relevant assets, hereinafter referred to as the single transaction applicable to this interpretation), does not apply to the Accounting Standards for Business Enterprises 18 - Income tax Article 11 (2), 13 on the exemption of the initial recognition of deferred income tax liabilities and deferred income tax assets provisions. For the taxable temporary differences and deductible temporary differences arising from the initial recognition of assets and liabilities of the transaction, the enterprise shall recognize the corresponding deferred income tax liabilities and deferred income tax assets respectively at the time of the transaction in accordance with the relevant provisions of Accounting Standard for Business Enterprises No. 18 - Income Tax. The Company has retroactively adjusted the comparative accounting statements and cumulative impact figures based on the above accounting policy changes, resulting in the following impacts:

Content and reason of changes to accounting policies	Statement	Name and amount of statement item materially affected
At the initiation of the lease transaction, the lessee acknowledges the lease liability and incorporates the right-of-use asset without exempting the initial recognition of deferred tax liabilities and assets, resulting in the recognition of the respective deferred tax liabilities and deferred tax assets at the transaction occurrence.	Consolidated balance sheets	On December 31, 2022 the impact of deferred tax assets is RMB24,500,761.16, the impact of deferred tax liabilities is RMB22,737,325.56, the impact of surplus reserves is RMB5,970.29, the impact of retained earnings is RMB1,697,650.08, and the impact of minority interest is RMB59,815.23.
	consolidated income statement	The impact of income tax expense is RMB330,314.64 in 2022.
	Balance sheet of the Company as the Parent	On December 31, 2022 the impact of deferred tax assets is RMB869,290.80, the impact of deferred tax liabilities is RMB809,587.96, the impact of surplus reserves is RMB5,970.29, and the impact of retained earnings is RMB53,732.55.
	Income statement of the Company as the Parent	The impact of income tax expense is RMB2,195.78 in 2022.

Content and reason of changes to accounting policies	Statement	Name and amount of statement item materially affected
At the initiation of the lease transaction, the lessee acknowledges the lease liability and incorporates the right-of-use asset without exempting the initial recognition of deferred tax liabilities and assets, resulting in the recognition of the respective deferred tax liabilities and deferred tax assets at the transaction occurrence.	Consolidated balance sheets	On December 31, 2022 the impact of deferred tax assets is RMB24,500,761.16, the impact of deferred tax liabilities is RMB22,737,325.56, the impact of surplus reserves is RMB5,970.29, the impact of retained earnings is RMB1,697,650.08, and the impact of minority interest is RMB59,815.23.
	consolidated income statement	The impact of income tax expense is RMB330,314.64 in 2022.
	Balance sheet of the Company as the Parent	On December 31, 2022 the impact of deferred tax assets is RMB869,290.80, the impact of deferred tax liabilities is RMB809,587.96, the impact of surplus reserves is RMB5,970.29, and the impact of retained earnings is RMB53,732.55.
	Income statement of the Company as the Parent	The impact of income tax expense is RMB2,195.78 in 2022.

VII YoY Changes to the Scope of the Consolidated Financial Statements

Applicable Not applicable

For the detailed changes to the scope of the Company's consolidated statements of the Reporting Period, see "Part X Financial Statements", IX Changes to the Scope of the Consolidated Financial Statements.

VIII Engagement and Disengagement of Independent Auditor

Current independent auditor:

Name of the domestic independent auditor	Baker Tilly China Certified Public Accountants (LLP)
The Company's payment to the domestic independent auditor (RMB'0,000)	95
How many consecutive years the domestic independent auditor has provided audit service for the Company	4 years
Names of the certified public accountants from the domestic independent auditor writing signatures on the auditor's report	Chen Zihan, Zhong Qinfang
How many consecutive years the certified public accountants have provided audit service for the Company	Four years for Chen Zihan, two years for Zhong Qinfang

Indicate by tick mark whether the independent auditor was changed for the Reporting Period.

Yes No

Independent auditor, financial advisor or sponsor engaged for the audit of internal controls:

Applicable Not applicable

In this Reporting Period, the Company engaged Baker Tilly China Certified Public Accountants (LLP) for its internal control audit and paid an internal control audit fee of RMB0.2 million to it for the period.

IX Possibility of Delisting after Disclosure of this Report

Applicable Not applicable

X Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

XI Major Legal Matters

Applicable Not applicable

General information	Involved amount (RMB '0,000)	Provision	Progress	Decisions and effects	Execution of decisions	Disclosure date	Index to disclosed information
Arbitration case of property contract dispute between the Fourth Owners' Committee of Shenzhen Nanshan District Software Park (Applicant) and Shenzhen ITC Technology Park Service Co., Ltd. (Respondent 1), the Branch in High-Tech Zone (Respondent 2) for Software Park Phase I. The Applicant requested an award to the Respondent 1 and 2 to return the owners' public revenue and bear the attorney's fees.	73.53	Not	Closed	Arbitration awards on two cases were given on 23 and 24 March 2023 successively. According to the conclusion of arbitration awards, the High-tech Zone Branch should return approximately RMB540,000 of public revenue to the Owners' Committee of Shenzhen Nanshan District Software Park (in spite of RMB32 million requested by the Owners' Committee) and bear a part of arbitration fee; in regard to the arbitration case between the ITC Technology Park Company and the Owners' Committee of Shenzhen Nanshan District Software Park, all requests of the latter have been rejected by the arbitration tribunal (in spite of RMB13 million requested by the Owners' Committee).	As a result of the turnover in the owners' committee, the new committee has not been formed yet, and there is no corporate account. Discussions have taken place with the court, leading to a temporary suspension of payment.		
Shenzhen Qitian Sunshine Hotel Management Co., Ltd. (plaintiff) sued ShenZhen Properties & Resources Development (Group) Ltd. (defendant) for property leasing contract dispute, requesting the defendant to pay compensation for interior decoration of the relocated house and relocation fee of the leased house and to return the subsidy fee of the leased house, etc. The first instance judgment reads that the plaintiff Shenzhen Qitian Sunshine Hotel	105.09	Not	Shenzhen Qitian Sunshine Hotel Management Co., Ltd. filed a retrial.	The court of second instance has rejected the appeal request of Qitian Sunshine Hotel and upheld the original verdict	Enforcement, retrial process		

Management Co., Ltd. shall pay rent of RMB1,050,913.6 to the defendant ShenZhen Properties & Resources Development (Group) Ltd. within 10 days from the effective date of this judgment. The second-instance court rejected the appeal from Qitian Hotel, upheld the original verdict, and Qitian Hotel has now applied for retrial.							
Since the violation of the <i>Equity Transfer Contract for the Urban Renewal Project in Bangling Community, Guanlan Subdistrict, Longhua District, Shenzhen City</i> committed by the Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd. constituted material breach of contract, according to provisions of the contract, the Company is entitled to require Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd. to pay compensation for its investment loss at an annual interest rate of 11% of the capital the Company invested in the Lanhu Shidai project. Therefore, the Company filed an arbitration.	17,133.68	Not	The case was heard at Shenzhen Court of International Arbitration on 14 December 2023, and is currently waiting for the decision.	Not yet	Not yet		
On 26 February 2019, the Company signed <i>Repayment Agreement</i> with Rongyao Real Estate, Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd. and Shenzhen Xinhai Holding Co., Ltd. For details, see <i>Announcement on the Signing of Repayment Agreement</i> (Announcement No.: 2019-9) disclosed by the Company on http://www.cninfo.com.cn . According to provisions of the <i>Repayment Agreement</i> , Shenzhen Xinhai Rongyao	72,218.22	Not	The case now enters the stage of appointing arbitrator to set up arbitral tribunal. Afterward, the respondent filed an appeal for confirmation of force of the	Not yet	Not yet	9 June 2023	For details, please refer to the <i>Announcement on Major Arbitration of Subsidiary</i> (No.: 2023-13) disclosed by the Company on Cninfo.

<p>Real Estate Development Co., Ltd. and Shenzhen Xinhai Holding Co., Ltd. acknowledge to settle their debts to Rongyao Real Estate. However, Shenzhen Xinhai Investment Development Co., Ltd., Shenzhen Chengjian Real Estate Management Co., Ltd., Shenzhen Lianghong Industry Co., Ltd. and Shenzhen Huaye Tiancheng Investment Co., Ltd., as their guarantors who assume joint and several liability, failed to settle all debts as required by the agreement. Therefore, Rongyao Real Estate filed an arbitration.</p>			<p>arbitration agreement to the Shenzhen Intermediate People's Court, resulting in the suspension of the arbitration court's trial on the case. After the confirmation of force of the arbitration agreement is concluded by the court, the arbitration court will inform both parties of the recovery of the arbitration proceedings.</p>				
<p>Summary of other contract disputes</p>	<p>9,681</p>	<p>See Part X Financial Report -XVI-2</p>	<p>See Part X Financial Report- XVI -2</p>	<p>See Part X Financial Report- XVI -2</p>	<p>See Part X Financial Report- XVI -2</p>		

XII Punishments and Rectifications

Applicable Not applicable

No such cases in the Reporting Period.

XIII Credit Quality of the Company as well as Its Controlling Shareholder and Actual Controller

Applicable Not applicable

XIV Major Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price	Total value (RMB'0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB'0,000)	Over the approved line or not	Method of settlement	Obtainable market price for same-type transactions	Disclosure date	Index to disclosed information
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent	Related-party transactions governing sales of commodity and providing of labors	Property management services	Property management services	Property management services	7,892.39	5.00%	6,904.25	Yes	Cash	7,892.39	25 March 2023	Announcement on Estimated Continuing Related-party Transactions in 2023 (No.: 2023-05) disclosed on Cninfo
Hebei Shenbao Investment Development Co., Ltd.	Subsidiary of the Company as the parent	Related-party transactions governing sales of commodity and providing of labors	Property management services and engineering services	Property management services	Property management services	4,016.66	2.54%	3,574.01	Yes	Cash	4,016.66	25 March 2023	
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent	Related-party transactions governing purchase of commodity and providing of labors	Management services	Market principle	Agreement price	6,248.1	4.74%	8,160	No	Cash	6,248.1	25 March 2023	
Shenzhen Shentou Real Estate Development	Wholly-owned subsidiary	Trusteeship	Trustee management	Market principle	Agreement price	6,164.06	40.59%	6,361.61	No	Cash	6,164.06	25 March 2023	

nt Co.,Ltd.	ary of the Company as the parent		services of houses										
Total				--	--	24,321.21	--	24,999.87	--	--	--	--	--
Large-amount sales return in detail				N/A									
Give the actual situation in the Reporting Period (if any) where an estimate had been made for the total value of continuing related-party transactions by type to occur in the Reporting Period				The total amount of daily related-party transactions of the Company in 2023 is expected to be RMB342,640,300, and the actual total amount is RMB381,397,000. In predicting the routine related party transactions for the year 2023, the Company primarily considered market conditions and the business needs of both parties to estimate potential transaction amounts. The actual figures might deviate due to factors like the development of both entities' businesses, actual requirements, and specific execution timelines. Such discrepancies were deemed normal business conduct and were not expected to have a significant impact on the Company's routine operations or financial results. For more details, see the <i>Announcement on Estimated Continuing Related-party Transactions in 2024</i> released on the same date as this report.									
Reason for any significant difference between the transaction price and the market reference price (if applicable)				N/A									

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

Applicable Not applicable

No such cases in the Reporting Period.

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

Applicable Not applicable

No such cases in the Reporting Period.

4. Credits and Liabilities with Related Parties

Applicable Not applicable

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

Yes No

Receivable from related parties

Related party	Relationship with the Company	Reason	Capital occupation for non-operating purposes (yes/no)	Beginning balance (RMB'0,000)	Amount newly added in current period (RMB'0,000)	Amount received in current period (RMB'0,000)	Interest rate	Current interest (RMB'0,000)	Ending balance (RMB'0,000)
Shenzhen Xinhai Holdings Co., Ltd.	The parent company of the subsidiary Rongyao Real Estate's minority shareholder Xinhai Rongyao	Business circulating funds before acquisition	No	20,150					20,150
Shenzhen	Minority	Business	No	33,047.29					33,047.29

Xinhai Rongyao Real Estate Development Co., Ltd.	shareholder of the subsidiary Rongyao Real Estate	circulating funds before acquisition							
Influence on the Company's operating results and financial condition		All were within the risks control of the Company and not influenced the operating results and the financial conditions.							

Liabilities payable to related parties

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

5. Transactions with Related Finance Companies

Applicable Not applicable

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

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

Applicable Not applicable

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

7. Other Major Related-Party Transactions

Applicable Not applicable

No such cases in the Reporting Period.

XV Major Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

Applicable Not applicable

No such cases in the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases in the Reporting Period.

(3) Leases

Applicable Not applicable

No such cases in the Reporting Period.

2. Major guarantees

Applicable Not applicable

Unit: RMB'0,000

Guarantees provided by the Company as the parent and its subsidiaries for external parties (exclusive of those for subsidiaries)										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Guarantees provided by the Company for its subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Shenzhen Rongyao Real Estate Development Co., Ltd.	18 October 2019	500,000	27 November 2019	321,812	Joint-liability	Equity, land use right		2019.11.27-2026.3.17	No	Yes
Total approved line for such guarantees in the Reporting Period (B1)				Total actual amount of such guarantees in the Reporting Period (B2)		21,892.77				
Total approved line		500,000		Total actual balance		321,811.77				

for such guarantees at the end of the Reporting Period (B3)				of such guarantees at the end of the Reporting Period (B4)							
Guarantees provided between subsidiaries											
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not	
Total guarantee amount (total of the three kinds of guarantees above)											
Total guarantee line approved in the Reporting Period (A1+B1+C1)				Total actual guarantee amount in the Reporting Period (A2+B2+C2)						21,892.77	
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		500,000		Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)						321,811.77	
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets										69.03%	
Of which:											
Balance of debt guarantees provided directly or indirectly for obligors with an over 70% debt/asset ratio (E)										321,811.77	
Total of the three amounts above (D+E+F)										321,811.77	

Compound guarantees:

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Wealth Management

Applicable Not applicable

No such cases in the Reporting Period.

(2) Entrusted Loans

Applicable Not applicable

No such cases in the Reporting Period.

4. Other Major Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XVI Other Significant Events

Applicable Not applicable

(1) Matters on the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd.

During the Reporting Period, the 21st meeting of the 10th Board of Directors and the first extraordinary general meeting of shareholders in 2023 deliberated and approved the Proposal on the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd., which authorized the public listing transfer of 100% equity of Shenzhen Jinghengtai Real Estate Development Co., Ltd. (hereinafter referred to as "Jinghengtai Company") on the Shenzhen United Equity Exchange. On 22 December 2023, Jinghengtai Company received the Registration Notice issued by the Shenzhen Market Supervision Administration. The business registration procedures related to this equity transfer transaction have been completed, transferring 100% equity of Jinghengtai Company to Hualian Holdings. The Company no longer holds any equity in Jinghengtai Company. For details, see the Announcement on the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd. (Announcement No.: 2023-28), the Announcement on Progress of the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd. (Announcement No.: 2023-31), and the Announcement on Progress of the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd. (Announcement No.: 2023-37) issued by the Company on www.cninfo.com.cn.

XVII 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 (+/-)					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	1,898,306	0.32%	0	0	0	0	0	1,898,306	0.32%
1.1 Shares held by the state	0	0.00%	0	0	0	0	0	0	0.00%
1.2 Shares held by state-own Legal-person	3,326	0.00%	0	0	0	0	0	3,326	0.00%
1.3 Shares held by other domestic investors	1,894,980	0.32%	0	0	0	0	0	1,894,980	0.32%
Among which: shares held by domestic legal person	1,894,980	0.32%	0	0	0	0	0	1,894,980	0.32%
Shares held by domestic natural person	0	0.00%	0	0	0	0	0	0	0.00%
1.4 Oversea shareholdings	0	0.00%	0	0	0	0	0	0	0.00%
Among which: shares held by oversea legal person	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by oversea natural person	0	0.00%	0	0	0	0	0	0	0.00%
2. Unrestricted shares	594,080,786	99.68%	0	0	0	0	0	594,080,786	99.68%
2.1 RMB ordinary shares	526,475,543	88.34%	0	0	0	0	0	526,475,543	88.34%
2.2 Domestically listed foreign shares	67,605,243	11.34%	0	0	0	0	0	67,605,243	11.34%
2.3 Oversea listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
2.4 Other	0	0.00%	0	0	0	0	0	0	0.00%
3. Total shares	595,979,092	100.00%	0	0	0	0	0	595,979,092	100.00%

Reasons for share changes:

 Applicable Not applicable

Approval of share changes:

 Applicable Not applicable

Transfer of share ownership:

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

The Company received notification from Shenzhen Investment Holdings Co., Ltd. ("SIHC"), the controlling shareholder of the Company, that due to the execution of a court judgment, 1,730,300 restricted shares of the Company held by Shenzhen Duty-Free Commodity Enterprises Co., Ltd. had been transferred to the name of SIHC. The number of shares of the Company held by SIHC and its concert parties increased from 339,452,527 shares (representing 56.957% of the total share capital of the Company) to 341,182,827 shares (representing 57.247% of the total share capital of the Company). For details, please refer to the Announcement on the Change of Controlling Shareholders' Equity (No. 2024-04) disclosed by the Company on 6 March 2024 on Cninfo.

2. Changes in Restricted Shares

Applicable Not applicable

II. Issuance and Listing of Securities

1. Securities (Exclusive of Preferred Shares) Issued in the Reporting Period

Applicable Not applicable

2. Changes to Total Shares, Shareholder Structure and Asset and Liability Structures

Applicable Not applicable

3. Existing Staff-Held Shares

Applicable Not applicable

III Shareholders and Actual Controller

1. Shareholders and Their Shareholdings at the Period-End

Unit: share

Number of ordinary shareholders	41,547	Number of ordinary shareholders at the month-end prior to the disclosure of this Report	40,432	Number of preferred shareholders with resumed voting rights (if any)	0	Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report (if any)	0
5% or greater shareholders or top 10 shareholders (Excluding those who lend shares through refinancing)							
Name of shareholder	Nature of shareholder	Shareholdings	Total shares	Increase/dec	Restricted shares held	Unrestricted shares held	Shares, marked in pledge or frozen

		ng percentage	held at the period-end	crease in the Reporting Period			Status	Shares
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	50.57%	301,414,637	0	3,326	301,411,311		
Shenzhen State-owned Equity Management Co., Ltd.	Domestic non-state-owned legal person	6.38%	38,037,890	0	0	38,037,890		
China Orient Asset Management Co., Ltd.	State-owned legal person	2.77%	16,491,402	0	0	16,491,402		
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	0.58%	3,469,347	2,496,834	0	3,469,347		
Duan Shaoteng	Domestic natural person	0.30%	1,760,565	5,000	0	1,760,565		
Shenzhen Duty-Free Commodity Enterprises Co., Ltd.	Domestic non-state-owned legal person	0.29%	1,730,300	0	1,730,300	0		
Yang Yaochu	Domestic natural person	0.28%	1,690,984	50,000	0	1,690,984		
Industrial and Commercial Bank of China Limited – Southern China Securities Full Index Real Estate Trading Open-ended Index Securities Investment Fund	Other	0.27%	1,638,834	527,300	0	1,638,834		
Wang Zhong	Domestic natural person	0.27%	1,580,000	1,580,000	0	1,580,000		
Li Xinyi	Domestic natural person	0.25%	1,500,000	0	0	1,500,000		
Strategic investor or general legal person becoming a top-10 ordinary shareholder due to rights issue (if any)	N/A							
Related or acting-in-concert parties among the shareholders above	The largest shareholder, Shenzhen Investment Holdings Co., Ltd., is the controlling shareholder of the Company and Shenzhen State-owned Equity Management Co., Ltd. And the Company does not know whether there are related parties or acting-in-concert parties among the other shareholders.							
Explain if any of the shareholders above was involved in entrusting/being entrusted with voting rights or waiving voting rights	N/A							
Special account for share repurchases (if any) among the top 10 shareholders	N/A							
Top 10 unrestricted shareholders								

Name of shareholder	Unrestricted shares held at the period-end	Shares by type	
		Type	Shares
Shenzhen Investment Holdings Co., Ltd.	301,411,311	RMB common share	301,411,311
Shenzhen State-owned Equity Management Co., Ltd.	38,037,890	RMB common share	38,037,890
China Orient Asset Management Co., Ltd.	16,491,402	RMB common share	16,491,402
Hong Kong Securities Clearing Company Ltd.	3,469,347	RMB common share	3,469,347
Duan Shaoteng	1,760,565	RMB common share	1,760,565
Yang Yaochu	1,690,984	Domestically listed foreign share	1,690,984
Industrial and Commercial Bank of China Limited – Southern China Securities Full Index Real Estate Trading Open-ended Index Securities Investment Fund	1,638,834	RMB common share	1,638,834
Wang Zhong	1,580,000	RMB common share	1,580,000
Li Xinyi	1,500,000	RMB common share	1,500,000
Mai Furong	1,244,596	Domestically listed foreign share	1,244,596
Related or acting-in-concert parties among top 10 unrestricted public shareholders, as well as between top 10 unrestricted public shareholders and top 10 shareholders	The largest shareholder, Shenzhen Investment Holdings Co., Ltd., is the controlling shareholder of the Company and Shenzhen State-owned Equity Management Co., Ltd. And the Company does not know whether there are related parties or acting-in-concert parties among the other shareholders.		
Top 10 ordinary shareholders involved in securities margin trading (if any)	N/A		

Top 10 shareholders involved in refinancing business through lending shares

Applicable Not applicable

Change in Top 10 shareholders compared with the last period

Applicable Not applicable

Unit: share

Change in Top 10 shareholders compared with last period					
Name of shareholders (full name)	Add/exit in the Reporting Period	Shares lent for refinancing and not returned yet at the period-end		Shares held by shareholders through their general accounts and credit accounts and Shares lent for refinancing and not returned yet at the period-end	
		Total amount	% of total share capital	Total amount	% of total share capital
Hong Kong Securities Clearing Company Ltd.	Add	0	0.00%	3,469,347	0.58%
Industrial and Commercial Bank of China Limited – Southern China Securities Full	Add	0	0.00%	1,638,834	0.27%

Index Real Estate Trading Open-ended Index Securities Investment Fund					
Wang Zhong	Add	0	0.00%	1,580,000	0.27%
Mai Furong	Exit	0	0.00%	1,244,596	0.21%
CITIC Securities Company Limited	Exit	0	0.00%	1,038,364	00.17%
Shenzhen Hengbang Zhaofeng Private Equity Fund Management Co., Ltd.-Hengbang Xiangshang Win-Win Growth No.1 Private Equity Investment Fund	Exit	0	0.00%	0	0.00%

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.

2. Controlling Shareholder

Nature of the controlling shareholder: Controlled by a local state-owned legal person

Type of the controlling shareholder: legal person

Name of controlling shareholder	Legal representative/ person in charge	Date of establishment	Unified social credit code	Principal activity
Shenzhen Investment Holdings Co., Ltd.	He Jianfeng	13 October 2004	914403007675664218	To execute investments and M&A on financial equity such as banks, securities, insurance, funds and guarantees and pseudo-banking equity; to engage in the property development and operation business within the scale of legally acquire the land use right; to execute investments and services in strategic emerging industry; to execute the investment, operating and management of the state-owned equities of the wholly-owned, controlling and stock-participating enterprises through the methods such as the restructuring integration, capital operation and assets disposal; other business developed with the authority from the Municipal State-owned Assets Supervision and Administration Commission (if the activity needs approval as required by state regulations, it shall not be operated until it is approved).
Shareholdings of the controlling shareholder in other listed companies at home or abroad in this Reporting Period	Other listed companies at home or abroad in this Reporting Period controlled by the Company's controlling shareholder including: Shenzhen Textile A (000045), SPG A (000029), Shenzhen Universe A (000023), Ping'an (601318), Guosen Securities (002736), Guotai Jun'an (601211), Telling Telecommunication (000829), International (00152), Beauty Star (002243), Bay Area Development (00737), Infinova (002528), Eternal Asia (002183), Shenzhen Energy (000027), Bank of Communications (601328), Techand (300197), Vanke (02202), etc.			

Change of the controlling shareholder in the Reporting Period:

Applicable Not applicable

The controlling shareholder remained the same in the Reporting Period.

3. Actual Controller and Its Acting-in-Concert Parties

Nature of the actual controller: local institution for state-owned assets management

Type of the actual controller: legal person

Name of actual controller	Legal representative/ person in charge	Date of establishment	Unified social credit code	Principal activity
Shenzhen Municipal State-owned Assets Supervision and Administration Commission	Wang Yongjian	1 July 2004	11440300K317280672	<p>(I) Implementing and practicing state, provincial and municipal laws and regulations related to management on state-owned assets, drafting local laws, regulations, and policies about management on state-owned assets, and organizing implementation activities upon approvals. Intending to draft supervision systems and methods about operational state-owned assets, and organizing implementation activities.</p> <p>(II) On the basis of authorization from municipal government, fulfilling duties of investors according to laws and regulations, and protecting the rights and interests of investors for state-owned assets according to laws</p> <p>(III) Taking charge of Party-building work for enterprises in its supervision and organs entrusted</p> <p>(IV) Undertaking the supervision over state-owned assets of municipal enterprises, strengthening management on state-owned assets, further perfecting the management mechanism for state-owned assets with the unification of power, obligation, and duties, as well as the combination of managing assets, people, and affairs</p> <p>(V) Being responsible for hedging and appreciation of the value of state-owned assets of enterprises in its supervision, establishing and perfecting the index system for hedging and appreciation of the value of state-owned assets, setting out assessment standards, supervising on hedging and appreciation of the value of state-owned assets of enterprises in its supervision by statistics, audit, and check, and urging enterprises in its supervision to fulfill social duties</p> <p>(VI) In charge of researching and preparing the general planning for transformation and development of state-owned enterprise in its supervision, guiding and boosting transformation and re-organization of state-owned enterprises, prompting the construction of modern enterprise system, carrying forward operation of state-owned capital, pushing the strategic adjustment on state-owned economy layout and structure, and</p>

			<p>making state-owned capital play the role in significant industries and key fields including national security, national economy lifeline, etc.</p> <p>(VII) Directing and propelling enterprises in its supervision to perfect company governance structure, intensifying construction of Board and Supervision Committees of enterprises in its supervision, and forming the governance mechanism with specific duties, coordinating operation, and effective counterbalance</p> <p>(VIII) Assuming the management work of income distribution for enterprises in its supervision, and standardizing the income distribution and position-related consumption over people in charge of enterprises in its supervision</p> <p>(IX) In line with rules of municipal Party committee, appointing and dismissing, appraising, as well as, in accordance with business performance, rewarding and punishing people in charge of enterprises in its supervision by applying legal procedures, establishing the mechanism of selecting and choosing candidates meeting the requirements of socialist market economy system and modern enterprise system, and perfecting the incentive and control system for operators</p> <p>(X) Being responsible for appointing or recommending board directors, supervisors, CFOs to enterprises in its supervision, and auditing on economic duties of people in charge of enterprises in its supervision according to rules about management authorization to people in charge of enterprises</p> <p>(XI) In charge of preparing the draft of budgets and final accounts of annual state-owned capital of enterprises in its supervision, including it to the government budget system, organizing the execution upon approvals, and collecting earnings of state-owned capital handed in by enterprises in its supervision</p> <p>(XII) In charge of strategy research, policy formulation, and guidance for transformation, development, and asset management related to collectively-owned enterprises</p> <p>(XIII) Assuming other assignments assigned by municipal government and superior departments</p>
<p>Shareholdings of the actual controller in other listed companies at home or abroad in</p>	<p>Listed companies such as the Shenzhen Airport, YTP, Shenzhen Energy, Shenzhen Zhenye, Shenzhen Tagen and SDGI.</p>		

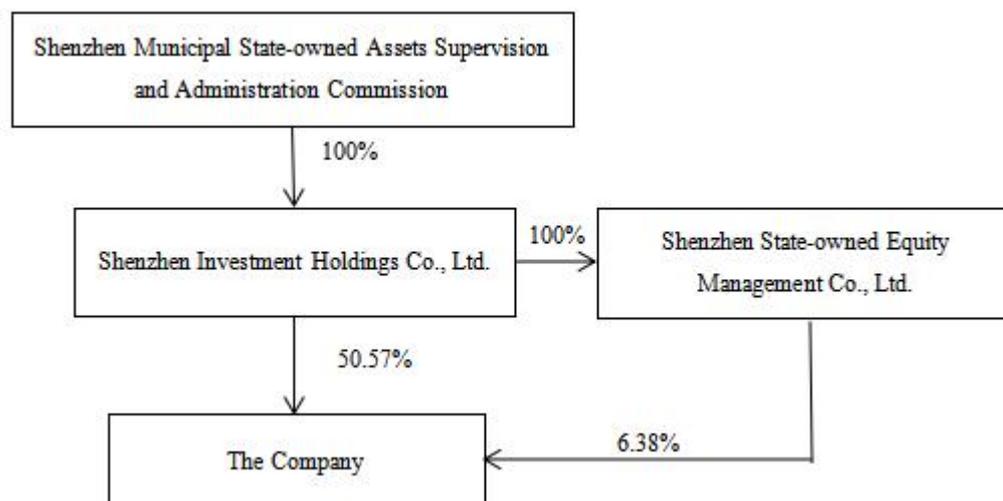
this Reporting Period	
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Change of the actual controller in the Reporting Period

Applicable Not applicable

The actual controller remained the same in the Reporting Period.

Ownership and control relations between the actual controller and the Company:



Indicate by tick mark whether the actual controller controls the Company via trust or other ways of asset management.

Applicable Not applicable

4. Number of Accumulative Pledged Shares held by the Company's Controlling Shareholder or the Largest Shareholder as well as Its Acting-in-Concert Parties Accounts for 80% of all shares of the Company held by Them

Applicable Not applicable

5. Other 10% or Greater Corporate Shareholders

Applicable Not applicable

6. Limitations on Shareholding Decrease by the Company's Controlling Shareholder, Actual Controller, Reorganizer and Other Commitment Makers

Applicable Not applicable

IV Specific Implementation of Share Repurchase during the Reporting Period

Progress on any share repurchase

Applicable Not applicable

Progress on reducing the repurchased shares by means of centralized bidding

Applicable Not applicable

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

Type of the independent auditor's opinion	Unmodified unqualified opinion
Date of signing this report	29 March 2024
Name of the independent auditor	Baker Tilly China Certified Public Accountants (LLP)
Reference number of Audit Report	Baker Tilly YZ[2024]No. 20153
Name of the certified public accountants	Chen Zihan, Zhong Qinfang

Text of the Auditor's Report

Baker Tilly YZ[2024]No. 20153

All shareholders of Shenzhen Properties & Resources Development (Group) Ltd.:

1. Opinion

We have audited the financial statements of Shenzhen Properties & Resources Development (Group) Ltd. (the "Company"), which comprise the consolidated and parent company balance sheets as of 31 December 2023, the consolidated and parent company statements of income, cash flows and changes in shareholders' equity for the year then ended, as well as the notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated and parent company financial position of the Company at 31 December 2023, and the consolidated and parent company operating results and cash flows for the year then ended, in conformity with the Chinese Accounting Standards (CAS).

2. Basis for Opinion

We conducted our audits in accordance with the Audit Standards for Chinese Registered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key audit items

Key audit items are the items that are considered most important for the audit of the current financial statements based on our professional judgment. The response to these items is based on the audit of the financial statements as a whole and the formation of audit opinions. We do not comment on these items separately.

Key audit item	Audit response
1. Recognition and measurement of revenue from real estate development and sales	

Key audit item	Audit response
<p>SZPRD achieved a revenue of RMB1.235 billion from real estate development projects in 2023, accounting for 41.64% of the total operating revenue. SZPRD confirms revenue from real estate development projects when all the following conditions are met: (1) Real estate products of sales contracts under development are completed and accepted; (2) Irreversible sales contracts are signed and buyers' payment certificates are received; (3) Notice of property acceptance is issued.</p> <p>The recognition and measurement of revenue from real estate business has a significant impact on the operating results of SZPRD, which may be inaccurately measured or recognized in improper accounting period. Therefore, we regard the recognition and measurement of real estate development and sales revenue as key audit issues.</p> <p>For accounting policies and details of revenue from real estate development and sales, please refer to Note III, (39), VI, (39) to the financial statement.</p>	<p>Our audit procedures for this key audit issue include:</p> <p>Understanding and sampling key control measures related to property sales business to evaluate the effectiveness of implementation of control procedures.</p> <p>Obtaining and reviewing completion acceptance documents of projects; reviewing property sales contracts and verifying the authenticity of revenue from property sales recognized in this year; checking original collection certificates or certificates of bank mortgage procedures to determine whether full payment amount is received; reviewing admission notice or other supporting documents on delivery of properties to evaluate whether revenue from property sales meets the conditions for revenue recognition as stipulated by the Company's accounting policy.</p> <p>Obtaining and reviewing supporting documents for property delivery before and after the balance sheet date to evaluate whether revenue from property sales is recorded in proper accounting period.</p>

2. Assessment of the net realizable value of inventory	
<p>As of 31 December 2023, the total amount of inventory, including development costs, developed products, and land intended for development (referred to as "inventory"), had a carrying value of RMB11,090 million, accounting for 65.32% of the total assets. The inventory is measured at a lower cost and net realizable value.</p> <p>The management determines the net realizable value of each inventory item as of the balance sheet date. In the assessment of the net realizable value of inventory, the management is required to make the best estimates of the construction costs that will be incurred when each planned and under-construction development product reaches completion, and also estimate the expected future net selling price of each inventory item and future selling expenses, including related sales taxes. This process involves significant management judgment and estimation.</p> <p>Due to the significance of inventory as a key asset of the Company, and considering the inherent risks associated with estimating the construction costs that will be incurred upon the completion of inventory items and the future net selling prices, especially in light of the various measures introduced in response to the real estate market across different cities in the current economic environment, we have identified the assessment of the net realizable value of Shenzhen Property Group's inventory as a key audit matter.</p> <p>Please refer to the notes to the financial statements "III. Significant Accounting Policies and Accounting Estimates" (12) The accounting policies for inventory and "VI. Notes to Major Items of the Consolidated Financial Statements" (6) Inventory.</p>	<p>The primary procedures we conducted for assessing the net realizable value of inventory are outlined below:</p> <p>(1) We will assess the design and operating effectiveness of key internal controls related to management's preparation of budgets and forecasts for construction and other costs associated with each inventory item;</p> <p>(2) Based on sampling, we will conduct first-hand observation of inventory items, inquire about the progress of these inventory projects with management, and assess the total development cost budget reflected in the latest forecasts for each project. We will compare the costs incurred as of 31 December 2023, with the budget to evaluate the accuracy of management's forecasts and the budgeting process;</p> <p>(3) The valuation methods utilized by management will be assessed, and the key estimates and assumptions used in the valuation, including those pertaining to the average net selling price, will be compared with market-available data and Shenzhen Property Group's sales budget plan; and</p> <p>(4) The work results of third-party experts will be utilized to assess the competence and objectivity of the third-party experts, and the appropriateness and reasonableness of the original data, key estimates and assumptions, key parameters, and valuation calculation process used by the third-party experts will be reviewed and evaluated.</p>

4. Other Information

The Company's management (hereinafter referred to as the Management") is responsible for the other information. The other

information comprises all of the information included in the Company's 2023 Annual Report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for Financial Statements

The Management is responsible for the preparation of the financial statements that give a fair view in accordance with CAS, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance (hereinafter referred to as the "Governance") are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by CAS to draw users' attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings, including any noteworthy deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Beijing·China 29 March 2024	Chinese CPA (Engagement Partner):	
	Chinese CPA:	

II Financial Statements

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

1. Consolidated Balance Sheet

Prepared by Shenzhen Properties & Resources Development (Group) Ltd.
31 December 2023

Unit: RMB

Item	31 December 2023	1 January 2023
Current assets:		
Monetary assets	2,748,798,476.72	1,517,528,893.83
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets		
Derivative financial assets		

Notes receivable		
Accounts receivable	502,806,453.88	419,933,915.30
Accounts receivable financing		
Prepayments	11,983,086.35	100,341,806.56
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	624,394,372.82	639,903,523.33
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	11,098,209,095.74	10,975,334,223.37
Contract assets	844,485.57	1,094,632.90
Assets held for sale		
Current portion of non-current assets		
Other current assets	127,774,825.51	65,655,266.27
Total current assets	15,114,810,796.59	13,719,792,261.56
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		22,651,454.07
Long-term equity investments	84,057,750.55	79,781,437.31
Investments in other equity instruments	636,926.20	887,838.64
Other non-current financial assets		
Investment property	386,810,800.47	405,762,739.18
Fixed assets	66,436,408.90	82,745,172.12
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets	23,516,796.22	70,168,415.65
Intangible assets	889,801.14	1,269,382.91
Development costs		
Goodwill	9,446,847.38	9,446,847.38
Long-term prepaid expense	21,510,397.88	21,980,602.46
Deferred income tax assets	1,276,440,386.83	1,407,551,347.20
Other non-current assets	3,505,155.93	2,750,873.08
Total non-current assets	1,873,251,271.50	2,104,996,110.00
Total assets	16,988,062,068.09	15,824,788,371.56
Current liabilities:		
Short-term borrowings	230,915,000.00	
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	662,869,059.59	608,283,388.52
Advances from customers	2,265,223.56	2,260,847.31
Contract liabilities	820,424,953.42	920,828,040.81
Financial assets sold under repurchase agreements		

Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	218,786,111.78	239,126,392.02
Taxes payable	4,026,957,347.94	3,917,278,346.81
Other payables	1,217,303,294.25	1,515,085,832.45
Including: Interest payable		
Dividends payable	12,202,676.04	12,202,676.04
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	3,092,324,853.07	218,858,766.82
Other current liabilities	68,373,661.13	83,991,786.83
Total current liabilities	10,340,219,504.74	7,505,713,401.57
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	1,399,889,274.47	3,618,782,344.00
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	10,571,092.27	77,963,283.55
Long-term payables	400,105,655.56	
Long-term employee benefits payable		
Provisions	650,000.00	766,612.52
Deferred income		
Deferred income tax liabilities	5,862,279.70	22,979,304.10
Other non-current liabilities	127,039,225.54	128,008,919.79
Total non-current liabilities	1,944,117,527.54	3,848,500,463.96
Total liabilities	12,284,337,032.28	11,354,213,865.53
Owners' equity:		
Share capital	595,979,092.00	595,979,092.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	80,488,045.38	80,488,045.38
Less: Treasury stock		
Other comprehensive income	-3,352,337.88	-3,854,377.95
Specific reserve		
Surplus reserves	116,108,727.08	48,892,576.10
General reserve		
Retained earnings	3,872,586,802.17	3,692,753,832.81
Total equity attributable to owners of the Company as the parent	4,661,810,328.75	4,414,259,168.34
Non-controlling interests	41,914,707.06	56,315,337.69
Total owners' equity	4,703,725,035.81	4,470,574,506.03
Total liabilities and owners' equity	16,988,062,068.09	15,824,788,371.56

Legal representative: Liu Shengxiang

Head of financial affairs: Cai Lili

Head of the financial department: Cai Kelin

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	31 December 2023	1 January 2023
Current assets:		
Monetary assets	1,477,419,010.01	532,263,736.63
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	120,029,158.78	5,137,042.71
Accounts receivable financing		
Prepayments		
Other receivables	4,489,713,785.01	5,162,396,869.45
Including: Interest receivable		
Dividends receivable		151,433,108.41
Inventories	50,777,366.97	793,075,051.53
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	2,617,751.73	18,130,015.97
Total current assets	6,140,557,072.50	6,511,002,716.29
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	1,374,549,151.65	1,447,747,317.70
Investments in other equity instruments	867,426.20	1,118,338.64
Other non-current financial assets		
Investment property	253,100,089.70	260,599,477.89
Fixed assets	22,373,578.76	31,577,309.67
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets	2,700,397.70	3,238,351.85
Intangible assets	3,887,333.33	
Development costs		
Goodwill		
Long-term prepaid expense	380,493.32	860,115.06
Deferred income tax assets	1,961,067.37	153,811,385.39
Other non-current assets	2,853,376,650.86	2,362,376,650.86
Total non-current assets	4,513,196,188.89	4,261,328,947.06
Total assets	10,653,753,261.39	10,772,331,663.35
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	77,667,521.25	41,228,778.20
Advances from customers	227.00	952,186.65
Contract liabilities		840,878,470.63
Employee benefits payable	57,605,546.32	56,425,731.67
Taxes payable	75,570,618.96	1,783,757.84
Other payables	7,278,131,009.11	7,258,663,180.38
Including: Interest payable		
Dividends payable	29,642.40	29,642.40

Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	63,605,554.05	190,431,469.82
Other current liabilities		75,679,062.35
Total current liabilities	7,552,580,476.69	8,466,042,637.54
Non-current liabilities:		
Long-term borrowings	400,400,000.00	462,000,000.00
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	1,708,456.34	1,947,178.87
Long-term payables	400,105,655.56	
Long-term employee benefits payable		
Provisions		
Deferred income		
Deferred income tax liabilities	675,099.43	809,587.96
Other non-current liabilities	40,000,000.00	40,000,000.00
Total non-current liabilities	842,889,211.33	504,756,766.83
Total liabilities	8,395,469,688.02	8,970,799,404.37
Owners' equity:		
Share capital	595,979,092.00	595,979,092.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	53,876,380.11	53,876,380.11
Less: Treasury stock		
Other comprehensive income	-3,004,584.80	-2,742,841.65
Specific reserve		
Surplus reserves	116,108,727.08	48,892,576.10
Retained earnings	1,495,323,958.98	1,105,527,052.42
Total owners' equity	2,258,283,573.37	1,801,532,258.98
Total liabilities and owners' equity	10,653,753,261.39	10,772,331,663.35

3. Consolidated Income Statement

Unit: RMB

Item	2023	2022
1. Revenue	2,965,117,025.04	3,708,669,046.85
Including: Operating revenue	2,965,117,025.04	3,708,669,046.85
Interest revenue		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	2,745,490,676.70	3,142,047,245.48
Including: Cost of sales	2,233,525,382.49	1,978,777,621.22
Interest costs		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		

Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	106,650,246.82	725,920,657.80
Selling expense	46,757,158.57	53,541,997.78
Administrative expense	310,578,375.15	329,991,655.74
R&D expense	4,133,484.37	3,244,129.11
Finance costs	43,846,029.30	50,571,183.83
Including: Interest expense	55,930,898.29	64,941,564.63
Interest income	19,183,529.19	21,591,864.72
Add: Other income	15,432,192.52	19,484,058.67
Return on investment (“-” for loss)	705,759,652.36	1,981,330.90
Including: Share of profit or loss of joint ventures and associates	4,339,433.24	2,040,461.81
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		117,082.19
Credit impairment loss (“-” for loss)	-19,844,952.87	-17,395,139.90
Asset impairment loss (“-” for loss)	-212,173,623.03	-528,430.23
Asset disposal income (“-” for loss)	833,369.19	175,810,605.44
3. Operating profit (“-” for loss)	709,632,986.51	746,091,308.44
Add: Non-operating income	3,604,677.09	7,198,004.28
Less: Non-operating expense	6,504,504.20	2,556,893.74
4. Profit before tax (“-” for loss)	706,733,159.40	750,732,418.98
Less: Income tax expense	257,694,738.76	221,722,125.66
5. Net profit (“-” for net loss)	449,858,861.48	529,010,293.32
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	449,797,505.65	529,010,293.32
5.1.2 Net profit from discontinued operations (“-” for net loss)	61,355.83	
5.2 By ownership		
5.2.1 Net profit attributable to shareholders of the Company as the parent	464,014,492.11	537,291,574.13
5.2.1 Net profit attributable to non-controlling interests	-14,155,630.63	-8,281,280.81
6. Other comprehensive income, net of tax	502,040.07	4,320,275.71
Attributable to owners of the Company as the parent	502,040.07	4,320,275.71
6.1 Items that will not be reclassified to profit or loss	-261,743.15	-168,720.11
6.1.1 Changes caused by remeasurements on defined benefit schemes		

6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments	-261,743.15	-168,720.11
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	763,783.22	4,488,995.82
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Changes in the fair value of investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	763,783.22	4,488,995.82
6.2.7 Other		
Attributable to non-controlling interests		
7. Total comprehensive income	450,360,901.55	533,330,569.03
Attributable to owners of the Company as the parent	464,516,532.18	541,611,849.84
Attributable to non-controlling interests	-14,155,630.63	-8,281,280.81
8. Earnings per share		
8.1 Basic earnings per share	0.7786	0.9015
8.2 Diluted earnings per share	0.7786	0.9015

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

Legal representative: Liu Shengxiang Head of financial affairs: Cai Lili Head of the financial department: Cai Kelin

4. Income Statement of the Company as the Parent

Unit: RMB

Item	2023	2022
1. Operating revenue	1,053,809,354.95	75,486,414.74
Less: Cost of sales	790,579,825.41	44,999,240.65
Taxes and surcharges	11,569,489.25	5,106,898.84
Selling expense	1,376,939.25	400,095.36
Administrative expense	100,710,539.92	102,699,790.62
R&D expense		
Finance costs	12,752,211.70	6,565,334.70
Including: Interest costs	24,335,591.87	27,016,860.03
Interest revenue	12,114,868.86	13,235,541.77

Add: Other income	252,975.99	183,849.33
Return on investment (“-” for loss)	761,774,908.45	313,407,689.63
Including: Share of profit or loss of joint ventures and associates	4,339,433.24	2,040,461.81
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)		
Credit impairment loss (“-” for loss)	-3,568,827.56	280,304.06
Asset impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)	111,000.73	
2. Operating profit (“-” for loss)	895,390,407.03	229,586,897.59
Add: Non-operating income	1,910,619.60	
Less: Non-operating expense	15,573.60	23,576.47
3. Profit before tax (“-” for loss)	897,285,453.03	229,563,321.12
Less: Income tax expense	225,123,943.28	37,070,551.98
4. Net profit (“-” for net loss)	672,161,509.75	192,492,769.14
4.1 Net profit from continuing operations (“-” for net loss)	672,161,509.75	192,492,769.14
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	-261,743.15	-168,720.11
5.1 Items that will not be reclassified to profit or loss	-261,743.15	-168,720.11
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments	-261,743.15	-168,720.11
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of investments in other debt obligations		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for investments in other debt obligations		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	671,899,766.60	192,324,049.03

7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2023	2022
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	3,136,072,105.49	3,437,128,020.73
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax rebates	17,871,338.77	10,058,351.98
Cash generated from other operating activities	355,263,031.70	1,078,867,968.60
Subtotal of cash generated from operating activities	3,509,206,475.96	4,526,054,341.31
Payments for commodities and services	2,249,429,282.59	2,510,779,597.33
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	971,486,269.04	983,205,651.52
Taxes paid	280,607,594.18	688,906,681.47
Cash used in other operating activities	271,776,314.48	237,929,307.13
Subtotal of cash used in operating activities	3,773,299,460.29	4,420,821,237.45
Net cash generated from/used in operating activities	-264,092,984.33	105,233,103.86
2. Cash flows from investing activities:		
Proceeds from disinvestment		297,479.85
Return on investment	63,120.00	

Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	92,191.39	197,192,641.96
Net proceeds from the disposal of subsidiaries and other business units	634,578,885.34	
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	634,734,196.73	197,490,121.81
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	7,641,999.39	17,734,048.21
Payments for investments	0.00	27,380,294.13
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units	0.00	0.00
Cash used in other investing activities		
Subtotal of cash used in investing activities	7,641,999.39	45,114,342.34
Net cash generated from/used in investing activities	627,092,197.34	152,375,779.47
3. Cash flows from financing activities:		
Capital contributions received	0.00	17,760,000.00
Including: Capital contributions by non-controlling interests to subsidiaries	0.00	17,760,000.00
Borrowings raised	1,084,580,254.47	285,589,674.44
Cash generated from other financing activities	400,000,000.00	0.00
Subtotal of cash generated from financing activities	1,484,580,254.47	303,349,674.44
Repayment of borrowings	194,193,324.00	63,300,000.00
Interest and dividends paid	402,974,331.30	593,986,146.21
Including: Dividends paid by subsidiaries to non-controlling interests	245,000.00	0.00
Cash used in other financing activities	27,083,856.33	306,511,487.27
Subtotal of cash used in financing activities	624,251,511.63	963,797,633.48
Net cash generated from/used in financing activities	860,328,742.84	-660,447,959.04
4. Effect of foreign exchange rates changes on cash and cash equivalents	117,321.79	4,790,697.94
5. Net increase in cash and cash equivalents	1,223,445,277.64	-398,048,377.77
Add: Cash and cash equivalents, beginning of the period	1,509,693,857.48	1,907,742,235.25
6. Cash and cash equivalents, end of the period	2,733,139,135.12	1,509,693,857.48

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	2023	2022
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	91,759,421.31	421,114,781.33
Tax rebates		
Cash generated from other operating activities	1,234,735,240.99	1,762,436,455.47

Subtotal of cash generated from operating activities	1,326,494,662.30	2,183,551,236.80
Payments for commodities and services	54,693,324.00	97,820,597.35
Cash paid to and for employees	52,203,282.11	65,677,185.99
Taxes paid	52,237,252.64	34,805,390.11
Cash used in other operating activities	694,228,351.07	1,082,444,909.69
Subtotal of cash used in operating activities	853,362,209.82	1,280,748,083.14
Net cash generated from/used in operating activities	473,132,452.48	902,803,153.66
2. Cash flows from investing activities:		
Proceeds from disinvestment	835,000,000.00	1,841,000,000.00
Return on investment	151,496,228.41	473,625,777.76
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets		209.00
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	986,496,228.41	2,314,625,986.76
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	697,768.98	1,154,885.13
Payments for investments	491,000,000.00	3,124,506,071.91
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	491,697,768.98	3,125,660,957.04
Net cash generated from/used in investing activities	494,798,459.43	-811,034,970.28
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings raised		125,000,000.00
Cash generated from other financing activities	400,000,000.00	
Subtotal of cash generated from financing activities	400,000,000.00	125,000,000.00
Repayment of borrowings	188,100,000.00	63,100,000.00
Interest and dividends paid	239,765,330.40	432,215,867.55
Cash used in other financing activities		1,603,790.70
Subtotal of cash used in financing activities	427,865,330.40	496,919,658.25
Net cash generated from/used in financing activities	-27,865,330.40	-371,919,658.25
4. Effect of foreign exchange rates changes on cash and cash equivalents	-697,037.83	12,768.24
5. Net increase in cash and cash equivalents	939,368,543.68	-280,138,706.63
Add: Cash and cash equivalents, beginning of the period	528,272,695.05	808,411,401.68
6. Cash and cash equivalents, end of the period	1,467,641,238.73	528,272,695.05

7. Consolidated Statements of Changes in Owners' Equity

2023

Unit: RMB

Item	2023														Non-controlling interests	Total owners' equity
	Equity attributable to owners of the Company as the parent															
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal			
	Preferred shares	Perpetual bonds	Other													
1. Balance as at the end of the prior year	595,979,092.00				80,488,045.38		-3,854,377.95		48,892,576.10		3,692,753,832.81		4,414,259,168.34	56,315,337.69	4,470,574,506.03	
Add: Adjustment for change in accounting policy																
Adjustment for correction of previous error																
Other adjustments																
2. Balance as at the beginning of the year	595,979,092.00				80,488,045.38		-3,854,377.95		48,892,576.10		3,692,753,832.81		4,414,259,168.34	56,315,337.69	4,470,574,506.03	
3.							502,		67,2		179,		247,	-	233,	

Increase/decrease in the period (“-” for decrease)							040.07		16,150.98		832,969.36		551,160.41	14,400.63	150,529.78
3.1 Total comprehensive income							502,040.07				464,014,492.11		464,516,532.18	-14,155.63	450,360,901.55
3.2 Capital increased and reduced by owners															
3.2.1 Ordinary shares increased by owners															
3.2.2 Capital increased by holders of other equity instruments															
3.2.3 Share-based payments included in															

owners' equity																
3.2.4 Other																
3.3 Profit distribution								67,216,150.98			-282,364,603.19			-215,148,452.21	-245,000.00	-215,393,452.21
3.3.1 Appropriation to surplus reserves								67,216,150.98			-67,216,150.98					
3.3.2 Appropriation to general reserve																
3.3.3 Appropriation to owners (or shareholders)											-215,148,452.21			-215,148,452.21	-245,000.00	-215,393,452.21
3.3.4 Other																
3.4 Transfers within owners' equity																
3.4.1 Increase in capital (or share																

capital) from capital reserves																			
3.4.2 Increase in capital (or share capital) from surplus reserves																			
3.4.3 Loss offset by surplus reserves																			
3.4.4 Changes in defined benefit schemes transferred to retained earnings																			
3.4.5 Other comprehensive income transferred to retained earnings																			

for change in accounting policy															
Adjustment for correction of previous error															
Other adjustments					73,854,303.62			17,937,391.71		12,149,572.03		103,941,267.36	1,839,939.00	105,781,206.36	
2. Balance as at the beginning of the year	595,979,092.00				154,342,349.00	-8,174,653.66		47,580,690.89		3,802,401,324.45		4,592,128,802.68	46,836,618.50	4,638,965,421.18	
3. Increase/decrease in the period (“-” for decrease)					-73,854,303.62	4,320,275.71		1,311,885.21		-109,647,491.64		-177,869,634.34	9,478,719.19	-168,390,915.15	
3.1 Total comprehensive income							4,320,275.71			537,291,574.13		541,611,849.84	-8,281,280.81	533,330,569.03	
3.2 Capital increased and reduced by owners					-73,854,303.62			-17,937,391.71		-222,424,006.29		-314,215,701.62	17,760,000.00	-296,455,701.62	

3.2.1 Ordinary shares increased by owners														17,760,000.00	17,760,000.00
3.2.2 Capital increased by holders of other equity instruments															
3.2.3 Share-based payments included in owners' equity															
3.2.4 Other				-73,854,303.62				-17,937,391.71		-222,424,006.29				-314,215,701.62	-314,215,701.62
3.3 Profit distribution								19,249,057.34		-424,514,839.90				-405,265,782.56	-405,265,782.56
3.3.1 Appropriation to surplus reserves								19,249,057.34		-19,249,057.34					
3.3.2 Appropriation															

us reserves															
3.4.4 Changes in defined benefit schemes transferred to retained earnings															
3.4.5 Other comprehensive income transferred to retained earnings															
3.4.6 Other															
3.5 Specific reserve															
3.5.1 Increase in the period															
3.5.2 Used in the period															
3.6 Other															
4.	595,				80,4		-	48,8		3,69		4,41	56,3	4,47	

Balance as at the end of the period	979,092.00				88,045.38		3,854,377.95		92,576.10		2,753,832.81		4,259,168.34	15,337.69	0,574,506.03
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8. Statements of Changes in Owners' Equity of the Company as the Parent

2023

Unit: RMB

Item	2023											Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surpluses reserves	Retained earnings	Other	
		Preferr ed shares	Perpet ual bonds	Other								
1. Balance as at the end of the prior year	595,979,092.00				53,876,380.11		-2,742,841.65		48,892,576.10	1,105,527,052.42		1,801,532,258.98
Add: Adjustment for change in accounting policy												
Adjustment for correction of previous error												
Other adjustments												
2. Balance as at the beginning of the year	595,979,092.00				53,876,380.11		-2,742,841.65		48,892,576.10	1,105,527,052.42		1,801,532,258.98
3. Increase/ decrease in the							-261,743.15		67,216,150.98	389,796,906.56		456,751,314.39

(or shareholders)												
3.3.3 Other												
3.4 Transfers within owners' equity												
3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												
3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive												

income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the period	595,979,092.00				53,876,380.11		-3,004,584.80		116,108,727.08	1,495,323,958.98		2,258,283,573.37

2022

Unit: RMB

Item	2022											Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surpluses reserves	Retained earnings	Other	
		Preferr ed shares	Perpetual bonds	Other								
1. Balance as at the end of the prior year	595,979,092.00				53,876,380.11		-2,574,121.54		29,637,548.47	1,337,497,586.41		2,014,416,485.45
Add: Adjust ment for change in accounting policy									5,750.71	51,756.35		57,507.06
Adjust ment for correct												

ion of previous error												
Other adjustments												
2. Balance as at the beginning of the year	595,979,092.00				53,876,380.11		-2,574,121.54		29,643,299.18	1,337,549,342.76		2,014,473,992.51
3. Increase/decrease in the period (“-” for decrease)							-168,720.11		19,249,276.92	-232,022,290.34		-212,941,733.53
3.1 Total comprehensive income							-168,720.11			192,492,769.14		192,324,049.03
3.2 Capital increased and reduced by owners												
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners’												

equity												
3.2.4 Other												
3.3 Profit distribution								19,249,276.92	-424,515,059.48			-405,265,782.56
3.3.1 Appropriation to surplus reserves								19,249,276.92	-19,249,276.92			
3.3.2 Appropriation to owners (or shareholders)									-405,265,782.56			-405,265,782.56
3.3.3 Other												
3.4 Transfers within owners' equity												
3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												

3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the period	595,979,092.00				53,876,380.11		-2,742,841.65		48,892,576.10	1,105,527,052.42		1,801,532,258.98

III Company Profile

Shenzhen Properties & Resources Development (Group) Ltd. (hereinafter referred to as “the Company” or “Company”) was incorporated based on the reconstruction of Shenzhen Properties & Resources Development Co., Ltd. after obtaining approval of ZFBF [1991] No. 831 from People’s Government of Shenzhen Municipality. It was registered with Shenzhen Industrial and Commercial Administration Bureau on 17 January 1983 with Shenzhen as its headquarters. Now the Company holds the business license for legal person with the registration number/unified social credit code of 91440300192174135N. The registered capital was

RMB595,979,092 with the total shares of 595,979,092 (RMB1 face value per share), among which, restricted public shares: 1,898,306 A shares and 0 B shares; unrestricted public shares: 526,475,543 A shares and 67,605,243 B shares. The stock of the Company has been listed on the Shenzhen Stock Exchange on 30 March 1992.

The Company is in the real estate sector. Its main business includes development of real estate and sale of commercial housing, construction and management of buildings, house rent, supervision of construction, domestic trading and materials supply and marketing (excluding exclusive dealing and monopoly sold products and commodities under special control to purchase). Main products or services rendered mainly include the development and sales of commercial residential housing; property management; buildings and the building devices maintenance, garden afforestation and cleaning service; property leasing; supervise and management of the engineering; retails of the Chinese food, Western-style food and wines, and etc.

The financial statements were approved and authorized for issue by the 25th Meeting of the 10th Board of Directors of the Company on 29 March 2024.

The consolidation scope of the Company's consolidated financial statements was determined based on the control which included the financial statements of the Company and all its subsidiaries. A subsidiary refers to an enterprise or entity controlled by the Company. There were 60 subsidiaries included in the consolidation financial statements in this report. Please refer to the Note IX and Note X of the financial report for details.

IV Basis for Preparation of Financial Statements

1. Preparation Basis

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

2. Continuation

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

V. Important Accounting Policies and Estimations

Indication of specific accounting policies and estimations:

The Company has formulated specific accounting policies and accounting estimates for transactions and events, such as the recognition of incomes, based on the actual production and operation characteristics, and in accordance with the provisions of the relevant accounting standards for business enterprises. Please refer to "Financial Instruments", "Inventory", and "Revenue" in this section for details.

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

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

In addition, in the preparation of the financial report, reference was made to the presentation and disclosure requirements of the *Rule for Information Disclosure by Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reports* (2014

Revision) and the *Notice on Related Matters of the Implementation of New Accounting Standards for Business Enterprises by Listed Companies* (KJBH [2018] No. 453).

2. Fiscal Period

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

3. Operating Cycle

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

4. Standard Currency of Accounts

The Company adopts Renminbi as a standard currency of accounts.

5. Methods for Determining materiality standards and selection criteria

Applicable Not applicable

Item	Materiality criteria
Account receivable with bad debt provision by major single item	Accounts receivable amounting to RMB5 million or more
Significant non-wholly-owned subsidiaries	Non-wholly-owned subsidiaries with revenue exceeding 10% of the consolidated operating revenue, or total assets exceeding 5% of the consolidated total assets.

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

1. Accounting Process of Business Combinations under the Same Control

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

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

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

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

(1) Adjusting the initial investment cost of long-term equity investment If the equity held prior to the date of purchase is accounted

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

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

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

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

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

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

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

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

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

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

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

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

7. Criteria for Judging Control and Methods for Preparing Consolidated Financial Statements

The scope of the Company's consolidated financial statements is determined based on control.

Control means that the Company has power over the investee, enjoys variable returns through its involvement in the investee's related activities and has the ability to use the power to influence the amount of returns. Relevant activities refer to activities which have significant impact on the returns of the investee. The activities of the investee shall be assessed based on specific circumstances, typically including sales and purchases of goods or services, management of financial assets, acquisition and disposal of assets, research and development activities, and financing activities.

The Company will judge whether these entities have been controlled by the investee based on its comprehensive consideration of relevant facts and circumstances. Where changes in relevant facts and circumstances result in changes of relevant elements involved in the above definition of control, the Company shall conduct reassessment.

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

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

1. Identification and classification of joint arrangements

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

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

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

2. Accounting treatment of joint arrangements

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

recognition of expenses incurred separately and of expenses incurred in the joint operation in proportion to its share.

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

9. Recognition Standard for Cash and Cash Equivalents

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

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

(1) Accounting treatments for translation of foreign currency business

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

(2) Translation of foreign currency financial statements

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

11. Financial Instruments

1. Recognition and derecognition of financial instruments

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

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

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

- (1) The right to receive cash flows from financial assets has expired;
- (2) The right to receive cash flows from the financial assets is transferred, or the obligation to pay the full amount of cash flows received to a third party in a timely manner is assumed under a "pass-through agreement"; and (a) substantially almost all the risks and rewards of its ownership of the financial assets are transferred, or (b) control over the financial asset is relinquished, although

substantially all the risks and rewards of its ownership of the financial assets are neither transferred nor retained.

2. Classification and measurement of financial assets

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

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

(1) Financial assets measured at amortized cost

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

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

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

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

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

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

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

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

For financial assets measured at fair value through profit and loss for the current period, transaction costs are directly included in

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

3. Classification and measurement of financial liabilities

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

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

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

The subsequent measurement of financial liabilities depended on their categories:

(1) Financial liabilities measured at amortized cost

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

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

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

4. Financial instrument offset

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

5. Impairment of financial instrument

(1) Impairment measurement and accounting handling of financial instrument

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

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

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

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

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

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

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

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

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

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

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

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

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

① Specific groups and method of measuring expected credit loss

Item	Recognition basis	Method of measuring expected credit losses
Bank's acceptance bills receivable	Bill type	Consulting historical experience in credit losses, combining actual situation and prediction for future economic situation, the group's expected credit loss rate shall be accounted through exposure at default and the expected credit loss rate within the entire life
Trade acceptance bills receivable		
Accounts receivable-Government portfolios	Account nature	No provision for bad debts is made during the credit period unless there is conclusive evidence of impairment and the risk of default is low.
Accounts receivable-other intercourse funds among other related party group	Account nature	Consulting historical experience in credit losses, combining actual situation and prediction for future economic situation, the group's expected credit loss

		rate shall be accounted through exposure at default and the expected credit loss rate within the entire life
Accounts receivable-credit risk characteristics group	Aging group	Prepare the comparative list between aging of accounts receivable and expected credit loss rate over the entire life by consulting historical experience in credit losses, combining actual situation and prediction for future economic situation

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

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

6. Financial asset transfer

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

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

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

12. Notes Receivable

Refer to Note V 11 Financial Instruments of the financial statements for details.

13. Accounts Receivable

Refer to Note V 11 Financial Instruments of the financial statements for details.

14. Accounts Receivable Financing

Not applicable.

15. Other Receivables

Refer to Note V 11 Financial Instruments of the financial statements for details.

16. Contract Assets

1. Methods and criteria for recognizing contract assets

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

2. Method of determining and accounting for expected credit losses on contract assets

The Company applies a simplified model for expected credit losses to contract assets as prescribed by *Accounting Standard for Business Enterprises No. 14 – Revenues*, excluding significant financing components (including cases where financing components within contracts not exceeding one year are disregarded under the standard), measuring the loss provision according to the amount of expected credit loss of the entire duration. The increased loss provision or reversed amount thereof shall be recorded into the current profit or loss as impairment losses or gains.

For contract assets that contain significant financing components, the Company has made the accounting policy choice and selected the simplified model of expected credit loss, measuring the loss provision according to the amount of expected credit loss of the entire duration.

17. Inventory

(1) Inventories Classification

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

(2) Cost Flow Assumption

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

(3) Recognition basis of Net Realizable Value of Inventory

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

(4) Inventory System for Inventories

Inventory system: Perpetual inventory system

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

1) Low-value Consumption Goods

One-off amortization method

2) Packing Articles

One-off amortization method

18. Assets Held for Sale

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

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

When the net amount of fair value of non-current assets available for sale minus the selling expenses increases on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of asset impairment loss recognized after being classified as available for sale assets, and the reversed amount shall be included in the current profits and losses. The impairment loss of assets recognized before being classified as available for sale assets shall not be reversed. When the net amount of fair value of disposal group available for sale minus the selling expenses increases on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of asset impairment loss recognized as non-current assets in the disposal group measured according to this Standard after being classified into the categories available for sale assets, and the reversed amount shall be included in the current profits and losses. The book value of goodwill that has been offset and the impairment loss of non-current assets measured according to relevant standards shall not be reversed before they are classified as available for sale assets. The subsequent reversal amount of asset impairment loss recognized as disposal group available for sale shall be increased in proportion to the share of the book value of non-current assets in the disposal group, except goodwill, which are measured according to relevant standards.

In case that an enterprise loses its control over a subsidiary due to sale of its investment in the subsidiary, the investment in the subsidiary to be sold shall be divided into the available for sale category in individual financial statement of the parent company when the proposed investment in the subsidiary meets the conditions for classification of available for sale category, and all assets and liabilities of the subsidiary shall be classified into available for sale category in the consolidated financial statements, no matter whether the enterprise retains part of equity investment after the sale.

19. Investments in Debt Obligations

Not applicable.

20. Investments in other Debt Obligations

Not applicable.

21. Long-term Receivable

Refer to Note V-11. Financial Instrument for details.

22. Long-term Equity Investments**(1) Judgment of Joint Control and Significant Influences**

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

(2) Recognition of Investment Cost

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

In cases of step-by-step implementation of business combinations under common control, the initial investment cost of the investment shall be the share of the acquired entity's equity attributable to the acquiring entity on the acquisition date, calculated based on the ownership percentage. The difference between the initial investment cost and the sum of the carrying value of the original long-term Equity Investments and the carrying value of any additional consideration paid for further shares acquired on the acquisition date is adjusted to share premium (capital surplus or share premium). If the share premium is insufficient, it is offset against retained earnings.

2) For business combinations not under the same control, the fair value of the combination consideration paid by it on the acquisition date shall be its initial investment cost.

3) Except for business combination: If it is acquired by paying cash, the actual acquisition price shall be taken as its initial investment cost; if it is acquired by issuing equity securities, the fair value of the issued equity securities shall be taken as its initial investment cost; if it is acquired by the investment of the investors, the value agreed in the investment contract or agreement shall be taken as its initial investment cost (except when the agreed value is considered unfair).

(3) Method of subsequent measurement and recognition of profit or loss

For long-term equity investments in investees over which the Company has control, the cost method is used in the Company's individual financial statements; for long-term equity investments with joint control or significant influence, the equity method is applied.

Under the cost method, long-term equity investments are valued at the initial investment cost. Except for the price actually paid at the acquisition of investment or the declared but undistributed cash dividends or profits included in the consideration, the Company recognized the return on investment of the current period in accordance with the cash dividends or profits declared and distributed by the investee, with consideration given to the impairment of long-term investments based on applicable impairment policies.

For long-term equity investment accounted for using the equity method, if the initial cost of long-term equity investment is greater than the fair value of identifiable net assets of the invested company gained from the investment, the excess shall be included in the initial investment cost of the long-term equity investment. If the initial investment cost is smaller than the fair value of identifiable net assets of the invested company gained from the investment, the difference shall be included in the profit and loss for the current period, and the cost of long-term equity investments shall be adjusted.

Under the equity method, after acquiring long-term equity investments, the investment gains or losses are realized based on the share of net profit or loss that the investee entity shall be entitled to or share. The long-term equity investment's carrying value is adjusted accordingly. When the share of the net profits and losses of the investee is recognized, the fair value of the investee's identifiable assets at the time of obtaining the investment shall be used as the basis. This is done in accordance with the Company's accounting policies and accounting period, and internal transaction gains and losses with joint ventures and associates are offset based on the ownership proportion attributable to the investing company (except when internal transaction losses are related to asset impairment

losses, in which case they shall be fully recognized). Subsequent to adjusting the net profits of the invested institution after recognition. The investor reduces the carrying value of long-term equity investments correspondingly when calculating the portion to be received based on the cash dividends or profits declared to be distributed by the invested company. The Company shall recognize the net losses of the invested company until the carrying value of the long-term equity investment and other long-term rights and interests which substantially form the net investment made to the invested company are reduced to zero, unless the Company has the obligation to undertake extra losses. As for other changes in owners' equity except for the net profit and loss of the invested company, the Company shall adjust the carrying value of the long-term equity investment and include it in the owners' equity.

(4) Determining the basis of common control and significant influence on the investee

The investor controls the investee, means that the investor has power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power over the investee to affect the amount of returns. Significant influence means that the investor has the rights to participate in the decision-making of the financial and operating policies of the investee, but cannot control or jointly control the formulation of these policies with other parties.

(5) Disposal of long-term equity investments

1) Partial disposal of long-term equity investments in a subsidiary without losing control

In the case of a partial disposal of long-term equity investments in a subsidiary without losing control, the variance between the disposal proceeds and the corresponding carrying value of the disposed investment is recognized as current investment income.

2) Partial disposal of equity investments or other reasons for losing control of a subsidiary

In cases where control over a subsidiary is lost due to the disposal of equity investments or other reasons, the carrying value of long-term equity investments corresponding to the disposed equity shall be transferred. The difference between the proceeds from the sale and the carrying value of the disposed long-term equity investment shall be recognized as investment income (loss). At the same time, the remaining equity shall be recognized at its carrying value as long-term equity investments or other related financial assets. If the remaining equity after the disposal can exercise joint control or significant influence over the subsidiary, accounting treatment shall be conducted in accordance with relevant regulations on the conversion from the cost method to the equity method.

(6) Impairment test method and impairment provision method

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

23. Investment Property

Measurement mode of investment real estates

Measurement of cost method

Depreciation or amortization method

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

24. Fixed Assets

(1) Recognized Standard of Fixed Assets

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

(2) Depreciation Method

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

25. Construction in Progress

26. Borrowing Costs

1. Recognition Principle of Capitalization of Borrowing Costs

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

2. Capitalization Period of Borrowings Costs

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

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

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

3. Capitalized rate and amount of borrowing costs

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

borrowing. The capitalization rate is determined by calculating the weighted average interest rate on general borrowings.

27. Intangible Assets

(1) Useful life and the basis for its determination, estimation, amortization methodology or review procedures

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

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

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

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

(2) The scope of R&D expenditure collection and the related accounting treatment

1. The scope of R&D expenditure

The Company classifies all expenses linked to R&D activities as R&D expenditures, covering R&D employee remuneration, material input costs, depreciation charges, and amortization expenses.

2. The related accounting treatment of R&D expenditure

The expenditures in the research stage are included in the current profits and losses when incurred. An intangible asset arising from the development phase of an internal project is recognized if the Company can demonstrate all of the following: (1) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (2) its intention to complete the intangible asset and use or sell it; (3) how the intangible asset will generate probable future economic benefits, among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; (4) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (5) its ability to measure the expenditure attributable to the intangible asset reliably during its development.

28. Impairment of Long-term Assets

For long-term assets such as long-term equity investments, investment property at cost model, fixed assets, construction in progress, and intangible assets with finite useful lives, the assessment of potential indications of asset impairment is conducted on the balance sheet date. For goodwill recognized in a business combination and intangible assets with indefinite useful lives, no matter whether there is an indication of impairment, an impairment test is performed annually. An impairment test on goodwill is performed on a related asset group or asset group portfolio.

The existence of the following signs indicates that the assets may be impaired:

- (1) The market price of the assets has significantly dropped in the current period, with a decline much higher than expected due to the

passage of time or normal usage; (2) The economic, technological, or legal environment in which the business operates, as well as the market in which the assets are located, is undergoing or expected to undergo significant changes in the current period or in the near future, adversely affecting the business; (3) Market interest rates or other market investment returns have increased in the current period, impacting the discount rate used by the business to calculate the present value of expected future cash flows from the assets, resulting in a significant decrease in the recoverable amount of the assets; (4) There is evidence indicating that the assets are obsolete or their physical condition has deteriorated; (5) The assets have been or will be idle, discontinued, or planned for early disposal; (6) Internal reports within the business show that the economic performance of the assets is or will be lower than expected, such as the net cash flows generated by the assets or the operating profit (or loss) achieved being significantly lower than (or higher than) the estimated amount; (7) Other indicators suggesting that the assets may have been impaired.

If there is any sign of impairment of the assets, their recoverable amount shall be estimated. The measurement result of the recoverable amount shows that if the recoverable amount of the assets is lower than their book value, the book value of the assets shall be written down to the recoverable amount, and the written-down amount shall be recognized as asset impairment losses, which shall be included in the profit and loss for the current period, and the corresponding asset impairment provision shall be accrued at the same time.

29. Long-term Prepaid Expenses

Long-term prepaid expense refers to various expenses that the company has incurred but shall be borne by the current and subsequent periods for a period of more than one year (excluding one year). Long-term prepaid expense shall be recorded into the account according to the actual accrual. Long-term prepaid expense shall be amortized averagely within benefit period or specified period. In case of no benefit in the future accounting period, the amortized value of such project that fails to be amortized shall be transferred into the profits and losses of the current period.

30. Contract Liabilities

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

31. Payroll

(1) Accounting Treatment of Short-term Compensation

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

(2) Accounting Treatment of the Welfare after Demission

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

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

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

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

upper asset limit;

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

(3) Accounting Treatment of Demission Welfare

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

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

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

32. Provisions

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

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

33. Share-based Payment

Not applicable.

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

Not applicable.

35. Revenue

The Accounting Policy Adopted for Recognition and Measurement of Revenue Disclosed by Type of Business

1. Recognition of revenue

The Company gains revenue mainly from property sales, property management, sales of software and property leasing (refer to 39. Leasing for more detail).

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

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

(1) When the Company meets one of the following conditions, the obligation should be classified as a contract performance

obligation fulfilled in a specific time period:

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

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

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

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

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

3. Specific policies of the Company for recognizing revenue:

1) Real Estate Sales Contracts

The realization of sales revenue shall be recognized under the following conditions: the developed products have been completed and accepted, the sales contract has been signed and the obligations stipulated in the contract have been fulfilled, the main risks and rewards of ownership of the developed products have been transferred to the buyer at the same time, the Company shall no longer retain the continuous management rights normally associated with ownership and effectively control the sold developed products, the revenue amount can be measured reliably, the related economic benefits are likely to flow in, and the related costs that have occurred or will occur can be measured reliably. For the sale of self-occupied housing, the realization of sales income shall be recognized under the following conditions: the main risks and rewards of ownership of self-occupied houses are transferred to the buyer, the Company will no longer retain the continuous management rights normally associated with ownership and effectively control the sold development products, the amount of income can be measured reliably, relevant economic benefits are likely to flow in, the relevant costs that have occurred or will occur can be measured reliably. Only recognizing the sales income realization under the following conditions: acquired the real estate completed and accepted as qualified (the completion and acceptance reports), signed an irreversible sales contract, obtained the buyer's payment certificate (for those who chose bank mortgage, the first installment and the full amount of bank mortgage must be required; If a bank mortgage is not selected for self-payment, the full amount of the property is received), and the revenue is recognized as the earliest of the point in time when the notice of repossession is issued (which is deemed to be the same as repossession if the owner fails to complete the formalities within the stipulated period due to the owner's failure to do so in a timely manner) and the point in time when the owner actually repossesses the property.

2) Providing Labor Services

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

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

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

3) Transferring the Right to Use Assets

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

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

4) Software sales revenue

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

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

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

② Revenue recognition and measurement methods for systems integration contracts

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

③ Revenue recognition and measurement methods for technical service revenue

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

5) Other Business Income

(5) Other operating income is recognized when the customer obtains control of the relevant goods as stipulated in the relevant contracts or agreements, upon the fulfillment of contractual obligations.

4. Measurement of Revenue

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

(1) Variable consideration

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

(2) Significant financing component

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

(3) Non-cash consideration

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

(4) Consideration payable to a customer

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

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

Differences in methods for the recognition and measurement of revenue caused by different business models for the same type of business

Not applicable.

36. Contract Costs

Contract costs comprise contract performance cost and contract acquisition cost.

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

- (1) This cost directly relates to an existing contract or a contract expected to be acquired. It consists of direct labor, direct materials, manufacture costs (or similar costs), costs specified to be borne by the customer and other costs incurred from this contract solely.
- (2) This cost has increased the Company's sources that are used to fulfill its contract performance obligations in the future.
- (3) This cost is expected to be recovered.

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

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

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

- (1) Residual consideration expected to be gained from transferring commodities and services related to this asset;
- (2) Costs expected to be incurred from transferring such commodities or services.

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

37. Government Grants

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

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

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

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

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

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

38. Deferred Income Tax Assets/Deferred Income Tax Liabilities

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

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

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

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

39. Lease

(1) Accounting treatment for leases as the lessee

On the beginning date of the lease term, the Company will recognize the lease with a lease term not exceeding 12 months and exclude the purchase option as a short-term lease. Leases with lower value when a single leased asset is a brand-new asset are identified as low-value asset leases. If the Company sublets or expects to sublet the leased assets, the original lease shall not be deemed as a low-value asset lease.

The Company records the payments of short-term and low-value asset leases incurred during each period of the lease term in the relevant asset costs or the profit or loss for the current period by the units-of-consumption method.

The Company will recognize right-of-use assets and lease liabilities on the inception date of the lease term, excluding the above short-term and low-value asset leases.

1) Right-of-use assets

The right-of-use asset is measured at cost and the cost shall comprise: 1) the amount of the initial measurement of the lease liabilities; 2) any lease payments made at or before the commencement date, less any lease incentives received; 3) any initial direct costs incurred by the lessee; and 4) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Company depreciates the right-of-use asset using the straight-line method. If it is reasonably certain that ownership of the leased asset(s) will be obtained at the end of the lease term, the Company depreciates the leased asset(s) over its/their remaining service life. If it is not reasonably certain that the ownership of the leasehold property will be obtained at the end of the lease term, the Company will depreciate the leased asset(s) over the lease term or the remaining service life, whichever is shorter.

2) Lease liabilities

At the commencement date, the Company measures the lease liabilities at the present value of the lease payments that are not paid at that date, The Company uses the interest rate implicit in lease as the rate of discount when calculating the present value of the lease payments. The incremental interest rate on borrowing of the lessee will be used as the rate of discount, if the interest rate implicit in lease cannot be determined. The difference between the lease payment and its present value is regarded as an unrecognized financing expense. Interest expense is recognized at the discount rate of the present value of the recognized lease payment during each period of the lease term and is recorded in the profit and loss for the current period. Variable lease payments that are not covered in the measurement of the lease liabilities are included in current profit or loss when actually incurred.

After the commencement date, if there is a change in the following items: (a) actual fixed payments; (b) amounts expected to be payable under residual value guarantees; (c) an index or a rate used to determine lease payments; (d) assessment result or exercise of purchase option, extension option or termination option., the Company remeasures the lease liabilities based on the present value of

lease payments after changes, and adjusts the carrying amount of the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero but there shall be a further reduction in the lease liabilities, the remaining amount shall be recognized into profit or loss.

(2) Accounting treatment of leases as the lessor

On the start date of the lease term, the Company divides the lease that substantially transfers almost all risks and rewards related to the ownership of the leased assets into finance leases, except for operating leases.

1) Operating lease

The Company recognizes the lease payments receivable as rental earnings in each period within the lease term on a straight-line basis. The initial direct costs related to the operating lease are capitalized, amortized within the lease term on the same basis as the recognition of rental earnings, and included in the profit or loss for the current period. Variable lease payments obtained by the Company in relation to operating leases that are not included in the lease receivable are included in the profit or loss for the current period when they are actually incurred.

2) Financial lease

At the commencement date, the Company recognizes the finance lease payment receivable based on the net investment in the lease (sum of the present value of unguaranteed residual value and lease receipts that are not received at the commencement date, discounted by the interest rate implicit in the lease), and derecognizes assets held under the finance lease. The Company calculates and recognizes interest income using the interest rate implicit in the lease over the lease term.

Variable lease payments not included in the measurement of the net investment in the lease are charged as profit or loss in the periods in which they are incurred.

3) Underlease

The Company, as the underlease lessor, applied accounting treatment to the head lease agreement and the sublease agreement in accordance with the accounting requirements of both the lessee and lessor. If a head lease is a short-term lease and simplified accounting treatment was applied, then it classifies the sub-lease as an operating lease.

(3) Sale and leaseback

1. The Company as the lessee

The Company assesses whether the asset transfer in a sale and leaseback transaction is a sale in accordance with relevant provisions of the Accounting Standards for Business Enterprises No. 14 - Income.

If the asset transfer in a sale and leaseback transaction is a sale, the Company measures the right-of-use assets formed by the sale and leaseback based on the portion of the original asset's carrying value that is related to the use right acquired by the leaseback, and recognizes related gains or losses only for the right transferred to the lessor.

If the asset transfer in a sale and leaseback transaction is not a sale, the Company continues to recognize the transferred asset and at the same time recognizes a financial liability equivalent to the transfer income, and conducts corresponding accounting treatment for the financial liability in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments.

2. The Company as lessor

The Company assesses whether the asset transfer in a sale and leaseback transaction is a sale in accordance with relevant provisions of the Accounting Standards for Business Enterprises No. 14 - Income.

If the asset transfer in a sale and leaseback transaction is a sale, the Company applies other accounting standards for business enterprises to the accounting treatment for asset purchase, and conducts corresponding accounting treatment for asset lease in accordance with the Accounting Standard for Business Enterprises No. 21 - Leases.

If the asset transfer in a sale and leaseback transaction is not a sale, the Company does not recognize the transferred asset, but recognizes a financial asset equivalent to the transfer income, and conducts corresponding accounting treatment for the financial asset in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments.

40. Other Important Accounting Policies and Accounting Estimations

Confirmation standard and accounting handling method for operation termination

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

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

41. Changes in Main Accounting Policies and Estimates

(1) Change of Accounting Policies

Applicable Not applicable

Unit: RMB

Content and reason of changes in accounting policies	Name of statement item materially affected	Amount affected
At the initiation of the lease transaction, the lessee acknowledges the lease liability and incorporates the right-of-use asset without exempting the initial recognition of deferred tax liabilities and assets, resulting in the recognition of the respective deferred tax liabilities and deferred tax assets at the transaction occurrence.	Deferred income tax assets on 31 December 2022	24,500,761.16
	Deferred income tax liabilities 31 December 2022	22,737,325.56
	Surplus reserve 31 December 2022	5,970.29
	Retained earnings 31 December 2022	1,697,650.08
	Minority interests 31 December 2022	59,815.23
	Income tax expense for 2022	330,314.64
	Net profit for 2022	-330,314.64

(2) Changes in Accounting Estimates

Applicable Not applicable

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

Applicable Not applicable

Note of adjustment

42. Other

In the Note of the financial statements, the data of the period-beginning refers to the financial statement data on 1 January 2023; the data of the period-end refers to the financial statement data on 31 December 2023; the Reporting Period refers to the 2023; the same period of last year refers to the 2022. The same to the Company as the parent.

VI Taxes

1. Main Taxes and Tax Rates

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

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

Name	Income tax rate
Chongqing Shenzhen International Trade Center Property Management Co., Ltd.	15%
Shenzhen International Trade Center Property Management Co., Ltd. Chongqing Branch	15%
Shenzhen Facility Management Community Co., Ltd	15%
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	20%
Shenzhen Julian Human Resources Development Co.,Ltd.	20%
Shenzhen Jinhailian Property Management Co.,Ltd.	20%
Shenzhen Zhongtongda House Xiushan Service Co.,Ltd.	20%
Shenzhen Kangping Industry Co.,Ltd.	20%
Shenzhen Teacher Family Training Co., Ltd.	20%
Shenzhen Education Industry Co., Ltd.	20%
Shenzhen Yufa Industry Co., Ltd.	20%
Chongqing Aobo Elevator Co., Ltd.	20%
Shenzhen SZPRD Yanzihu Development Co., Ltd.	20%
Shenzhen SZPRD Fuyuantai Development Co., Ltd.	20%
Shenzhen Social Welfare General Company	20%
Shenzhen Fuyuanmin Property Management Co., Ltd.	20%
Shenzhen Meilong Industrial Development Co., Ltd.	20%
Shenzhen Sports Service Co., Ltd.	20%
Shenzhen Penghongyuan Industrial Development Co., Ltd.	20%
Shenzhen Guoguan Electromechanical Device Co., Ltd.	20%

Shenzhen Shenshan Special Cooperation Zone Guomao Property Development Co., Ltd.	20%
Shenzhen Helinhua Construction Management Co., Ltd.	20%
Shenzhen Guomao Tongle Property Management Co., Ltd.	20%
Shenzhen Foreign Trade Property Management Co., Ltd.	20%
Shenzhen Fubao Urban Resources Management Co., Ltd.	20%
Shenzhen Shenwu Elevator Co., Ltd.	20%
Shenzhen Shenfeng Property Cleaning Co., Ltd.	20%
Shandong International Trade Center Hotel Management Co., Ltd.	20%
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	20%
Shenzhen Jiayuan Property Management Co., Ltd.	20%
Shenzhen Guomao Shenlv Gardening Co., Ltd.	20%
Beijing Facility Home Technology Co., Ltd.	20%
Subsidiaries registered in Hong Kong area	16.50%
Subsidiaries registered in Vietnam area	20%
Other taxpaying bodies within the consolidated scope	25%

2. Tax Preference

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

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

According to the *Announcement of the State Taxation Administration and the Ministry of Finance on Further Implementing the Preferential Income Tax Policy for Small and Micro Enterprises* (Announcement No. 13 of 2022 of the Ministry of Finance and the State Taxation Administration), for small and micro-profit enterprises, if their annual taxable income exceeds RMB1 million but does not exceed RMB3 million from 1 January 2022 to 31 December 2024, the taxable income will be reduced by 25%, and the enterprise income tax rate will be 20%. According to the *Announcement of the State Taxation Administration and the Ministry of Finance on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Entities* (Announcement No. 6 of 2023 of the Ministry of Finance and the State Taxation Administration), from 1 January 2023 to 31 December 2024, for the portion of the annual taxable income of small- and micro-sized enterprises not exceeding RMB1 million, the taxable income shall be reduced by 25% and subject to enterprise income tax at a rate of 20%. According to the *Announcement of the State Taxation Administration and the Ministry of Finance on Further Supporting Small and Micro Enterprises and Individual Industrial and Commercial Businesses through Relevant Tax and Fee Policies*

(Announcement No. 12 of 2023 of the Ministry of Finance and the State Taxation Administration), for small and micro enterprises, the policy of applying a reduced rate of 25% for calculating the taxable income and paying enterprise income tax at a rate of 20% will continue to be implemented until 31 December 2027. This policy applies to 29 subsidiaries, including Shenzhen Property Engineering and Construction Supervision Co., Ltd. and Shenzhen Julian Human Resources Development Co., Ltd.

3. Other

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

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

VII. Notes to Main Items of Consolidated Financial Statements

1. Monetary Assets

Unit: RMB

Item	Ending balance	Beginning balance
Cash on hand	75,265.01	43,833.00
Bank deposits	2,742,094,318.81	1,512,202,363.19
Other monetary funds	6,628,892.90	5,282,697.64
Total	2,748,798,476.72	1,517,528,893.83
Of which: total amount deposited overseas	62,161,463.84	66,436,595.66

Other notes:

At the end of the period, the amount of restriction in use by guaranteed, pledged or frozen is RMB15,659,341.60, mainly including the margin and interest of RMB3,333,604.61; the funds with limited use rights in bank deposits mainly include the bank frozen funds of RMB3,681,570.32 and the interest on time deposits of RMB8,644,166.67. The above amount is not regarded as cash and cash equivalents due to restrictions on use.

The funds deposited overseas are mainly the balance of monetary assets of the overseas subsidiaries Shum Yip Development Company Limited and Vietnam Shenguomao Property Management Co., Ltd.

2. Trading Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
Of which:		
Of which:		

Other notes:

3. Notes Receivable

(1) Notes Receivable Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
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(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

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

If adopting the general mode of expected credit loss to withdraw bad debt provision of notes receivable:

Applicable Not applicable

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

Withdrawal of bad debt provision:

Unit: RMB

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

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

Applicable Not applicable

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

Unit: RMB

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

Unit: RMB

Item	Amount of recognition termination at the period-end	Amount of not terminated recognition at the period-end
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(6) Notes Receivable Written-off in Current Period

Unit: RMB

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

Unit: RMB

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

4. Accounts Receivable

(1) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including 1 year)	425,235,829.74	394,914,334.75
One to two years	83,584,196.31	31,016,372.76
Two to three years	19,037,312.67	12,333,910.99
More than three years	127,356,876.62	120,622,137.82
Three to four years	10,334,088.28	6,141,296.85
Four to five years	4,135,080.24	4,392,591.92
Over 5 years	112,887,708.10	110,088,249.05
Total	655,214,215.34	558,886,756.32

(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawal of Bad debt provision separately accrued	115,895,721.46	17.69%	113,235,195.18	97.70%	2,660,526.28	111,808,371.14	20.01%	109,689,294.54	98.10%	2,119,076.60
Of which:										
Accounts receivable withdrawal of bad debt provision of by group	539,318,493.88	82.31%	39,172,566.28	7.26%	500,145,927.60	447,078,385.18	79.99%	29,263,546.48	6.55%	417,814,838.70
Of which:										
Total	655,214,215.34	100.00%	152,407,761.46	23.26%	506,088,217.25	558,886,756.32	100.00%	138,952,841.02	24.86%	419,933,915.30

Bad debt provision separately accrued: 113235195.18

Unit: RMB

Name	Beginning balance		Ending balance			
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93,811,328.05	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and unrecoverable
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00	2,836,561.00	2,836,561.00	2,836,561.00	100.00%	Expected to be unrecoverable
Lunan Industry Corporation	2,818,284.84	2,818,284.84	2,818,284.84	2,818,284.84	100.00%	Expected to be unrecoverable
Shenzhen Hampoo Science & Technology Co., Ltd.	1,436,020.29	1,433,070.29	1,436,020.29	1,433,070.29	99.79%	Expected to be unrecoverable
Those with insignificant single amount for which bad debt provision separately accrued	10,906,176.96	8,790,050.36	14,993,527.28	12,335,951.00	82.28%	Uncollectible for a long period

Total	111,808,371.14	109,689,294.54	115,895,721.46	113,235,195.18		
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Withdrawal of bad debt provision by group: 39,172,566.28

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Portfolio of credit risk features	305,321,229.88	27,133,657.43	8.89%
Portfolio of transactions with other related parties	212,618,383.72	12,038,908.85	5.66%
Government portfolio	21,378,880.28		
Total	539,318,493.88	39,172,566.28	

Notes to the determination basis for the group:

If adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable:

Applicable Not applicable

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Others	
Bad debt provision separately accrued	109,689,294.54	3,545,900.64				113,235,195.18
Withdrawal of bad debt provision by group	29,263,546.48	9,909,019.80				39,172,566.28
Total	138,952,841.02	13,454,920.44				152,407,761.46

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision
N/A				

N/A

(4) Accounts Receivable Written-off in Current Period

Unit: RMB

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

Of which the verification of significant accounts receivable:

Unit: RMB

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

(5) Top 5 of the Ending Balance of the Accounts Receivable and the Contract Assets Collected according to Arrears Party

Unit: RMB

Name of the entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to total ending balance of accounts receivable and contract assets	Ending balance of bad debt provision of accounts receivable and impairment provision for contract assets
Shenzhen Bay Technology Development Co., Ltd.	137,865,750.97		137,865,750.97	21.01%	7,568,725.60
Shenzhen Futian Talent Anju Co., Ltd.	109,392,112.37		109,392,112.37	16.67%	3,281,763.37
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05		93,811,328.05	14.30%	93,811,328.05
Hebei Shenbao Investment Development Co., Ltd.	27,085,777.03	361,513.73	27,447,290.76	4.18%	812,573.31
Shenzhen Futian District Government Property Management Centre	21,378,880.28		21,378,880.28	3.26%	
Total	389,533,848.70	361,513.73	389,895,362.43	59.42%	105,474,390.33

5. Contract Assets

(1) List of Contract Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Bad debt provision	Carrying value	Carrying amount	Bad debt provision	Carrying value
Municipal engineering retention money	844,485.57		844,485.57	1,094,632.90		1,094,632.90
Total	844,485.57		844,485.57	1,094,632.90		1,094,632.90

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

Unit: RMB

Item	Change in amount	Reason(s)
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(3) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance			Beginning balance		
	Carrying amount	Bad debt provision	Carrying	Carrying amount	Bad debt provision	Carrying

	Amount	Proportion	Amount	Withdrawal proportion	value	Amount	Proportion	Amount	Withdrawal proportion	value
Of which:										
Of which:										

Withdrawal of bad debt provision by adopting the general mode of expected credit loss

Applicable Not applicable

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

Unit: RMB

Item	Withdrawal of the current period	Reversal or recovery in the Reporting Period	Write-off/verified for the current period	Reason
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Of which significant amount of recovered or transferred-back bad debt provision for the current period:

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision
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Other notes:

(5) Contract Assets Written-off in Current Period

Unit: RMB

Item	Written-off amount
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Of which the verification of significant contract assets

Unit: RMB

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

Other notes:

6. Accounts Receivable Financing

(1) Accounts Receivable Financing Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
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(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

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

Withdrawal of bad debt provision by adopting the general mode of expected credit loss

Unit: RMB

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

The basis for the division of each stage and the withdrawal proportion of bad debt provision

Notes to significant changes in the carrying amount of accounts receivable financing with amount changed of loss provision in the current period:

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

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Other changes	

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision

Other notes:

(4) Accounts Receivable Financing Pledged by the Company at the Period-end

Unit: RMB

Item	Ending pledged amount

(5) Accounts Receivable Financing Which Had Endorsed by the Company or had Discounted and had not Due on the Balance Sheet Date at the Period-end

Unit: RMB

Item	Amount of recognition termination at the period-end	Amount of not terminated recognition at the period-end

(6) Accounts Receivable Financing with Actual Verification for the Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant accounts receivable financing

Unit: RMB

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

				performed	party transactions
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Notes to verification:

(7) The changes of accounts receivable financing in the Current Period and the changes in fair value

(8) Other Notes

7. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	624,394,372.82	639,903,523.33
Total	624,394,372.82	639,903,523.33

(1) Interest Receivable

1) Category of Interest Receivable

Unit: RMB

Item	Ending balance	Beginning balance
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2) Significant Overdue Interest

Unit: RMB

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

3) Disclosure by Withdrawal Methods for Bad Debts

Applicable Not applicable

4) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Other changes	

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision
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Other notes:

5) Interest Receivable Written-off in Current Period

Unit: RMB

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

Unit: RMB

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

Other notes:

(2) Dividend Receivable

1) Category of Dividend Receivable

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
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2) Significant Dividends Receivable Aging over 1 Year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason	Whether occurred impairment and its judgment basis
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3) Disclosure by Withdrawal Methods for Bad Debts

Applicable Not applicable

4) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Other changes	

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision
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Other notes:

5) Dividends Receivable Written-off in Current Period

Unit: RMB

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

Unit: RMB

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

Other notes:

(3) Other Receivables

1) Category of Other Receivables by Account Nature

Unit: RMB

Nature	Ending carrying amount	Beginning carrying amount
Security deposit	9,813,980.43	14,333,480.59
Margin	45,417,519.59	33,052,554.40
Reserve fund	63,090.95	315,131.82
Payment on behalf	2,826,478.51	7,861,406.33
Intercourse funds	597,882,606.95	645,712,452.33
Others	63,021,059.95	26,868,828.99
Total	719,024,736.38	728,143,854.46

2) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including 1 year)	39,565,801.00	45,898,989.35
One to two years	11,760,542.45	582,305,977.29
Two to three years	571,247,946.92	32,848,373.42
More than three years	96,450,446.01	67,090,514.40
Three to four years	31,254,533.77	1,460,635.19
Four to five years	1,068,702.68	1,563,169.64
Over 5 years	64,127,209.56	64,066,709.57
Total	719,024,736.38	728,143,854.46

3) Disclosure by Withdrawal Methods for Bad Debts

Applicable Not applicable

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Bad debt provision separately accrued	627,054,431.42	87.21%	47,169,474.26	7.52%	579,884,957.16	626,762,447.67	86.08%	47,091,584.18	7.51%	579,670,863.49
Of which:										
Withdrawal of bad debt provision by group	91,970,304.96	12.79%	47,460,889.30	51.60%	44,509,415.66	101,381,406.79	13.92%	41,148,746.95	40.59%	60,232,659.84
Of which:										
Total	719,024,736.38	100.00%	94,630,363.56	13.16%	624,394,372.82	728,143,854.46	100.00%	88,240,331.13	12.12%	639,903,523.33

Bad debt provision separately accrued: 47,169,474.26

Unit: RMB

Name	Beginning balance		Ending balance			
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Shenzhen Xinhai Holding Co., Ltd. and the related party Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd., Shenzhen Qianhai Advanced Information Service Co., Ltd.	587,289,550.00	17,618,686.51	587,289,550.00	17,618,686.51	3.00%	Prudent judgment of recovery risk
Shenzhen Tianjun Industrial Co., Ltd.	10,000,000.00		10,000,000.00			
Shanghai Yutong Real Estate Co., Ltd.	5,676,000.00	5,676,000.00	5,676,000.00	5,676,000.00	100.00%	Uncollectible for a long period
Hong Kong Yue Heng Development Co., Ltd.	3,271,837.78	3,271,837.78	3,271,837.78	3,271,837.78	100.00%	Uncollectible for a long period
Dameisha Tourism Centre	2,576,445.69	2,576,445.69	2,576,445.69	2,576,445.69	100.00%	Uncollectible for a long period
Elevated train project	2,542,332.43	2,542,332.43	2,542,332.43	2,542,332.43	100.00%	Uncollectible for a long period
Those with insignificant single amount for which bad debt provision separately accrued	15,406,281.77	15,406,281.77	15,698,265.52	15,484,171.85	98.64%	Uncollectible for a long period
Total	626,762,447.67	47,091,584.18	627,054,431.42	47,169,474.26		

Withdrawal of bad debt provision by group: 47,460,889.30

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Within one year (including 1 year)	23,075,962.34	691,185.85	3.00%
1-2 years (including 2 years)	3,314,367.18	331,442.66	10.00%
2-3 years (including 3 years)	4,736,819.03	1,421,055.79	30.00%
3-4 years (including 4 years)	31,254,533.77	15,627,266.89	50.00%
4-5 years (including 5 years)	993,422.68	794,738.15	80.00%
Over 5 years	28,595,199.96	28,595,199.96	100.00%
Total	91,970,304.96	47,460,889.30	

Notes to the determination basis for the group:

Withdrawal of bad debt provision by adopting the general mode of expected credit loss:

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2023	58,445,816.20		29,794,514.93	88,240,331.13
Balance of 1 January 2023 in the current period				
— Transferred to phase II	-17,297,069.24	17,297,069.24		
Withdrawal of the current period	6,369,310.29		77,890.08	6,447,200.37
Amount transferred-back for the current period	57,167.94			57,167.94
Balance of 31 December 2023	47,460,889.30	17,297,069.24	29,872,405.02	94,630,363.56

The basis for the division of each stage and the withdrawal proportion of bad debt provision

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

Applicable Not applicable

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Others	
Bad debt provision separately accrued	47,091,584.18	77,890.08				47,169,474.26
Withdrawal of bad debt provision by group	41,148,746.95	6,369,310.29	57,167.94			47,460,889.30
Total	88,240,331.13	6,447,200.37	57,167.94			94,630,363.56

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision

5) Particulars of the Actual Verification of Other Receivables during the Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant other receivables:

Unit: RMB

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

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

Unit: RMB

Name of the entity	Nature	Ending balance	Aging	Proportion to total ending balance of other receivables %	Ending balance of bad debt provision
Shenzhen Xinhai Holding Co., Ltd. and the related party Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	Intercourse funds	576,568,974.73	Between two year and five years	80.19%	17,297,069.25
Shenzhen Bangling Stock Cooperative Company	Intercourse funds	30,000,000.00	Between three year and four years	4.17%	15,000,000.00
Shenzhen Qianhai Advanced Information Service Co., Ltd.	Intercourse funds	10,720,575.27	Between two year and three years	1.49%	321,617.26
Shenzhen Bay Technology Development Co., Ltd.	Intercourse funds	10,065,313.75	Within 1 year	1.40%	301,959.41
Total		627,354,863.75		87.25%	32,920,645.92

7) Presentation in Other Receivables due to the Centralized Management of Funds

Unit: RMB

Other notes:

N/A

8. Prepayment

(1) Prepayment Listed by Aging Analysis

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	11,077,693.87	88.07%	98,477,532.46	97.56%
One to two years	388,465.12	3.09%	1,652,279.14	1.64%
Two to three years	304,932.40	2.42%	1,438.19	0.00%
More than three years	211,994.96	6.42%	210,556.77	0.80%
Total	11,983,086.35		100,341,806.56	

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

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

Name of the entity	Ending balance	Proportion to total ending balance of accounts prepaid (%)
Yangzhou Broadcasting Television Network Co., Ltd.	2,775,769.50	22.07
Chongqing Yudi Assets Management Co., Ltd.	1,897,674.45	15.09
China State Construction & Engineering 4th Bureau 5th Corp Limited	568,181.04	4.52
Beijing Jingdong Century Information Technology Co., Ltd.	514,727.63	4.09
Hangzhou New Windows Information Technology Co., Ltd.	311,946.90	2.48
Total	6,068,299.52	48.24

Other notes:

9. Inventories

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

Yes

(1) Category of Inventory

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

Classification by nature:

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Depreciation reserves of inventories or impairment provision for contract performance costs	Carrying value	Carrying amount	Depreciation reserves of inventories or impairment provision for contract performance costs	Carrying value
R&D expenses	11,174,583,667.43	218,824,035.97	10,955,759,631.46	10,778,950,699.23	6,648,404.13	10,772,302,295.10
Developing properties	141,176,477.91		141,176,477.91	199,674,693.59		199,674,693.59
Contract performance costs				1,965,933.85		1,965,933.85
Raw materials	1,533,601.80	915,223.04	618,378.76	1,891,354.81	1,040,612.30	850,742.51
Inventory goods	2,564,024.46	2,094,300.39	469,724.07	2,536,973.19	2,094,300.39	442,672.80
Low-value consumables	184,883.54		184,883.54	97,885.52		97,885.52
Total	11,320,042,655.14	221,833,559.40	11,098,209,095.74	10,985,117,540.19	9,783,316.82	10,975,334,223.37

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

Unit: RMB

Project name	Time for commencement	Estimated date of	Estimated total	Beginning balance	Transferred to developing	Other decreased	Increase (R&D)	Ending balance	Accumulated amount of	Of which: amount of	Capital resources
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		completion	investment		properties for the current period	amount for the current period	expenses) for the current period		interest capitalization	capitalized interests for the current period	
Lanhu Shidai project	15 October 2020	10 September 2026	8,400,000,000.00	4,686,202,152.53			535,922,056.32	5,222,124,208.85	357,489,702.39	119,186,192.41	Bank loans
SZPRD-Fuchang Garden Phase II (Fuhui Huayuan)	27 December 2018	15 May 2023	911,330,000.00	747,287,571.94	787,279,703.02		39,992,131.08	0.00			Others
Humen Sea Bay project	22 March 2022	30 April 2024	3,217,590,000.00	2,361,567,910.93			198,080,476.58	2,559,648,387.51	9,600,985.30	9,600,985.30	Bank loans
Guangming Yutang Shangfu project	7 March 2022	21 October 2024	2,658,680,000.00	1,792,278,782.42			202,943,925.14	1,995,222,707.56	3,810,146.41	3,810,146.41	Bank loans
Yupinluanshan (commercial and residential construction project of No. A117-12 land)				236,433,505.64		236,433,505.64		0.00			Others
Land of Hongqi Town, Haikou				6,648,404.13				6,648,404.13			Others
Shenhui Garden				37,256,048.16			31,716.38	37,287,764.54			Others
Fuyuantai project				12,754,337.65			3,348,052.49	16,102,390.14			Others
Yangzhou Shouxihu Ecological Health Valley project	6 March 2023	31 August 2026	2,529,110,000.00	863,966,304.45			431,687,658.55	1,295,653,963.00			Others
Others				34,555,681.38			7,340,160.32	41,895,841.70			Others
Total	--	--	17,716,710,000.00	10,778,950,699.23	787,279,703.02	236,433,505.64	1,419,346,176.86	11,174,583,667.43	370,900,834.10	132,597,324.12	--

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

Unit: RMB

Project name	Time of completion	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance	Accumulated amount of interest capitalization	Of which: amount of capitalized interests for the current period
SZPRD-Langqiao International	1 December 2012	3,447,316.75			3,447,316.75	83,077,702.96	
SZPRD-Hupan Yujing Phase I	1 June 2015	56,815,090.28		26,673,381.36	30,141,708.92		
SZPRD-Banshan Yujing Phase II	12 January 2022	3,607,397.06		70,407.65	3,536,989.41	10,446,911.43	
SZPRD-Songhu Langyuan	1 July 2017	24,200,327.47		1,153,387.44	23,046,940.03	27,205,315.95	
SZPRD-Hupan Yujing Phase II	1 November 2017	30,517,813.23		238,482.45	30,279,330.78	30,539,392.65	
SZPRD-Golden Collar's Resort	1 December 2019	72,260,564.44		35,314,083.61	36,946,480.83		
SZPRD-Fuchang	15 May 2023	0.00	787,279,703.02	782,328,176.19	4,951,526.83		

Garden Phase II (Fuhui Huayuan)							
International Trade Center Plaza	1 December 1995	4,839,083.10			4,839,083.10	26,385,636.29	
Huangyuyuan A Area	1 June 2001	790,140.58			790,140.58		
Podium Building of Fuchang Building	1 November 1999	645,532.65			645,532.65		
Other items		2,551,428.03			2,551,428.03		
Total	--	199,674,693.59	787,279,703.02	845,777,918.70	141,176,477.91	177,654,959.28	

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

Unit: RMB

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

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

Classification by nature:

Unit: RMB

Item	Beginning balance	Increased amount of the current period		Decreased amount for the current period		Ending balance	Notes
		Withdrawal	Others	Transferred-back or charged-off	Others		
R&D expenses	6,648,404.13	212,175,631.84				218,824,035.97	
Raw materials	1,040,612.30	37.12		125,426.38		915,223.04	
Inventory goods	2,094,300.39					2,094,300.39	
Total	9,783,316.82	212,175,668.96		125,426.38		221,833,559.40	

Classification by nature:

Unit: RMB

Project name	Beginning balance	Increased amount of the current period		Decreased amount for the current period		Ending balance	Notes
		Withdrawal	Others	Transferred-back or charged-off	Others		
Land of Hongqi Town, Haikou	6,648,404.13					6,648,404.13	
Humen Sea Bay project		187,141,155.12				187,141,155.12	
Yangzhou Shouxihu Ecological Health Valley project		25,034,476.72				25,034,476.72	
Total	6,648,404.13	212,175,631.84				218,824,035.97	

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

Project name	Period-begin	Current period	Carry-over in current period	Period-end
SZPRD-Golden Collar's Resort	341,681.06		77,414.17	264,266.89
Lanhu Shidai project	238,303,509.98	119,186,192.41		357,489,702.39
SZPRD-Langqiao International	2,971,986.54			2,971,986.54
SZPRD-Hupan Yujing Phase I	1,249,515.42			1,249,515.42
Humen Sea Bay project		9,600,985.30		9,600,985.30
Guangming Yutang Shangfu project		3,810,146.41		3,810,146.41
Yangzhou Shouxihu Ecological Health Valley project		460,955.00		460,955.00
Total	242,866,693.00	133,058,279.12	77,414.17	375,847,557.95

(4) Inventory Restrictions

Disclosing restricted inventory by project:

Unit: RMB

Project name	Beginning balance	Ending balance	Reason for restriction
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10. Held-for-sale Assets

Unit: RMB

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

11. Current Portion of Non-current Assets

Unit: RMB

Item	Ending balance	Beginning balance
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(1) Investments in Debt Obligations Due within One YearApplicable Not applicable**(2) Other Investments in Debt Obligations Due within One Year**Applicable Not applicable**12. Other Current Assets**

Unit: RMB

Item	Ending balance	Beginning balance
Prepaid VAT	22,096,062.08	16,846,758.27
Deducted input tax	97,304,885.00	28,950,002.85
Prepaid income tax	4,608,593.92	1,436,395.15
Prepaid land VAT	862,126.84	16,438,505.72

Prepaid urban construction tax	1,692,524.35	1,156,118.20
Prepaid education surcharge	1,208,945.98	825,798.74
Immediate rebate of receivable software sales VAT	1,687.34	1,687.34
Total	127,774,825.51	65,655,266.27

Other notes:

13. Investments in Debt Obligations

(1) List of Investments in Debt Obligations

Unit: RMB

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

Changes in the impairment provision for investments in debt obligations during the current period

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
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(2) Significant Investments in Debt Obligations at the Period-end

Unit: RMB

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

(3) Status of accrued depreciation reserves

Unit: RMB

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

The basis for the division of each stage and the withdrawal proportion of bad debt provision

(4) Status of Investments in Debt Obligations Written-off in Current Period

Unit: RMB

Item	Written-off amount
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Of which the verification of significant investments in debt obligations

Notes to verification of investments in debt obligations:

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

Applicable Not applicable

Other notes:

14. Other Investments in Debt Obligations

(1) List of Other Investments in Debt Obligations

Unit: RMB

Item	Beginning balance	Accrued interest	Interest adjustment	Change in fair value in the reporting period	Ending balance	Cost	Accumulated changes in fair value	Accumulated impairment provision recognized in other comprehensive income	Notes

Changes in the impairment provision for other investments in debt obligations during the current period

Unit: RMB

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

(2) Significant Other Investments in Debt Obligations at the Period-end

Unit: RMB

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

(3) Status of accrued depreciation reserves

Unit: RMB

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

The basis for the division of each stage and the withdrawal proportion of bad debt provision

(4) Status of Other Investments in Debt Obligations Written-off in Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant other investments in debt obligations

Notes to verification of other investments in debt obligations:

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

Applicable Not applicable

Other notes:

15. Other Equity Instrument Investment

Unit: RMB

Project name	Ending balance	Beginning balance	Gains recorded in other comprehensive income in the current period	Losses recorded in other comprehensive income in the current period	Accumulative gains recorded in other comprehensive income in the current period	Accumulative losses recorded in other comprehensive income in the current period	Dividend income recognized in current year	Reason for assigning to measure in fair value of which changes included other comprehensive income
Gintian Industry (Group) Co., Ltd.	636,926.20	887,838.64		261,743.15		2,835,868.48		Not for business transaction purposes
Total	636,926.20	887,838.64		261,743.15		2,835,868.48		

There is derecognition in the current period

Unit: RMB

Project name	Accumulative gains transferred in retained earnings	Accumulative losses transferred in retained earnings	Reason for derecognition
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Non-trading equity instrument investment in the Current Period disclosed by items

Unit: RMB

Project name	Dividend income recognized	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes included other comprehensive income	Reason for other comprehensive income transferred to retained earnings
Gintian Industry (Group) Co., Ltd.			2,953,430.11		Not for business transaction purposes	

Other notes:

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

Unit: RMB

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

(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

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

Withdrawal of bad debt provision by adopting the general mode of expected credit loss

Unit: RMB

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

The basis for the division of each stage and the withdrawal proportion of bad debt provision

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

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Others	

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision

Other notes:

(4) Status of Long-term Receivables Written-off in Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant long-term receivables:

Unit: RMB

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

Notes to the verification of long-term receivables:

17. Long-term Equity Investment

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase/decrease for the current period								Ending balance (Carrying value)	Ending balance of depreciation reserve
			Additional investment	Reduced investment	Gains and losses recognized	Adjustment of other comprehensive	Changes of other equity	Cash bonus or profits announced	Withdrawal of impairment	Others		

					under the equity method	income		to issue	provision			
I. Joint ventures												
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	44,730,585.29				3,335,233.21						48,065,818.50	
Tian'an International Building Property Management Company of Shenzhen	7,037,952.31				12,985.03						7,050,937.34	
Subtotal	51,768,537.60				3,348,218.24						55,116,755.84	
II. Associated enterprises												
Shenzhen Wufang Ceramics Industrial Co., Ltd.	18,983,614.14										18,983,614.14	18,983,614.14
Shenzhen Kangfu Health Products Co., Ltd.	165,000.00										165,000.00	165,000.00
Shenzhen Xinghao Imitation Porcelain Co., Ltd.	756,670.68										756,670.68	756,670.68
Shenzhen Social Welfare Company Fuda Electronics Factory	326,693.24										326,693.24	326,693.24
Shenzhen Fulong Industry Development Co., Ltd.	1,684,350.00										1,684,350.00	1,684,350.00
Haonianhua Hotel	2,733,570.05										2,733,570.05	2,733,570.05
Shenzhen Education Fund Longhua Investment	500,000.00										500,000.00	500,000.00
Shenzhen Kangle Sports Club Huangfa Branch	540,060.00										540,060.00	540,060.00
Dankeng Village Plants of Fumin in Guanlan Town, Shenzhen City	1,168,973.20										1,168,973.20	1,168,973.20
Shenzhen Bull Entertainment Co., Ltd.	500,000.00										500,000.00	500,000.00
Shenzhen Lianhua Caitian Property Management Co., Ltd.	1,475,465.91										1,475,465.91	1,475,465.91
Shenzhen Yangyuan Industrial Co., Ltd.	1,030,000.00										1,030,000.00	1,030,000.00
Jiakai Feng Co., Ltd. Bao'an Company	600,000.00										600,000.00	600,000.00
Guiyuan Garage	350,000.00										350,000.00	350,000.00
Shenzhen Wuweiben Roof Greening Co., Ltd.	500,000.00										500,000.00	500,000.00
Shenzhen Yuanping Plastic Steel Doors Co., Ltd.	240,000.00										240,000.00	240,000.00
Shenzhen Youfang Printing Co., Ltd.	100,000.00										100,000.00	100,000.00
Shenzhen Lusheng Industrial Development Co., Ltd.	100,000.00										100,000.00	100,000.00
CSCEC Intelligent Parking Technology Co., Ltd.	28,012,899.71				991,215.00			63,120.00			28,940,994.71	
Subtotal	59,767,296.93				991,215.00			63,120.00			60,695,391.93	31,754,397.22
Total	111,535,834.53				4,339,433.24			63,120.00			115,812,147.77	31,754,397.22

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow.

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

Other notes:

18. Other Non-current Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

19. Investment Property

(1) Investment Property Adopting the Cost Measurement Mode

Applicable Not applicable

Unit: RMB

Item	Houses and buildings	Land use right	Construction in progress	Total
I. Original carrying value				
1. Beginning balance	861,702,509.37	14,495,902.20	37,192,716.83	913,391,128.40
2. Increased amount for the current period	20,538,975.46			20,538,975.46
(1) Outsourcing				
(2) Transfer from inventory/fixed assets/construction in progress	20,538,975.46			20,538,975.46
(3) Business combination increase				
3. Decreased amount for the current period	-178,092.04			-178,092.04
(1) Disposal				
(2) Other transfer				
(3) Exchange adjustment	-178,092.04			-178,092.04
4. Ending balance	882,419,576.87	14,495,902.20	37,192,716.83	934,108,195.90
II. Accumulative depreciation and accumulative amortization				
1. Beginning balance	472,271,039.79	13,360,585.89	21,996,763.54	507,628,389.22

2. Increased amount for the current period	30,494,065.85	952,969.32	8,052,783.60	39,499,818.77
(1) Withdrawal or amortization	27,649,799.76	952,969.32	8,052,783.60	36,655,552.68
(2) Others	2,844,266.09			2,844,266.09
3. Decreased amount for the current period	-169,187.44			-169,187.44
(1) Disposal				
(2) Other transfer				
(3) Exchange adjustment	-169,187.44			-169,187.44
4. Ending balance	502,934,293.08	14,313,555.21	30,049,547.14	547,297,395.43
III. Depreciation reserves				
1. Beginning balance				
2. Increased amount for the current period				
(1) Withdrawal				
3. Decreased amount for the current period				
(1) Disposal				
(2) Other transfer				
4. Ending balance				
IV. Carrying value				
1. Ending carrying value	379,485,283.79	182,346.99	7,143,169.69	386,810,800.47
2. Beginning carrying value	389,431,469.58	1,135,316.31	15,195,953.29	405,762,739.18

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow.

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

Other notes:

(2) Investment Property Adopting the Fair Value Measurement Mode

Applicable Not applicable

(3) Projects Converted to Investment Properties and Measured at Fair Value

Unit: RMB

Item	Accounting item	Amount	Reason for	Approval	Impact on gain	Impact on other
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	before conversion		conversion	procedures	and loss	comprehensive income
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(4) Investment Property Failed to Accomplish Certification of Property

Unit: RMB

Item	Carrying value	Reason
507 Unit, Block No. 6, Maguling	22,679.21	The house is used for property management, once occupied by the third party, a property management company, now has been recovered, but hasn't handled the warrant yet.
Meilin land [Note 1]		Obtained after the success in the last instance in 2017, relevant certifications of property are in the procedure
Total	22,679.21	

Other notes:

Note: As at 31 December 2023, the original carrying value of Meilin land was RMB3,885,469.40, the accumulated accrued depreciation was RMB3,885,469.40, and the carrying value was RMB0.

20. Fixed Assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	66,436,408.90	82,745,172.12
Liquidation of fixed assets		
Total	66,436,408.90	82,745,172.12

(1) List of Fixed Assets

Unit: RMB

Item						Total
I. Original carrying value:						
1. Beginning balance	129,859,285.29	6,457,738.92	19,461,561.97	37,715,645.88	57,075,135.08	250,569,367.14
2. Increased amount for the current period		6,600.00	631,228.99	22,350.00	4,534,125.03	5,194,304.02
(1) Purchase		6,600.00	631,228.99	22,350.00	4,534,125.03	5,194,304.02
(2) Transfer from construction in progress						
(3) Business combination increase						
3. Decreased amount for the current period	5,432,051.73	155,270.00	741,446.82		3,143,412.94	9,472,181.49
(1) Disposal or scrap		155,270.00	741,446.82		3,143,412.94	4,040,129.76
(2) Exchange adjustment	-82,418.03					-82,418.03
Others	5,514,469.76					5,514,469.76
4. Ending balance	124,427,233.56	6,309,068.92	19,351,344.14	37,737,995.88	58,465,847.17	246,291,489.67
II. Accumulative depreciation						
1. Beginning balance	95,882,680.45	2,648,956.94	13,790,571.17	18,649,255.82	36,777,013.48	167,748,477.86

2. Increased amount for the current period	2,091,157.50	479,295.76	1,641,080.73	7,481,877.56	6,932,155.58	18,625,567.13
(1) Withdrawal	2,091,157.50	479,295.76	1,641,080.73	7,481,877.56	6,932,155.58	18,625,567.13
3. Decreased amount for the current period	2,768,468.99	154,765.10	680,236.38		2,991,210.91	6,594,681.38
(1) Disposal or scrap		154,765.10	680,236.38		2,991,210.91	3,826,212.39
(2) Exchange adjustment	-75,797.10					-75,797.10
Others	2,844,266.09					2,844,266.09
4. Ending balance	95,205,368.96	2,973,487.60	14,751,415.52	26,131,133.38	40,717,958.15	179,779,363.61
III. Depreciation reserves						
1. Beginning balance						
2. Increased amount for the current period						
(1) Withdrawal						
3. Decreased amount for the current period						
(1) Disposal or scrap						
4. Ending balance						
IV. Carrying value						
1. Ending carrying value	29,221,864.60	3,335,581.32	4,599,928.62	11,606,862.50	17,672,171.86	66,436,408.90
2. Beginning carrying value	33,976,604.84	3,808,781.98	5,670,990.80	19,066,390.06	20,222,404.44	82,745,172.12

(2) List of Temporarily Idle Fixed Assets

Unit: RMB

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

Unit: RMB

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

Unit: RMB

Item	Carrying value	Reason
Room 406, 2 units, Hulunbuir Guangxia Digital Building	2,191,229.86	Property rights disputes before, now have won a lawsuit with certification of the property being processed.
Room 401, 402, Sanxiang Business Building Office Building	575,652.74	The office building will be removed due to the project adjustment and a high-rise office building will be established nearby the present address. The existing property shall be replaced after the completion of the new office building. Thus, the certification of the property is failed to transact.
Total	2,766,882.60	

Other notes:

(5) Impairment Test of Fixed Assets□Applicable Not applicable**(6) Proceeds from Disposal of Fixed Assets**

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

21. Construction in Progress

Unit: RMB

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

Unit: RMB

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

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

Unit: RMB

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

Unit: RMB

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

(4) Impairment Test of Construction in Progress□Applicable Not applicable**(5) Engineering Materials**

Unit: RMB

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

Other notes:

22. Right-of-use Assets**(1) List of Right-of-use Assets**

Unit: RMB

Item		Total
I. Original carrying value		
1. Beginning balance	96,978,273.81	96,978,273.81
2. Increased amount for the current period	34,372,695.47	34,372,695.47
(1) New Leases	34,372,695.47	34,372,695.47
3. Decreased amount for the current period	75,290,063.42	75,290,063.42
(1) Terminated Leases	75,290,063.42	75,290,063.42
4. Ending balance	56,060,905.86	56,060,905.86
II. Accumulative depreciation		
1. Beginning balance	26,809,858.16	26,809,858.16
2. Increased amount for the current period	18,139,758.01	18,139,758.01
(1) Withdrawal	18,139,758.01	18,139,758.01
3. Decreased amount for the current period	12,405,506.53	12,405,506.53
(1) Disposal		
(2) Terminated Leases	12,405,506.53	12,405,506.53
4. Ending balance	32,544,109.64	32,544,109.64
III. Depreciation reserves		
1. Beginning balance		
2. Increased amount for the current period		
(1) Withdrawal		
3. Decreased amount for the current period		
(1) Disposal		
4. Ending balance		
IV. Carrying value		
1. Ending carrying value	23,516,796.22	23,516,796.22
2. Beginning carrying value	70,168,415.65	70,168,415.65

(2) Impairment Test of Right-of-use Assets

Applicable Not applicable

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow.

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual

situation of those years

Other notes:

23. Intangible Assets

(1) List of Intangible Assets

Unit: RMB

Item	Land use right	Patent right	Non-patent technologies	Software use rights	Total
I. Original carrying value					
1. Beginning balance				3,060,312.13	3,060,312.13
2. Increased amount for the current period					
(1) Purchase					
(2) Internal R&D					
(3) Business combination increase					
3. Decreased amount for the current period					
(1) Disposal					
4. Ending balance				3,060,312.13	3,060,312.13
II. Accumulated amortization					
1. Beginning balance				1,790,929.22	1,790,929.22
2. Increased amount for the current period				379,581.77	379,581.77
(1) Withdrawal				379,581.77	379,581.77
3. Decreased amount for the current period					
(1) Disposal					
4. Ending balance				2,170,510.99	2,170,510.99
III. Depreciation reserves					
1. Beginning balance					
2. Increased amount for the current period					
(1) Withdrawal					
3. Decreased amount for the current period					
(1) Disposal					

4. Ending balance					
IV. Carrying value					
1. Ending carrying value				889,801.14	889,801.14
2. Beginning carrying value				1,269,382.91	1,269,382.91

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

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

Unit: RMB

Item	Carrying value	Reason
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Other notes:

(3) Impairment Test of Intangible Assets

Applicable Not applicable

24. Goodwill

(1) Original Carrying Value of Goodwill

Unit: RMB

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

(2) Depreciation Reserves of Goodwill

Unit: RMB

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

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

Name	Composition and basis of the asset group or combination of asset groups to which it belongs	Operating segment to which it belongs and basis	Whether it is consistent with that of the prior years
Shenzhen Facility Management Community Technology Co., Ltd.	Groups or combinations of groups of assets that are capable of generating cash flows independently, taking into account the ability to benefit from the synergies of the business combination and the way in which management	Property management, supporting services	Yes

	manages or monitors the production and operating activities.		
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Changes in the assets group or combination of assets groups

Name	Composition before the change	Composition after the change	Objective facts leading to the change and their basis
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Other notes:

(4) Specific Method of Determining the Recoverable Amount

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow.

Applicable Not applicable

Unit: RMB

Item	Carrying value	Recoverable amount	Impairment amount	Number of years of the forecast period	Key parameters of the forecast period	Key parameters of the stable period	Basis of determining the key parameters of the stable period
Shenzhen Facility Management Community Technology Co., Ltd.	61,791,091.57	62,756,889.73		5	Revenue growth rate of 1%-8%, discount rate of 12.53%	No growth	Determined based on prudence
Total	61,791,091.57	62,756,889.73					

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

(5) Completion of Commitments to Results and Corresponding Goodwill Impairment

When goodwill is formed, there is a commitment to the results and the reporting period or the period preceding the reporting period is within the commitment period

Applicable Not applicable

Unit: RMB

Item	Completion of the commitment to results						Amount of goodwill impairment	
	Current period			Previous period			Current period	Previous period
	Committed results	Actual results	Completion rate	Committed results	Actual results	Completion rate		

Other notes:

In May 2021, Shenzhen Wuhe Industry Investment Development Co., Ltd. (hereinafter referred to as "Wuhe Company"), a subsidiary of the Company, acquired 35% of the equity of Shenzhen Facility Management Community Technology Co., Ltd. (hereinafter referred to as "FMC") through acquisition of equity and directional capital increase. Pursuant to the equity acquisition

cooperation framework agreement entered into between Wuhe Company and the original shareholders, FMC and its original shareholders undertook that the FMC's operating revenue growth ratio or net profit for the years from 2021 to 2023 would reach the target value agreed upon in the agreement, and that Wuhe Company would conduct an assessment of its operating performance for a period of three years. As at the Reporting Date, the performance assessment has not yet been completed, and therefore it is not possible to assess its fulfillment for the time being.

Based on the results of the goodwill impairment test, the recoverable amount is higher than its carrying amount and no provision for goodwill impairment is required.

25. Long-term Prepaid Expense

Unit: RMB

Item	Beginning balance	Increased amount of the current period	Amortization amount of the current period	Other decreased amount	Ending balance
Decoration fee	21,980,602.46	7,834,029.87	7,726,470.46	577,763.99	21,510,397.88
Total	21,980,602.46	7,834,029.87	7,726,470.46	577,763.99	21,510,397.88

Other notes:

26. Deferred Income Tax Assets/Deferred Income Tax Liabilities

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

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	95,315,243.86	21,090,356.76	72,321,489.09	15,066,804.41
Internal unrealized profit	437,266,319.66	109,316,579.92	439,263,809.16	109,815,952.29
Deductible losses	607,016,948.61	151,737,271.44	1,159,867,308.26	288,683,459.58
Accrued land VAT	3,911,198,870.69	977,799,717.67	3,838,271,429.24	959,567,857.31
Estimated profit calculated at pre-sale revenue of property enterprises	32,620,985.74	8,155,246.44	35,766,814.24	8,941,703.56
Other accrued expenses	7,694,020.20	1,923,505.05	4,512,525.55	974,808.89
Lease Liabilities	26,502,156.29	6,417,709.55	100,176,641.92	24,500,761.16
Total	5,117,614,545.05	1,276,440,386.83	5,650,180,017.46	1,407,551,347.20

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

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
The carrying value of fixed assets was larger than the tax basis	704,413.18	176,103.29	967,914.16	241,978.54
Right-of-use Assets	23,516,796.22	5,686,176.41	70,168,415.65	22,737,325.56

Total	24,221,209.40	5,862,279.70	71,136,329.81	22,979,304.10
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(3) Deferred Income Tax Assets or Liabilities Had Been Off-set Listed in Net Amount

Unit: RMB

Item	Ending off-set amount of deferred income tax assets and liabilities	Ending balance of deferred income tax assets and liabilities	Beginning off-set amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets and liabilities
Deferred income tax assets		1,276,440,386.83		1,407,551,347.20
Deferred income tax liabilities		5,862,279.70		22,979,304.10

(4) List of Unrecognized Deferred Income Tax Assets

Unit: RMB

Item	Ending balance	Beginning balance
Deductible temporary differences	261,260,204.35	52,448,071.36
Deductible losses	254,378,951.24	508,734,563.66
Total	515,639,155.59	561,182,635.02

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

Unit: RMB

Year	Ending amount	Beginning amount	Notes
2023		265,603,820.64	
2024	124,895,242.05	124,895,242.05	
2025	22,711,013.85	22,711,013.85	
2026	14,238,807.00	14,238,807.00	
2027	81,285,680.12	81,285,680.12	
2028	11,248,208.22		
Total	254,378,951.24	508,734,563.66	

Other notes:

27. Other Non-current Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Prepayment for purchase of fixed assets, investment properties and intangible assets	870,062.16		870,062.16	115,779.31		115,779.31
Others [note 1]	2,635,093.77		2,635,093.77	2,635,093.77		2,635,093.77
Total	3,505,155.93		3,505,155.93	2,750,873.08		2,750,873.08

Other notes:

Note 1: The amount is mainly the registered asset of investment property, as the assets relate to the subsequent pending transfer of relocated properties for the shanty town renovation of Chuanbujie, and the term exceeds one year.

28. Assets with Restricted Ownership or Right of Use

Unit: RMB

Item	Period-end				Period-beginning			
	Carrying amount	Carrying value	Type of restriction	Status of restriction	Carrying amount	Carrying value	Type of restriction	Status of restriction
Monetary capital	15,659,341.60	15,659,341.60	Frozen	Note 1 - Note 10	7,835,036.35	7,835,036.35	Frozen	Margin, security deposit, interest on time deposit, and judicially frozen funds
Land use right of Fumin New Village, Futian District					542,507,314.43	542,507,314.43	Mortgaged	
Total	15,659,341.60	15,659,341.60			550,342,350.78	550,342,350.78		

Other notes:

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

[Note 2]: In terms of monetary assets with restricted right to use at the period-end, there was RMB3,342,374.71 in the subsidiary company Shenzhen Facility Management Community Technology Co., Ltd. blocked by the court due to pre-litigation preservation for contract disputes.

[Note 3]: In terms of monetary assets with restricted right to use at the period-end, there was a loan deposit of RMB1,133,604.61 provided as mortgage loan guarantees for commercial housing purchasers and paid by the Company as a real estate developer according to real estate business practices.

[Note 4]: In terms of monetary assets with restricted right to use at the period-end, there was RMB8,644,166.67 of interest on unexpired term deposits accrued at the period-end.

[Note 5]: In terms of monetary assets with restricted right to use at the period-end, there was RMB90,000.00 of blocked fund in a dispute over a house purchase and sales contract for Shenzhen Property Group Xuzhou Dapeng Real Estate Development Co., Ltd., a subsidiary of the Company.

[Note 6]: In terms of monetary assets with restricted right to use at the period-end, there was RMB129,021.18 in the account of the subsidiary company Shenzhen Property Engineering and Construction Supervision Co., Ltd. The account was in a receiving-only status because the legal person change formalities had not been completed by the period-end.

[Note 7]: In terms of monetary assets with restricted right to use at the period-end, there was RMB99,103.58 in the account of the subsidiary company Shenzhen Yufa Industrial Co., Ltd. Its bank account was frozen because its retained shareholder information is inconsistent with the shareholder information retained during business registration in the State Administration for Market Regulation.

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

[Note 9]: In terms of monetary assets with restricted right to use at the period-end, there was a deposit for POS of RMB1,000.00 in the Shenzhen Shenfubao Property Development Co., Ltd, a subsidiary of the Company

[Note 10]: In terms of monetary assets with restricted right to use at the period-end, there was RMB18,570.85 of blocked fund in a labour disputes arbitration case for Shenzhen Free Trade Zone Security Service Co., Ltd., a subsidiary of the Company.

29. Short-term Borrowings**(1) Category of Short-term Borrowings**

Unit: RMB

Item	Ending balance	Beginning balance
Credit loan	230,915,000.00	
Total	230,915,000.00	

Notes of the category for short-term loans:

The credit borrowings (1) at the period-end were used for the daily operation of Shenzhen International Trade Center Property Management Co., Ltd., a subsidiary of the Company, with the duration from 28 September 2023 to 26 March 2024.

The credit borrowings (2) at the period-end were used for the daily operation of Shenzhen ITC Technology Park Service Co., Ltd., a subsidiary of the Company, with the duration from 1 December 2023 to 29 November 2024.

The credit borrowings (3) at the period-end were used for the daily operation of Shenzhen International Trade Center Property Management Co., Ltd., a subsidiary of the Company, with the duration from 4 December 2023 to 4 June 2024.

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

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

Unit: RMB

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

30. Trading Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Of which:		
Of which:		

Other notes:

31. Derivative Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

32. Notes Payable

Unit: RMB

Category	Ending balance	Beginning balance
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The total amount of notes payable that are due but unpaid amounted to RMBXXX at the end of the current period. And the reasons why they are due but not paid are XXX

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

Unit: RMB

Item	Ending balance	Beginning balance
Engineering construction expense payable	540,851,975.20	484,123,042.01
Estimated payables	40,980,345.76	32,863,907.25
Others	81,036,738.63	91,296,439.26
Total	662,869,059.59	608,283,388.52

(2) Significant Accounts Payable Aging over One Year or Overdue

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Shenzhen Municipal Bureau of Planning and Land	25,000,000.00	Historical problems
China Construction Fourth Engineering Division Corp., Ltd.	12,017,672.93	Unsettled
Shenzhen Qianhai Advanced Information Service Co., Ltd.	8,126,060.00	Unsettled
Total	45,143,732.93	

Other notes:

34. Other Payables

Unit: RMB

Item	Ending balance	Beginning balance
Dividends payable	12,202,676.04	12,202,676.04
Other payables	1,205,100,618.21	1,502,883,156.41
Total	1,217,303,294.25	1,515,085,832.45

(1) Interest Payable

Unit: RMB

Item	Ending balance	Beginning balance
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List of the significant overdue unpaid interest:

Unit: RMB

Entity	Overdue amount	Overdue reason
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Other notes:

(2) Dividends Payable

Unit: RMB

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

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

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

(3) Other Payables

1) Other Payables Listed by Nature of Account

Unit: RMB

Item	Ending balance	Beginning balance
Security deposit	290,979,176.07	316,108,932.91
Margin	11,806,030.93	13,585,641.99
Collection on behalf	4,832,329.12	3,596,458.33
Intercourse funds	611,443,690.41	855,267,729.70
Accrued expenses	200,129,074.12	224,646,116.70
Payment on behalf	17,030,579.72	19,052,869.33
Others	68,879,737.84	70,625,407.45
Total	1,205,100,618.21	1,502,883,156.41

2) Significant Other Accounts Payable Aging over One Year or Overdue

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Yangzhou Lvfa Real Estate Co., Ltd.	369,623,672.79	Intercourse funds with related parties outside the combination
Shenzhen Bay Technology Development Co., Ltd.	143,003,641.12	Unsettled
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	42,296,665.14	Intercourse fund without specific payment term
Shenzhen Toutiao Technology Co., Ltd.	12,340,689.03	Lease term not expired
Shenzhen Qianhai Micro Public Bank Co., Ltd.	6,698,953.04	Lease term not expired
Total	573,963,621.12	

3) Top 5 of the Ending Balance of the Other Payables Collected according to the Counterparty

Other notes:

35. Advances from Customers

(1) List of Advances from Customers

Unit: RMB

Item	Ending balance	Beginning balance
Rental	2,265,223.56	2,260,847.31

Total	2,265,223.56	2,260,847.31
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(2) Significant Advances from Customers Aging over One Year or Overdue

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
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Unit: RMB

Item	Change in amount	Reason(s)
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36. Contract Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
House payment in advance	747,372,309.30	857,317,217.99
Property fee in advance	30,554,843.87	15,740,950.87
Other payments in advance	42,497,800.25	47,769,871.95
Total	820,424,953.42	920,828,040.81

Significant contract liabilities aging over one year

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
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Significant changes in the amount of carrying value and the reason in the Reporting Period

Unit: RMB

Item	Change in amount	Reason(s)
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37. Payroll Payable**(1) List of Payroll Payable**

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
I. Short-term salary	234,726,107.97	874,016,347.55	890,873,383.85	217,869,071.67
II. Post-employment benefit-defined contribution plans	1,650,684.05	77,418,329.18	78,330,132.15	738,881.08
III. Termination benefits	2,749,600.00	280,143.53	2,851,584.50	178,159.03
Total	239,126,392.02	951,714,820.26	972,055,100.50	218,786,111.78

(2) List of Short-term Salary

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
1. Salary, bonus, allowance, subsidy	216,273,079.86	762,337,469.94	775,409,080.68	203,201,469.12
2. Employee welfare	1,408,479.54	8,017,681.72	8,376,723.46	1,049,437.80
3. Social insurance	71,070.35	29,533,078.01	29,587,983.54	16,164.82
Of which: Medical insurance premiums	60,059.54	26,315,323.45	26,361,499.22	13,883.77

Work-related injury insurance premiums	1,263.70	1,258,003.44	1,259,251.18	15.96
Maternity insurance	2,154.62	1,959,751.12	1,959,640.65	2,265.09
Other commercial insurances	7,592.49		7,592.49	
4. Housing fund	1,279,643.31	28,547,576.64	28,661,368.07	1,165,851.88
5. Labor union budget and employee education budget	11,352,966.60	16,509,911.48	19,370,797.18	8,492,080.90
8. Non-monetary benefits	4,340,868.31	29,070,629.76	29,467,430.92	3,944,067.15
Total	234,726,107.97	874,016,347.55	890,873,383.85	217,869,071.67

(3) List of Defined Contribution Plans

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
1. Basic pension insurance	145,676.75	59,806,897.45	59,931,532.14	21,042.06
2. Unemployment insurance premiums	4,125.03	1,544,057.60	1,545,466.23	2,716.40
3. Supplementary pension payment	1,500,882.27	16,067,374.13	16,853,133.78	715,122.62
Total	1,650,684.05	77,418,329.18	78,330,132.15	738,881.08

Other notes:

38. Taxes Payable

Unit: RMB

Item	Ending balance	Beginning balance
VAT	17,768,402.21	15,392,042.91
Enterprise income tax	91,035,828.65	57,096,046.69
Personal income tax	3,681,965.62	3,141,049.35
Urban maintenance and construction tax	981,394.80	1,464,551.01
Land appreciation tax	3,911,198,870.69	3,838,271,429.24
Land use tax	180,900.74	153,626.98
Property tax	539,730.69	600,966.66
Educational surcharge	644,625.80	707,668.15
Local educational fee	322,573.66	383,745.82
Others	603,055.08	67,220.00
Total	4,026,957,347.94	3,917,278,346.81

Other notes:

39. Held-for-sale Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Other notes:

40. Current Portion of Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Current portion of long-term borrowings	3,075,993,789.05	196,645,408.45
Current portion of long-term payables	400,000.00	
Lease obligation matured within 1 Year	15,931,064.02	22,213,358.37
Total	3,092,324,853.07	218,858,766.82

Other notes:

41. Other Current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Tax to be charged off	68,373,661.13	83,991,786.83
Total	68,373,661.13	83,991,786.83

Increase/decrease of the short-term bonds payable:

Unit: RMB

Name	Par value	Coupon rate	Issue date	Bond duration	Issue amount	Beginning balance	Issued in the current period	Interest accrued at par value	Amortization of premium and depreciation	Repaid in the current period		Ending balance	Default or not
Total													

Other notes:

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

Unit: RMB

Item	Ending balance	Beginning balance
Pledged loans	373,646,731.07	3,156,782,344.00
Mortgage loans	625,842,543.40	
Credit loan	400,400,000.00	462,000,000.00
Total	1,399,889,274.47	3,618,782,344.00

Note to the category of long-term borrowings:

The pledge borrowings at the period-end (1) were used to acquire 100% of five property management enterprises. They are Shenzhen Property Management Co., Ltd., Shenzhen Foreign Trade Property Management Co., Ltd., Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd. and Shenzhen Free Trade Zone Security Service Co., Ltd. by the Company's subsidiary Shenzhen International Trade Center Property Management Co., Ltd. with the duration from 18 May 2022 to 26 April 2027. And the 100% equity of these five enterprises held by Shenzhen International Trade Center Property Management Co., Ltd.

The pledged loans (2) at the period-end were used to develop the Humen Sea Bay Garden project of Dongguan Wuhe Real Estate Co., Ltd., a subsidiary of the Company, with the duration from 30 March 2023 to 5 August 2027. All accounts receivable of Dongguan Wuhe Real Estate Co., Ltd. in next five years was pledged.

The mortgage loans (1) at the period-end were used to develop the Guangming Yutang Shangfu project of Shenzhen Guangming Wuhe Real Estate Co., Ltd., a subsidiary of the Company, with the duration from 27 July 2023 to 24 May 2028. The land use right of Guangming Yutang Shangfu project held by Shenzhen Guangming Wuhe Real Estate Co., Ltd. was pledged.

The mortgage loans (2) at the period-end were used to develop the Humen Sea Bay Garden project of Dongguan Wuhe Real Estate Co., Ltd., a subsidiary of the Company, with the duration from 5 August 2022 to 5 August 2027. The land use right of Humen Sea Bay Garden project held by Dongguan Wuhe Real Estate Co., Ltd. was pledged.

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

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

Other notes, including interest rate range:

43. Bonds Payable

(1) Bonds Payable

Unit: RMB

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

Unit: RMB

Name	Par value	Coupon rate	Issue date	Bond duration	Issue amount	Beginning balance	Issued in the current period	Interest accrued at par value	Amortization of premium and depreciation	Repaid in the current period		Ending balance	Default or not
Total					-								-

(3) Notes to Convertible Corporate Bonds

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

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

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

Unit: RMB

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

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

Other notes:

44. Lease Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease payments	34,767,450.58	119,208,080.55
Unrecognized financing expense	-8,265,294.29	-19,031,438.63
Less: Lease obligation matured within 1 Year	-15,931,064.02	-22,213,358.37
Total	10,571,092.27	77,963,283.55

Other notes:

45. Long-term Payables

Unit: RMB

Item	Ending balance	Beginning balance
Long-term accounts payable	400,105,655.56	
Total	400,105,655.56	

(1) Long-term Payables Listed by Nature

Unit: RMB

Item	Ending balance	Beginning balance
Sale and leaseback financing	400,105,655.56	0.00

Other notes:

The long-term payables at the period-end were the sale and leaseback financing between the Company and Maxwealth Financial Leasing Co., Ltd. with the lease term from 22 December 2023 to 22 December 2027.

(2) Specific Payables

Unit: RMB

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

46. Ending balance**Reason for formation**

Unit: RMB

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

Obligation present value of defined benefit plans:

Unit: RMB

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

Unit: RMB

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

Unit: RMB

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

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

Other notes:

47. Provisions

Unit: RMB

Item	Ending balance	Beginning balance	Reason for formation
Pending litigation	650,000.00	766,612.52	Lawsuit between FMC and Basepoint
Total	650,000.00	766,612.52	

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

Refer to Note XVI-2 for details.

48. Deferred Income

Unit: RMB

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

49. Other Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Utility specific fund	549,961.59	634,414.79
Housing principle fund	15,997,716.45	15,105,690.42
House warming deposit	6,335,914.04	7,058,030.03
Electric Equipment Maintenance fund	4,019,415.44	4,019,415.44
Deputed maintenance fund	52,002,751.04	53,798,172.96
Follow-up investment of employees for Lanhu Shidai project	40,000,000.00	40,000,000.00
Others	8,133,466.98	7,393,196.15
Total	127,039,225.54	128,008,919.79

Other notes:

50. Share Capital

Unit: RMB

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

Other notes:

51. Other Equity Instruments

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

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

Unit: RMB

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

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

Other notes:

52. Capital Reserve

Unit: RMB

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

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

53. Treasury Shares

Unit: RMB

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

54. Other Comprehensive Income

Unit: RMB

Item	Beginning balance	Amount for the current period						Ending balance
		Amount before deducting income tax for the current period	Less: recorded in other comprehensive income in prior period and transferred in profit or loss in the	Less: recorded in other comprehensive income in prior period and transferred in retained earnings in the	Less: Income tax expense	Attributable to the Company as the parent after tax	Attributable minority shareholders after tax	

			current period	current period				
I. Other comprehensive income that may not be reclassified to profit or loss	2,742,841.65	-	261,743.15	-			-261,743.15	3,004,584.80
Changes in fair value of other equity instrument investment\	2,742,841.65	-	261,743.15	-			-261,743.15	3,004,584.80
II. Other comprehensive income that may subsequently be reclassified to profit or loss	1,111,536.30	-	763,783.22				763,783.22	-347,753.08
Differences arising from translation of foreign currency-denominated financial statements	1,111,536.30	-	763,783.22				763,783.22	-347,753.08
Total of other comprehensive income	3,854,377.95	-	502,040.07				502,040.07	3,352,337.88

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

55. Specific Reserve

Unit: RMB

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

56. Surplus Reserves

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance
Statutory surplus reserves	48,527,172.97	67,216,150.98		115,743,323.95
Discretionary surplus reserves	365,403.13			365,403.13
Total	48,892,576.10	67,216,150.98		116,108,727.08

Notes, including changes and reason of change:

57. Undistributed profits

Unit: RMB

Item	Current period	Previous period
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Beginning balance of retained profits before adjustments	3,692,753,832.81	3,788,180,758.20
Adjust the total amount of undistributed profits at the beginning of the year (increase +, decrease -)		14,220,566.25
Beginning balance of retained profits after adjustments	3,692,753,832.81	3,802,401,324.45
Add: Net profit attributable to owners of the Company as the parent	464,014,492.11	537,291,574.13
Less: Withdrawal of statutory surplus reserve	67,216,150.98	19,249,276.92
Dividends of common shares payable	215,148,452.21	405,265,782.56
Others	1,816,919.56	222,424,006.29
Ending retained profits	3,872,586,802.17	3,692,753,832.81

List of adjustment of beginning retained profits:

- 1) RMB1,697,650.08 beginning retained earnings was affected by retrospective adjustment conducted according to the Accounting Standards for Business Enterprises and relevant new regulations.
- 2) RMBXXX beginning retained earnings was affected by changes in accounting policies.
- 3) RMBXXX beginning retained earnings was affected by correction of significant accounting errors.
- 4) RMB beginning retained profits was affected by changes in combination scope arising from same control.
- 5) RMBXXX beginning retained earnings was affected totally by other adjustments.

58. Operating Revenue and Cost of Sales

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Principal business	2,947,291,675.00	2,233,525,382.49	3,690,816,438.73	1,978,777,621.22
Others	17,825,350.04		17,852,608.12	
Total	2,965,117,025.04	2,233,525,382.49	3,708,669,046.85	1,978,777,621.22

Whether the lower of the net profit before and after deduction of non-recurring gains and losses through audit is negative

Yes No

Unit: RMB

Item	This year	Details	Same period of last year	Details
Amount of operating income	2,965,117,025.04	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services.	3,708,669,046.85	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services, and revenue of the consolidated party from the beginning of the period to the date of consolidation under a same-control combination.
Total amount of items deducted from operating income	17,825,350.04	Excluding business income unrelated to the main business, it mainly consisted of income from	91,555,827.12	Excluding business income unrelated to the main business, it mainly consisted of income from

		temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services.		temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services, and revenue of the consolidated party from the beginning of the period to the date of consolidation under a same-control combination.
Proportion of the total amount of items deducted from operation income in operating income	0.60%		2.47%	
I. Business income irrelevant to principal business				
1. Income from operations other than normal operations. Such as leasing of fixed assets, intangible assets, packaging, sales of materials, non-monetary exchange of assets with materials, income realized from the operation of fiduciary management business, etc., as well as income included in the income from the main business but outside the normal operation of the listed company.	17,825,350.04	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services.	17,852,608.12	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services.
5. Income of subsidiaries acquired in business combination under the same control from the period-beginning to the combination date.			73,703,219.00	In January 2022, ITC Property Management, a subsidiary of the Company, acquired 100% equity interest in Shenzhen Property Management Co., Ltd. through a business combination under the same control. In February 2022, ITC Property Management, a subsidiary of the Company, acquired 100% equity interest in Shenzhen Shenfubao Property Development Co., Ltd., Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd., Shenzhen Free Trade Zone Security Service Co., Ltd. and

				Shenzhen Free Trade Zone Property Development Co., Ltd. through a business combination under the same control.
Subtotal of business income irrelevant to principal business	17,825,350.04	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services.	91,555,827.12	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services, and revenue of the consolidated party from the beginning of the period to the date of consolidation under a same-control combination.
II. Income without commercial substance				
Subtotal of income without commercial substance	0.00	No deductions in 2023	0.00	No deductions in 2022
III. Other income irrelevant to principal business or without commercial substance	0.00	No deductions in 2023	0.00	No deductions in 2022
Amount of operating income after deduction	2,947,291,675.00	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services.	3,617,113,219.73	Excluding business income unrelated to the main business, it mainly consisted of income from temporary resettlement compensation for the Chuanbujie scaffolding and income from consulting services, and revenue of the consolidated party from the beginning of the period to the date of consolidation under a same-control combination.

Breakdown information of operating income and operating cost:

Unit: RMB

Category of contracts	Segment 1		Segment 2				Total	
	Operating Revenue	Operating cost	Operating Revenue	Operating cost	Operating Revenue	Operating cost	Operating Revenue	Operating cost
Business Type	2,965,117,025.04	2,233,525,382.49					2,965,117,025.04	2,233,525,382.49
Of which:								
Real estate business	1,234,537,188.62	818,496,053.38					1,234,537,188.62	818,496,053.38

Property management	1,578,719,323.98	1,316,777,091.32					1,578,719,323.98	1,316,777,091.32
Leasing business	151,860,512.44	98,252,237.79					151,860,512.44	98,252,237.79
Classification by operating region								
Of which:								
Shenzhen	2,569,038,060.46	1,865,113,132.68					2,569,038,060.46	1,865,113,132.68
Other regions	396,078,964.58	368,412,249.81					396,078,964.58	368,412,249.81
Market or customer type								
Of which:								
Contract type								
Of which:								
Classification by time of commodity transfer								
Of which:								
Classification by contract term								
Of which:								
Classification by sales channel								
Of which:								
Total								

Information about performance obligations:

Item	Timing of fulfilment of performance obligations	Important payment terms	Nature of goods that the Company is committed to transfer	Whether or not the person primarily responsible	Funds undertaken by the Company expected to be returned to customers	Type of quality assurance provided by the Company and related obligations

Other notes:

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

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB820,424,953.42 at the period-end, among which RMB817,430,542.61 was expected to be recognized in 2024, RMB1,812,877.92 was expected to be recognized in 2025, and RMB1,181,532.89 was expected to be recognized in 2026 and 2027.

Information related to variable consideration in contracts:

Significant contract changes or significant transaction price adjustments

Unit: RMB

No.	Name of project	Amount of revenue
1	SZPRD-Fuchang Garden Phase II	977,069,378.47
2	SZPRD-Golden Collar's Resort	191,609,379.17
3	SZPRD-Hupan Yujing Phase I	19,045,688.07
4	SZPRD-Songhu Langyuan	3,417,922.80
5	SZPRD-Hupan Yujing Phase II	576,078.89

Other notes:

59. Taxes and Surtaxes

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Urban maintenance and construction tax	7,295,168.53	11,647,933.20
Educational surcharge	3,290,186.80	5,019,133.52
Property tax	11,160,717.95	5,773,106.72
Land use tax	2,118,518.10	783,939.43
Local educational fee	2,153,783.29	3,314,949.88
Land appreciation tax	78,815,376.80	695,789,536.89
Other taxes	1,816,495.35	3,592,058.16
Total	106,650,246.82	725,920,657.80

Other notes:

60. Administrative Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee remuneration	228,440,720.91	238,534,091.52
Administrative office cost	26,172,003.04	28,064,014.57
Assets amortization and depreciation expense	24,574,492.30	26,431,430.81
Litigation costs	5,304,840.82	960,169.09
Others	26,086,318.08	36,001,949.75
Total	310,578,375.15	329,991,655.74

Other notes:

61. Selling Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Agency fee	7,326,766.93	30,682,192.07

Consultancy and sales service charges	7,845,564.84	5,037,241.10
Advertising expenses	10,747,667.28	2,582,813.39
Employee remuneration	9,989,326.02	7,740,228.91
Others	10,847,833.50	7,499,522.31
Total	46,757,158.57	53,541,997.78

Other notes:

62. Development Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee remuneration	3,808,250.90	2,948,680.83
Depreciation and amortization expense	65,160.46	87,038.92
Others	260,073.01	208,409.36
Total	4,133,484.37	3,244,129.11

Other notes:

63. Finance Costs

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Finance costs	55,928,873.37	64,941,564.63
Less: Interest income	-19,183,529.19	-21,591,864.72
Foreign exchange gains or losses	761,442.10	-600,187.19
Others	6,339,243.02	7,821,671.11
Total	43,846,029.30	50,571,183.83

Other notes:

64. Other Income

Unit: RMB

Sources	Amount for the current period	Amount for the previous period
Government grants related to income	7,802,977.21	10,637,742.42
Government grants related to assets		
Return of auxiliary expense for individual income tax withheld	382,244.19	282,364.88
Additional deduction of VAT	5,302,600.13	8,204,836.92
Rebate of VAT	1,944,370.99	359,114.45
Total	15,432,192.52	19,484,058.67

65. Gain on Changes in Fair Value

Unit: RMB

Sources	Amount for the current period	Amount for the previous period
Trading Financial Assets		117,082.19
Total		117,082.19

Other notes:

66. Investment Income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Long-term equity investment income accounted by equity method	4,339,433.24	2,040,461.81
Income from the disposal of long-term equity investments	701,420,219.12	
Funds central clearing house money management investment		-59,130.91
Total	705,759,652.36	1,981,330.90

Other notes:

The investment income arising from the disposal of long-term equity investments during the period was attributable to the disposal of 100% equity interest in a subsidiary, Shenzhen Jinghengtai Real Estate Development Co., Ltd. (hereinafter referred to as "Jinghengtai Company"). The 21st meeting of the 10th session of the Board of Directors of the Company and the first extraordinary shareholders' general meeting in 2023 considered and passed the *Proposal on the Public Listing Transfer of 100% Equity of Wholly-owned Subsidiary Shenzhen Jinghengtai Real Estate Development Co., Ltd.*, which authorized the public listing transfer of 100% equity of Jinghengtai Company on the Shenzhen United Equity Exchange, with a listing price of RMB835 million. On December 21, 2023, the Company and Hualian Holdings Company Limited (hereinafter referred to as "Hualian Holdings") signed the Property Rights Transaction Contract and the Supplementary Agreement to the Property Rights Transaction Contract (hereinafter referred to as the "Transaction Contract"). (hereinafter referred to as the "Transaction Contract"). On December 22, 2023, Hualian Holdings made a one-off payment of RMB835 million for the entire transaction price as agreed in the Transaction Contract. On December 22, 2023, the industrial and commercial change and registration procedures involved in the equity transfer were completed, and 100% equity interest of Jinghengtai Company was changed to the name of Hualian Holdings, and the Company no longer held equity interest in Jinghengtai Company.

67. Credit Impairment Loss

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Bad debt loss	-19,844,952.87	-17,395,139.90
Total	-19,844,952.87	-17,395,139.90

Other notes:

68. Asset Impairment Loss

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Inventory falling price loss and impairment provision for contract performance costs	-212,173,623.03	-528,430.23

Total	-212,173,623.03	-528,430.23
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Other notes:

69. Asset Disposal Income

Unit: RMB

Sources	Amount for the current period	Amount for the previous period
Gains on disposal of fixed assets	4,611.81	-130,574.60
Investment properties disposal gains		175,811,822.99
Gain on disposal of right-of-use assets	594,704.56	
Others	234,052.82	129,357.05
Total	833,369.19	175,810,605.44

70. Non-operating Income

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount recorded in the current non-recurring profit or loss
Gains on exchange of non-monetary assets	16,447.29	5,963.68	16,447.29
Confiscated income	2,041,279.63	354,580.59	2,041,279.63
Payments unable to clear	34,134.00	3,129,253.59	34,134.00
Cash overstatement gain	300.00		300.00
Others	1,512,516.17	3,708,206.42	1,512,516.17
Total	3,604,677.09	7,198,004.28	3,604,677.09

Other notes:

71. Non-operating Expense

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount recorded in the current non-recurring profit or loss
Loss on the swap of non-monetary assets	142,785.08	207,427.68	142,785.08
Donation	79,840.57	26,000.00	79,840.57
Litigation expenses	694,346.32	258,891.82	694,346.32
Abnormal loss	8,800.00		8,800.00
Penalty and fine for delaying payment	1,962,837.07	121,377.17	1,962,837.07
Others	3,615,895.16	1,943,197.07	3,615,895.16
Total	6,504,504.20	2,556,893.74	6,504,504.20

Other notes:

72. Income Tax Expense**(1) List of Income Tax Expense**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Current income tax expense	142,880,361.95	324,691,681.99
Deferred income tax expense	113,993,935.97	-102,969,556.33
Total	256,874,297.92	221,722,125.66

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

Unit: RMB

Item	Amount for the current period
Total profit	706,733,159.40
Current income tax expense accounted at statutory/applicable tax rate	176,683,289.85
Influence of applying different tax rates by subsidiaries	-5,415,376.77
Influence of income tax before adjustment	5,569,790.87
Effects of non-taxable revenue	-1,084,858.31
Influence of non-deductible costs, expenses and losses	25,375,468.22
Effects of non-deductible costs, expenses and losses Effects of the utilization of deductible losses on which deferred income tax assets were unrecognized in the prior period	708,571.83
Effect of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the current period	55,037,412.23
Income tax expense	256,874,297.92

Other notes:

73. Other Comprehensive Income

Refer to Note VII-54 for details.

74. Cash Flow Statement**(1) Cash Related to Operating Activities**

Cash Generated from Other Operating Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Large intercourse funds received	117,918,299.90	531,021,536.31
Interest income	19,183,529.19	21,591,864.72
Net margins, security deposit and various special funds received	114,428,356.99	118,560,933.18
Government grants received	7,802,977.21	10,637,742.42
Other small receivables	88,094,832.06	30,089,906.24
Decreased limited amount for the current	7,835,036.35	366,965,985.73

period		
Total	355,263,031.70	1,078,867,968.60

Notes:

Cash Used in Other Operating Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Paying administrative expense in cash	63,006,009.01	61,038,183.86
Paying selling expense in cash	36,673,353.00	48,198,423.56
Net payment of utility expense and various collecting payments on behalf of others	115,368,992.19	79,085,946.82
Other small payments	41,068,618.68	47,884,937.67
Amount of newly limited funds	15,659,341.60	1,721,815.22
Total	271,776,314.48	237,929,307.13

Notes:

(2) Cash Related to Investing Activities

Cash Generated from Other Investing Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Significant cash received related to investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Net cash received from disposal of subsidiaries and other operating units	634,578,885.34	
Total	634,578,885.34	

Notes:

Cash Used in Other Investing Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Significant cash paid related to investing activities

Unit: RMB

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

(3) Cash Related to Financing Activities

Cash Generated from Other Financing Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Receipt of sale and leaseback financing	400,000,000.00	
Total	400,000,000.00	0.00

Notes:

Cash Used in Other Financing Activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Cash consideration paid by the merging party in a business combination under common control at the combination date	1,816,919.56	271,489,501.62
Profits allocation from consolidated companies under common control to former shareholders		5,339,999.94
Payment for lease liabilities	25,266,936.77	29,681,985.71
Total	27,083,856.33	306,511,487.27

Notes:

Changes in liabilities arising from financing activities

Applicable Not applicable
(4) Description of Cash Flows Presented on a Net Basis

Item	Relevant factual information	Basis for using net presentation	Financial impact
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(5) Significant Activities and Financial Impact that Do Not Involve Current Cash Receipts and Disbursements but Affect the Company's Financial Position or May Affect the Company's Cash Flows in the Future**75. Supplemental Information for Cash Flow Statement****(1) Supplemental Information for Cash Flow Statement**

Unit: RMB

Supplemental information	Amount during the current period	Previous period
1. Reconciliation of net profit to net cash flows generated from operating activities		
Net profit	449,858,861.48	529,010,293.32
Add: Provision for impairment of assets	232,018,575.90	17,923,570.13
Depreciation of fixed assets, oil-gas assets, and productive biological assets	55,281,119.81	89,598,947.26
Depreciation of right-of-use assets	18,139,758.01	22,380,277.42

Amortization of intangible assets	379,581.77	484,006.42
Amortization of long-term prepaid expenses	7,726,470.46	7,522,321.06
Losses from disposal of fixed assets, intangible assets and other long-lived assets (gains represented by "-")	-833,369.19	-170,564,114.45
Losses from scrap of fixed assets (gains represented by "-")	126,337.79	201,464.00
Losses from changes in fair value (gains represented by "-")		-117,082.19
Finance costs (gains represented by "-")	55,167,431.27	69,585,200.52
Investment loss (gains represented by "-")	-705,759,652.36	-1,981,330.90
Decrease in deferred income tax assets (gains represented by "-")	131,110,960.37	-102,903,681.08
Increase in deferred income tax liabilities (decrease represented by "-")	-17,117,024.40	-65,875.25
Decrease in inventory (gains represented by "-")	-485,801,483.89	-1,729,017,854.81
Decrease in accounts receivable generated from operating activities (gains represented by "-")	-69,297,620.74	611,487,330.14
Increase in accounts payable used in operating activities (decrease represented by "-")	64,907,069.39	761,689,632.27
Others		
Net cash flows from operating activities	-264,092,984.33	105,233,103.86
2. Significant investing and financing activities without involvement of cash receipts and payments		
Conversion of debt to capital		
Convertible corporate bonds matured within one year		
Fixed asset under finance lease		
3. Net increase/decrease of cash and cash equivalent:		
Closing balance of cash	2,733,139,135.12	1,509,693,857.48
Less: Opening balance of cash	1,509,693,857.48	1,907,742,235.25
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	1,223,445,277.64	-398,048,377.77

(2) Net Cash Paid for Acquisition of Subsidiaries

Unit: RMB

	Amount
Of which:	
Of which:	
Of which:	

Other notes:

(3) Net Cash Received from Disposal of the Subsidiaries

Unit: RMB

	Amount
Cash or cash equivalents received in the current period from the disposal of subsidiaries in the current period	835,000,000.00
Of which:	
Less: cash and cash equivalents held by subsidiaries on the date of losing control power	200,421,114.66
Of which:	
Of which:	
Net cash proceeds from the disposal of subsidiaries	634,578,885.34

Other notes:

(4) Cash and Cash Equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	2,733,139,135.12	1,509,693,857.48
Of which: Cash on hand	75,265.01	43,833.00
Bank deposits on demand	2,729,897,603.00	1,506,148,081.54
Other monetary assets on demand	3,166,267.11	3,501,942.94
III. Ending balance of cash and cash equivalents	2,733,139,135.12	1,509,693,857.48

(5) Presentation of Cash and Cash Equivalents that Are Subject to Certain Restrictions on Their Usage

Unit: RMB

Item	Amount during the current period	Previous period	Reason for classifying the item as cash and cash equivalents
Pre-sale funds for Guangming Yutang Shangfu Project	640,559,629.03	0.00	These are funds within the presale supervision quota of the project, which we can apply for in accordance with the relevant regulations on the supervision of presale funds to pay for the construction expenditures of the project and the relevant statutory taxes and fees.
Total	640,559,629.03	0.00	

(6) Monetary Assets Not Classified as Cash and Cash Equivalents

Unit: RMB

Item	Amount during the current period	Previous period	Reason for not classifying the item as cash and cash equivalents

Other notes:

(7) Notes on Other Significant Activities

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

Notes to the name of "Other" of closing balance at the end of the previous year adjusted and the amount adjusted:

77. Foreign Currency Monetary Items**(1) Foreign Currency Monetary Items**

Unit: RMB

Item	Closing foreign currency balance	Exchange rate	Ending balance converted to RMB
Monetary capital			63,425,102.95
Of which: USD	120,000.00	7.0827	849,924.00
EUR			
HKD	63,245,266.17	0.9062	57,312,860.20
VND	17,960,132,240.00	0.000293	5,262,318.75
Accounts receivable			5,944,668.99
Of which: USD			
EUR			
HKD			
VND	20,288,972,667.00	0.000293	5,944,668.99
Long-term borrowings			
Of which: USD			
EUR			
HKD			
Accounts prepaid			85,071.12
Of which: VND	290,345,128.00	0.000293	85,071.12
Other receivables			275,544.61
Of which: HKD	66,215.94	0.9062	60,004.88
VND	735,630,492.00	0.000293	215,539.73
Accounts payable			648,634.87
Of which: HKD	56,000.00	0.9062	50,747.20
VND	2,040,572,245.00	0.000293	597,887.67
Other payables			1,845,634.27
Of which: HKD	356,603.25	0.9062	323,153.87
VND	5,196,178,850.00	0.000293	1,522,480.40

Other notes:

(2) Notes to Overseas Entities Including: for Significant Overseas Entities, Main Operating Place, Recording Currency and Selection Basis Shall Be Disclosed; if there Are Changes in Recording Currency, Relevant Reasons Shall Be Disclosed.Applicable Not applicable

Item	Main operating place	Standard currency for accounting	Basis for choosing
Shum Yip Development Company Limited and its subsidiaries	Hong Kong	HKD	Located in HK, settled by HKD
Vietnam Shenguo Mao Property Management Co., Ltd.	Vietnam	VND	Located in Vietnam, settled by VND

78. Lease**(1) The Company Was Lessee:**

Applicable Not applicable

Variable lease payments that are not covered in the measurement of the lease liabilities

Applicable Not applicable

Simplified short-term lease or lease expense for low-value assets

Applicable Not applicable

Amount recognized in profit or loss

	Currency: RMB
Category	Amount for the year
Depreciation expense on right-of-use assets (Note 1)	18,139,758.01
Interest expense on lease liabilities (Note 2)	3,818,066.83
Expense relating to short-term leases	7,843,708.84
Lease expense for low-value assets	
Variable lease payments that are not covered in the measurement of the lease liabilities (Note 3)	
Income from underlease of right-of-use assets	2,330,334.89
Total cash outflows related to leases	25,266,936.77

Note 1: There was no depreciation expense on capitalized right-of-use assets in 2023.

Note 2: There was no interest expense on capitalized lease liabilities in 2023.

Note 3: There were no variable lease payments not included in the measurement of lease liabilities in 2023.

Circumstances involving sale and leaseback transactions

In December 2023, the Company entered into a sale and leaseback contract with MAXWEALTH Financial Leasing Co., Ltd. for the transfer of certain office equipment with a leaseback period of 48 months. Since the fixed assets were not transferred to the purchaser from the beginning to the end, it was judged not to be a sale, and the amount received was accounted for as a liability.

(2) The Company Was Lessor:

Operating leases with the Company as lessor

Applicable Not applicable

Unit: RMB

Item	Rental income	Of which: income related to variable lease payments not included in lease receipts
Lease items	151,860,512.44	
Total	151,860,512.44	

Finance leases with the Company as lessor

Applicable Not applicable

Undiscounted lease receipts for each of the next five years

Applicable Not applicable

Item	Undiscounted lease receipts per year	
	Ending amount	Beginning amount
The 1 st year	124,863,019.23	153,626,556.21
The 2 nd year	70,271,138.44	115,333,626.11
The 3 rd year	42,292,889.70	59,371,122.09
The 4 th year	32,718,754.54	40,073,621.45
The 5 th year	24,297,422.32	32,034,337.31
Total undiscounted lease receipts after five years	14,891,056.43	33,038,892.86

Unit: RMB

Reconciliation of undiscounted lease receipts to net investment in leases

(3) Recognition of Gain or Loss on Sales under Finance Leases with the Company as a Manufacturer or Distributor

Applicable Not applicable

79. Others

VIII. Research and Development Expenditure

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Staff costs	3,808,250.90	2,948,680.83
Depreciation and amortization expense	65,160.46	87,038.92
Other	260,073.01	208,409.36
Total	4,133,484.37	3,244,129.11
Of which: Expensed research and development expenditure	4,133,484.37	3,244,129.11

1. R&D Projects Eligible for Capitalization

Unit: RMB

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

Significant capitalized R&D projects

Item	R&D progress	Estimated completion date	Expected manner of generation of economic benefits	Time of commencement of capitalization	Specific basis for commencement of capitalization

Provision for impairment of development expenditure

Unit: RMB

Item	Beginning balance	Increase for the current period	Decrease for the current period	Ending balance	Impairment testing
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2. Significant Outsourced Research and Development Projects in Progress

Project name	Manner in which the economic benefits are expected to be generated	Judgment criteria and specific basis for capitalization or expensing
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Other notes:

IX. Change of Consolidation Scope

1. Business Combination Not under the Same Control

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

Unit: RMB

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

(2) Combination Cost and Goodwill

Unit: RMB

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

Method of determining the fair value of the cost of consolidation:

Notes to contingent consideration and changes therein

The main formation reason for the large goodwill:

Other notes:

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

Unit: RMB

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

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

Contingent liability of acquiree undertaken in the business combination:

Other notes:

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

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

Yes No

(5) Notes to Reasonable Consideration or Fair Value of Identifiable Assets and Liabilities of the Acquiree that Cannot Be Determined on the Acquisition Date or during the Period-end of the Merger**(6) Other Notes****2. Business Combination under the Same Control****(1) Business Combination under the Same Control during the Current Period**

Unit: RMB

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

Other notes:

(2) Combination Cost

Unit: RMB

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

Contingent liabilities and changes thereof:

Other notes:

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

Unit: RMB

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

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

Other notes:

3. Counter Purchase

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

4. Disposal of Subsidiary

Whether there were any transactions or events during the period in which control of the subsidiary was lost

 Yes No

Unit: RMB

Name of subsidiaries	Disposal price at the time of loss of control	Disposal ratio at the time	Disposal method at the	Time of losing control	Basis for judging the time of loss	Difference between the disposal price	Proportion of remaining	Carrying value of the remaining	Fair value of the remaining	Gains or losses from re-	Method of determining the fair	Amount of other comprehensive
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		of loss of control	time of loss of control	power	of control	and the Company's share of the subsidiary's net assets in the consolidated financial statements relevant to the disposed equity interest	equity at the date of loss of control	equity interest at the level of the consolidated financial statements at the date of loss of control	equity interest at the consolidated financial statement level at the date of loss of control	measurement of residual equity at fair value	value of the remaining equity interest at the consolidated financial statement level at the date of loss of control and major assumptions	income related to equity investment of former subsidiaries transferred into investment gain or loss or retained earnings
Shenzhen Jinghengtai Real Estate Development Co., Ltd.	835,000,000.00	100.00%	Sale of equity interests	22 December 2023	Signed the property rights transaction contract and collection of the entire transaction price, and completed the registration of industrial and commercial changes.	701,420,219.12	0.00%	0.00	0.00	0.00		0.00

Other notes:

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

Yes No

5. Changes in Combination Scope for Other Reasons

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

Subsidiary Zhanjiang Branch of Shenzhen Properties & Resources Development (Group) Ltd. completed the registration of industrial and commercial deregistration in June 2023.

Subsidiary Shenzhen Huazhengpeng Property Management Development Co., Ltd. completed the registration of industrial and commercial deregistration in September 2023.

6. Other

X. Equity in Other Entities

1. Equity in Subsidiaries

(1) Compositions of the Group

Unit: RMB

Name of subsidiaries	Registered capital	Main operating place	Place of registration	Business nature	Shareholding percentage (%)		Way of gaining
					Directly	Indirectly	
Shenzhen Huangcheng Real Estate Co., Ltd.	30,000,000.00	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Wuhe Industry Investment Development Co.,	100,000,000.00	Shenzhen	Shenzhen	Real estate	100.00%		Set-up

Ltd.							
Shenzhen Facility Management Community Technology Co., Ltd.	15,453,000.00	Shenzhen	Shenzhen	Software and information technology services		35.00%	Business combination not under the same control
Beijing Facility Home Technology Co., Ltd.	5,000,000.00	Beijing	Beijing	Software and information technology services		17.85%	Business combination not under the same control
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	50,000,000.00	Xuzhou	Xuzhou	Real estate	100.00%		Set-up
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	20,000,000.00	Dongguan	Dongguan	Real estate	100.00%		Set-up
SZPRD Yangzhou Real Estate Development Co., Ltd.	50,000,000.00	Yangzhou	Yangzhou	Real estate	100.00%		Set-up
Shenzhen International Trade Center Property Management Co., Ltd.	20,000,000.00	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Shenzhen Guomaomei Life Service Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Shandong Shenguomao Real Estate Management Co., Ltd.	5,000,000.00	Jinan	Jinan	Service industry		100.00%	Set-up
Chongqing Shenguomao Real Estate Management Co., Ltd.	5,000,000.00	Chongqing	Chongqing	Real estate		100.00%	Set-up
Chongqing Aobo Elevator Co., Ltd.	5,000,000.00	Chongqing	Chongqing	Service industry		100.00%	Set-up
Chongqing Tianque Elevator Technology Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Set-up
Shenzhen Guoguan Electromechanical Device Co., Ltd.	1,200,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Set-up
Shenzhen Guomao Catering Co., Ltd.	2,000,000.00	Shenzhen	Shenzhen	Accommodation and catering		100.00%	Set-up
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	3,000,000.00	Shenzhen	Shenzhen	Service industry	100.00%		Set-up
SZPRD Commercial Operation Co., Ltd.	40,000,000.00	Shenzhen	Shenzhen	Service industry	100.00%		Set-up

Shum Yip Development Company Limited	HKD20,000,000.00	Hong Kong	Hong Kong	Real estate	100.00%		Set-up
Wayhang Development Co., Ltd.	HKD2.00	Hong Kong	Hong Kong	Real estate		100.00%	Set-up
Chief Link Properties Co., Ltd.	HKD100.00	Hong Kong	Hong Kong	Real estate		70.00%	Set-up
Syndis Investment Co., Ltd.	HKD4.00	Hong Kong	Hong Kong	Real estate		70.00%	Business combination not under the same control
Yangzhou Shouxihu Jingyue Property Development Co., Ltd.	10,000,000.00	Yangzhou	Yangzhou	Real estate		51.00%	Set-up
Shandong International Trade Center Hotel Management Co., Ltd.	3,000,000.00	Jinan	Jinan	Accommodation and catering		100.00%	Set-up
Shenzhen Shenshan Special Cooperation Zone Guomao Property Development Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Real estate		65.00%	Set-up
Shenzhen Guomao Tongle Property Management Co., Ltd.	2,000,000.00	Shenzhen	Shenzhen	Real estate		51.00%	Set-up
Shenzhen Rongyao Real Estate Development Co., Ltd.	10,000,000.00	Shenzhen	Shenzhen	Real estate	69.00%		Business combination not under the same control
Shenzhen ITC Technology Park Service Co., Ltd.	30,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Julian Human Resources Development Co., Ltd.	300,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Penghongyuan Industrial Development Co., Ltd.	8,000,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Jinhailian Property Management Co., Ltd.	3,000,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Social Welfare Co., Ltd.	35,000,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Fuyuanmin Property Management	10,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control

Limited Liability Company							
Shenzhen Meilong Industrial Development Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Guomao Shenlv Garden Co., Ltd.	10,600,000.00	Shenzhen	Shenzhen	Public facilities management services		90.00%	Business combination under the same control
Shenzhen Jiayuan Property Management Co., Ltd.	1,000,000.00	Shenzhen	Shenzhen	Real estate		54.00%	Business combination under the same control
Shenzhen Helinhua Construction Management Co., Ltd.	3,000,000.00	Shenzhen	Shenzhen	Real estate		90.00%	Business combination under the same control
Shenzhen Zhongtongda House Xiushan Service Co., Ltd.	2,500,000.00	Shenzhen	Shenzhen	Construction industry		90.00%	Business combination under the same control
Shenzhen Kangping Industrial Co., Ltd.	1,000,000.00	Shenzhen	Shenzhen	Service industry		90.00%	Business combination under the same control
Shenzhen Sports Service Co., Ltd.	3,300,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Teacher's Home Training Co., Ltd.	1,660,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Education Industrial Co., Ltd.	4,985,610.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Yufa Industrial Co., Ltd.	1,050,000.00	Shenzhen	Shenzhen	Service industry		80.95%	Business combination under the same control
SZPRD Fuyuantai Development Co., Ltd.	10,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Xiamen Shenguomao Industrial City Smart Service Co., Ltd.	5,000,000.00	Xiamen	Xiamen	Service industry		51.00%	Set-up
Vietnam Shenguomao Property Management Co., Ltd.	USD200,000.00	Vietnam	Vietnam	Service industry		100.00%	Set-up
Shenzhen SZPRD Yanzihu Development Co., Ltd.	10,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Shenzhen Guangming Wuhe Real Estate Co., Ltd.	50,000,000.00	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Dongguan Wuhe	50,000,000.00	Dongguan	Dongguan	Real estate	100.00%		Set-up

Real Estate Co., Ltd.							
Shenzhen Property Management Co., Ltd.	7,250,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Shenwu Elevator Co., Ltd.	3,500,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Shenfang Property Cleaning Co., Ltd.	1,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Foreign Trade Property Management Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Service industry		100.00%	Business combination under the same control
Shenzhen Shenfubao Property Development Co., Ltd.	15,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Fubao Urban Resources Management Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Service industry		60.00%	Business combination under the same control
Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	10,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Free Trade Zone Security Service Co., Ltd.	2,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Business combination under the same control
Shenzhen Wuhe Urban Renewal Co., Ltd.	195,000,000.00	Shenzhen	Shenzhen	Real estate	100.00%		Set-up
Yangzhou Wuhe Real Estate Co., Ltd.	50,000,000.00	Yangzhou	Yangzhou	Real estate	67.00%		Set-up
Shenzhen Tonglu Wuhe Investment Development Co., Ltd.	10,000,000.00	Shenzhen	Shenzhen	Real estate		100.00%	Set-up
Shenzhen International Trade Industry Space Service Co., Ltd.	2,800,000.00	Shenzhen	Shenzhen	Real estate		55.00%	Set-up

Unit: RMB

Notes of shareholding percentage in subsidiaries different from voting percentage:

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

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

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

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

Other notes:

(2) Significant Non-wholly-owned Subsidiary

Unit: RMB

Name of subsidiaries	Shareholding proportion of non-controlling interests	The profit or loss attributable to the non-controlling interests for the current period	Declaring dividends distributed to non-controlling interests for the current period	Balance of non-controlling interests at the period-end
Shenzhen Rongyao Real Estate Development Co., Ltd.	31.00%	-11,728,370.67		-7,166,774.26
Yangzhou Wuhe Real Estate Co., Ltd.	33.00%	-10,467,489.08		5,111,280.10

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

Other notes:

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

Unit: RMB

Name of subsidiaries	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shenzhen Rongyao Real Estate Development Co., Ltd.	6,104,831,530.55	161,894,251.74	6,266,725,782.29	3,217,495,278.38	3,072,349,130.56	6,289,844,408.94	5,463,417,860.24	148,966,845.59	5,612,384,705.83	237,683,829.61	5,360,025,967.25	5,597,709,796.86
Yangzhou Wuhe Real Estate Co., Ltd.	1,291,359,823.31	3,086,583.61	1,294,446,406.92	1,278,957,679.33		1,278,957,679.33	1,003,117,568.27	923,562.28	1,004,041,130.55	956,832,739.09		956,832,739.09

Unit: RMB

Name of subsidiaries	Amount for the current period				Amount for the previous period			
	Operating Revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen Rongyao Real Estate Development Co., Ltd.		-37,833,453.79	-37,833,453.79	-535,294,796.10		-41,751,240.79	-41,751,240.79	-313,044,955.93
Yangzhou Wuhe Real Estate Co., Ltd.		-31,719,663.87	-31,719,663.87	-43,688,784.15		-2,791,608.54	-2,791,608.54	-716,033.23

Other notes:

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

Other notes:

2. The Transaction of the Company with Its Owner's Equity Share Changing but the Company Still Controls the Subsidiary**(1) Note to the Owner's Equity Share Changed in Subsidiary****(2) The Transaction's Influence on the Equity of Non-controlling Interests and the Owner's Equity Attributable to the Company as the Parent**

Unit: RMB

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

Other notes:

3. Equity in Joint Ventures or Associated Enterprises**(1) Significant Joint Ventures or Associated Enterprises**

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

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

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

(2) Main Financial Information of Significant Joint Ventures

Unit: RMB

	Closing balance/amount of the current period		Opening balance/amount of the previous period	
	Shenzhen Jifa Warehouse Co., Ltd.	Tian'an International Building Property Management Company of Shenzhen	Shenzhen Jifa Warehouse Co., Ltd.	Tian'an International Building Property Management Company of Shenzhen
Current assets	13,949,127.78	59,553,501.09	6,110,801.95	58,848,700.91
Of which: Cash and cash equivalents	11,574,044.52	38,464,410.56	4,923,260.32	37,841,255.88
Non-current assets	85,381,409.08	42,101.51	86,342,531.70	46,757.57
Total assets	99,330,536.86	59,595,602.60	92,453,333.65	58,895,458.48
Current liabilities	3,198,899.85	28,927,454.58	2,992,163.07	28,404,537.12
Non-current liabilities		16,566,273.37		16,415,016.74
Total liabilities	3,198,899.85	45,493,727.95	2,992,163.07	44,819,553.86
Equity of non-controlling interests				
Equity attributable to shareholders of the Company as the parent	96,131,637.01	14,101,874.65	89,461,170.58	14,075,904.62
Net assets shares calculated at the shareholding proportion	48,065,818.51	7,050,937.33	44,730,585.29	7,037,952.31
Adjusted items				
- Goodwill				
--Unrealized profit of intra-company transaction				
--Other				
Carrying value of equity investment to joint ventures	48,065,818.51	7,050,937.33	44,730,585.29	7,037,952.31
Fair values of equity investments of joint ventures with quoted prices				
Operating Revenue	13,401,998.52	15,353,082.93	7,991,120.67	17,348,456.03
Financial expenses	-17,937.34	-473,753.01	-10,286.81	-369,996.65
Income tax expense	2,225,102.81	9,505.10	810,230.79	136,495.54
Net profit	6,670,466.43	2,780.71	2,427,840.35	387,872.11
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	6,670,466.43	2,780.71	2,427,840.35	387,872.11

Dividends received from the joint venture in the current period				
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Other notes:

(3) Main Financial Information of Significant Associated Enterprises

Unit: RMB

	Closing balance/amount of the current period	Opening balance/amount of the previous period
	CSCEC	CSCEC
Current assets	256,074,109.31	235,089,462.02
Non-current assets	11,617,792.09	3,014,735.77
Total assets	267,691,901.40	238,104,197.79
Current liabilities	95,957,288.78	77,308,723.18
Non-current liabilities	486,565.88	24,777.90
Total liabilities	96,443,854.66	77,333,501.08
Equity of non-controlling interests		
Equity attributable to shareholders of the Company as the parent	171,248,046.74	160,770,696.71
Net assets shares calculated at the shareholding proportion	17,124,804.67	16,077,069.67
Adjusted items		
- Goodwill		
--Unrealized profit of intra-company transaction		
--Other		
Carrying value of investment to associated enterprises	28,940,994.71	28,012,899.71
Fair value of equity investments in associated enterprises with publicly quoted prices		
Operating Revenue	200,994,767.06	169,285,776.61
Net profit	9,912,150.03	6,326,055.81
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	9,912,150.03	6,326,055.81
Dividends received from the associates in the current period	63,120.00	

Other notes:

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

Unit: RMB

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

Other notes:

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

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

Unit: RMB

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

Other notes:

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

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

4. Significant Common Operation

Name	Main operating place	Place of registration	Business nature	Proportion/Share portion	
				Directly	Indirectly

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

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

Other notes:

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

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

6. Other

XI. Government Grants

1. Government Grants Recognized at the End of the Reporting Period at the Amount Receivable

Applicable Not applicable

Reasons for failing to receive government grants in the estimated amount at the estimated point in time

Applicable Not applicable

2. Liability Items Involving Government Grants

Applicable Not applicable

3. Government Grants Recognized as Current Profit or Loss

Applicable Not applicable

Unit: RMB

Accounting items	Amount for the current period	Amount for the previous period
Other income	7,690,477.21	10,637,742.42

Other notes:

XII. Risks Associated with Financial Instruments

1. Various Types of Risks Arising from Financial Instruments

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

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

i. Risks from Financial Instruments

1. Classification of Financial Instruments

(1) The Carrying Value of Financial Assets on the Balance Sheet Date

① 1 December 2023

Item	Financial assets measured at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value and changes included in other comprehensive income	Total
Monetary capital	2,748,798,476.72			2,748,798,476.72
Accounts receivable	506,088,217.25			506,088,217.25
Other receivables	624,394,372.82			624,394,372.82
Other equity instrument investments			636,926.20	636,926.20

② 31 December 2022

Item	Financial assets measured at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value and changes included in other comprehensive income	Total
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Item	Financial assets measured at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value and changes included in other comprehensive income	Total
Monetary capital	1,517,528,893.83			1,517,528,893.83
Accounts receivable	419,933,915.30			419,933,915.30
Other receivables	639,903,523.33			639,903,523.33
Long-term receivables	22,651,454.07			22,651,454.07
Other equity instrument investments			887,838.64	887,838.64

2. The Carrying Value of Financial Liabilities on the Balance Sheet Date

① 1 December 2023

Item	Financial liabilities at fair value through profit or loss	Other financial liabilities	Total
Short-term loan		230,915,000.00	230,915,000.00
Accounts payable		662,869,059.59	662,869,059.59
Other payables		1,217,303,294.24	1,217,303,294.24
Current portion of non-current liabilities		3,092,324,853.07	3,092,324,853.07
Long-term borrowings		1,399,889,274.47	1,399,889,274.47
Lease liabilities		10,571,092.27	10,571,092.27
Long-term accounts payable		400,105,655.56	400,105,655.56

② 31 December 2022

Item	Financial liabilities at fair value through profit or loss	Other financial liabilities	Total
Short-term loan			
Accounts payable		608,283,388.52	608,283,388.52
Other payables		1,515,085,832.45	1,515,085,832.45
Current portion of non-current liabilities		218,858,766.82	218,858,766.82
Long-term borrowings		3,618,782,344.00	3,618,782,344.00
Lease liabilities		77,963,283.55	77,963,283.55

2. Credit Risk

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

1. Credit Risk Management Practice

(1) Credit Risk Evaluation Method

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

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

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

(2) Definition of Default and Credit Impairment-Assets

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

1) Quantitative Standard

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

2) Qualitative criteria

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

2. Measurement of Expected Credit Loss

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

3. Refer to Note VII-1, VII-2, VII-7 for Details of the Reconciliation Statements of Beginning Balance and Ending Balance of Financial Instrument Loss Provision.

4. Credit Risk Exposure and Credit Risk Concentration

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

(1) Monetary Assets

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

(2)Accounts Receivable

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

Due to the Company merely trades with the authorized third party with good credit, the guarantee is not required. Credit risk concentration is managed in accordance with the customers. As of 31 December 2021, there were certain credit concentration risks in the Company, and 59.45% of the accounts receivable of the Company (54.09% on 31 December 2022) came from the top 5 customers by balance. The Company hasn't held any guarantee or other credit enhancement for balance of accounts receivable.

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

3. Liquidity Risk

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

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

The analysis of the financial liabilities based on the maturity period of the undiscounted cash flow is as follows:

Item	31 December 2023				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	More than three years
Banking borrowings	1,630,804,274.47	1,886,101,350.83	379,121,985.22	709,659,943.62	797,319,421.99
Accounts payable	662,869,059.59	662,869,059.59	662,869,059.59		
Other payables	1,217,303,294.25	1,217,303,294.25	1,205,100,618.21		12,202,676.04
Current portion of other non-current liabilities	3,092,324,853.07	3,111,187,663.28	3,111,187,663.28		
Lease liabilities	10,571,092.27	15,904,640.37		7,730,396.15	8,174,244.22
Long-term accounts payable	400,105,655.56	480,600,833.30	18,293,137.50	41,277,444.45	421,030,251.35
Total	7,013,978,229.21	7,373,966,841.62	5,376,572,463.80	758,667,784.22	1,238,726,593.60

Continued:

Item	December 31, 2022				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	More than three years
Banking borrowings	3,618,782,344.00	3,998,835,011.38	190,669,039.72	3,648,297,102.30	159,868,869.36
Accounts payable	608,283,388.52	608,283,388.52	608,283,388.52		
Other payables	1,515,085,832.45	1,515,085,832.45	1,502,883,156.41		12,202,676.04
Current portion of other non-current liabilities	218,858,766.82	223,385,608.63	223,385,608.63		
Lease liabilities	77,963,283.55	92,467,880.37		45,844,010.07	46,623,870.30
Total	6,038,973,615.34	6,438,057,721.35	2,525,221,193.28	3,694,141,112.37	218,695,415.70

4. Market Risk

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

(1) Interest Rate Risk

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

monitoring. The interest rate risk of cash flows facing the Company is mainly related to the bank loans calculated by floating interest rate of the Company.

As of 30 June 2023, under the assumption of other fixed variables with 50 basis points changed in interest rate, the bank loan of RMB4,470,302,598.47 (RMB3,809,915,668.00 on 31 December 2022) calculated at floating rate would not result in significant influence on total profit and shareholders' equity of the Company.

2. Foreign Exchange Risk

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

For details of the Company's foreign currency monetary assets and liabilities at the end of the Current Period, please refer to Note VII-77 in the Current Report.

2. Hedge

(1) The Company Carries out Hedging Business for Risk Management

Applicable Not applicable

(2) The Company Conducts Eligible Hedging Operations and Applies Hedge Accounting

Unit: RMB

Item	Carrying value related to hedged items and hedging instruments	Cumulative fair value hedge adjustment of the hedged item included in the recognized carrying value of the hedged item	Hedge effectiveness and hedge ineffectiveness partial sources	Impact of hedge accounting on the Company's financial statements
Types of hedge risk				
Types of hedge				

Other notes:

(3) The Company Conducts Hedging Operations for Risk Management, Expects to Achieve Its Risk Management Objectives, but Does Not Apply Hedge Accounting

Applicable Not applicable

3. Financial Assets

(1) Classification of Transfer Methods

Applicable Not applicable

(2) Financial Assets Derecognized due to Transfer

Applicable Not applicable

(3) Continued Involvement in the Transfer of Assets Financial Assets

Applicable Not applicable

Other notes:

XIII. The Disclosure of Fair Value

1. Ending Fair Value of Assets and Liabilities at Fair Value

Unit: RMB

Item	Closing fair value			Total
	Fair value measurement items at level 1	Fair value measurement items at level 2	Fair value measurement items at level 3	

I. Consistent Fair Value Measurement	--	--	--	--
(III) Other equity instrument investment	636,926.20			636,926.20
The total amount of assets consistently measured at fair value	636,926.20			636,926.20
II. Inconsistent Fair Value Measurement	--	--	--	--

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

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

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

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

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

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

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

9. Others

XIV. Related Party and Related-party Transactions

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

Name of the Company as the parent	Place of registration	Business nature	Registered capital	Proportion of share held by the Company as the parent against the Company (%)	Proportion of voting rights owned by the Company as the parent against the Company (%)
Shenzhen Investment Holdings Co., Ltd.	Shenzhen	Limited liability company (solely-owned by the state)	32,359,000,000.00	56.96%	56.96%

Notes: Information on the Company as the parent

(1) The parent company of the Company is Shenzhen Investment Holdings Co., Ltd. (hereinafter referred to as "SIHC"), a newly-established and organized state-owned capital investment company based on the original three state-owned assets management companies in October 2004, and its main function is to manage the partial municipal state-owned companies according to the

authorization of Municipal SASAC. As a government department, Shenzhen State-owned Assets Supervision and Administration Bureau manages Shenzhen Investment Holdings Co., Ltd. on behalf of People's Government of Shenzhen Municipality.

(2) In 2021, SIHC, the controlling shareholder of the Company, transferred 38,037,890 ordinary shares of the Company in unlimited circulation (representing 6.382% of the total share capital of the Company) held by SIHC to Shenzhen State-owned Equity Management Co., Ltd. for free to replenish the social security funds. Shenzhen State-owned Equity Management Co., Ltd. is a newly established wholly-owned subsidiary of SIHC to manage the transferred state-owned equity in a special account. After the registration of the free transfer, SIHC held 301,414,637 shares of the Company, accounting for 50.575% of the total share capital of the Company, and Shenzhen State-owned Equity Management Co., Ltd. held 38,037,890 shares of the Company, accounting for 6.382% of the total share capital of the Company.

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

Other notes:

2. Subsidiaries of the Company

Please refer to Note X-1 for details on the Company's subsidiaries.

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

Please refer to Note X-2 for details on the Company's joint ventures and associated enterprises.

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

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

Other notes:

4. Information on Other Related Parties

Name of other related party	Relationship with the Company
Shenzhen Xinhai Holding Co., Ltd.	The Company as the parent of Xinhai Rongyao of subsidiary Rongyao Real Estate by non-controlling interests
Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	Subsidiary Rongyao Real Estate by non-controlling interests
Yangzhou Lvfa Real Estate Co., Ltd.	Subsidiary Yangzhou Wuhe by non-controlling interests
Shenzhen Wufang Ceramics Industrial Co., Ltd.	Associated enterprise of the Company
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	Joint venture of the Company
Tian'an International Building Property Management Company of Shenzhen	Joint venture of the Company
Guoren P&C	Subsidiary of the Company as the parent of the Company
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Water Planning and Design Institute Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen People's Congress Cadre Training Center	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Shenfubao (Group) Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Guarantee Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Bay Technology Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	Subsidiary of the Company as the parent of the Company
Shenzhen Shentou Property Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Convention & Exhibition Center Management Co.,	Wholly-owned subsidiary of the Company as the parent of the

Ltd.	Company
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Tsinghua University Research Institute	Subsidiary of the Company as the parent of the Company
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Infinova Limited	Subsidiary of the Company as the parent of the Company
Shenzhen Construction Development (Group) Company	Subsidiary of the Company as the parent of the Company
Shenzhen Hi-tech Zone Investment Development Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Sports Center Operation Management Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Shenzhen Environmental Protection Technology Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Tianjun Industrial Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Cultural Business Development Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Meibainian Garment Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Guohui Industry Co., Ltd.	Parent company's sub-sub-sidiary
Shen ZHEN Light Industrial Products IMP.& EXP. Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Talent Recruitment International Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Yitong Digital Technology Innovation Development Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Foreign Service Group Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen SDG Service Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Investment Building Hotel Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Infinova Smart Park Technology Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Shantou Special Cooperation Zone Branch of Shenzhen Water Planning and Design Institute Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
China Kunpeng Industry Source Innovation Center (Shenzhen) Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Special Zone Literature Magazine Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Shen Yue United Investment Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Park Operation Development Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Chuangke Development Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Investment Holdings Development Co., Ltd.	Parent company's sub-sub-sidiary
Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Bay Area International Hotel Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen SME Venture Capital Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Wholly-owned sub-sub-sidiary of the Company as the parent of the Company

Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Urban Construction Mingyuan Industrial Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Environment Engineering Technology Center Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Transportation Station Development Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Free Trade Zone Life Service Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Infinova Renyong Information Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Rule of Law Training Center	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen South Certification Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Xingye Logistics Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Shenzhen Xingye Xingfa Clothing Manufacturing Co., Ltd.	Wholly-owned sub-subsidiary of the Company as the parent of the Company
Hebei Shenbao Investment Development Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Total Logistics Service Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Tianjun Biotechnology Development Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Environmental Protection Technology Group Co., Ltd.	Subsidiary of the Company as the parent of the Company
Shenzhen Environmental Engineering Science and Technology Center Co., Ltd.	Parent company's sub-subsidiary
Shenzhen City Construction Industrial Park Development Co., Ltd.	Parent company's sub-subsidiary
Chengdu Zunxi Land Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Chenglong Real Estate Development Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Shenzhen Shantou Special Cooperation Zone SIHC Investment Development Co., Ltd.	Wholly-owned subsidiary of the Company as the parent of the Company
Dongguan SIHC Investment Development Co., Ltd.	Parent company's sub-subsidiary
Shenzhen Binjiang Industry Co., Ltd.	Parent company's sub-subsidiary

Other notes:

5. List of Related-party Transactions

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

Information on acquisition of goods and reception of labor service

Unit: RMB

Related parties	Content of the related-party transaction	Amount for the current period	The approval trade credit	Whether exceed trade credit or not	Amount for the previous period
Guoren P&C	Insurance	4,005,407.26	2,582,000.00	Yes	3,296,379.71
Shenzhen Guarantee Group Co., Ltd.	Guarantee fee				26,548.11
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated	Management service fee	4,731,334.42			4,026,979.11

subsidiaries, except where the context otherwise requires					
Shen ZHEN Light Industrial Products IMP.& EXP. Co., Ltd.	Catering service	50,477.89			
Shenzhen People's Congress Cadre Training Center	Training fee	1,780.00			
Shenzhen Foreign Service Group Co., Ltd.	Outsourcing service charges				9,312,805.11
Shenzhen Rule of Law Training Center	Training fee	185,019.48			
Shenzhen Guohui Industry Co., Ltd.	Catering service	45,600.00			
Shenzhen General Institute of Architectural Design and Research Co., Ltd.	Project architectural design service	8,940,492.75			8,161,599.83
Shenzhen Meibainian Garment Co., Ltd.	Apparel procurement				402,743.64
Shenzhen South Certification Co., Ltd.	Certification fees	24,528.30			
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	Guarantee fee				793,950.00
Shenzhen Shenfubao (Group) Co., Ltd.	Catering service	200,535.00			210,975.00
Shenzhen Water Planning and Design Institute Co., Ltd.	Consultant service expense	13,331.00			113,320.00
Shenzhen SDG Service Co., Ltd.	Property service fee	294,540.95			465,715.62
Shenzhen Cultural Business Development Co., Ltd.	Activity fees	175,633.75			
Shenzhen Yitong Digital Technology Innovation Development Co., Ltd.	Catering service	8,982.00			
Shenzhen Tianjun Industrial Co., Ltd.	Demolition compensation				27,000,000.00
Shenzhen Tianjun Industrial Co., Ltd.	Plant maintenance services	56,613.20			
Shenzhen Bay Technology Development Co., Ltd.	Management service fee	62,480,975.10	81,600,000.00	No	86,518,273.32
Shenzhen Infinova Renyong Information Co., Ltd.	Intelligent engineering expense	384,103.84			
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Management service fee	305,550.31			
Shenzhen Tianjun Biotechnology Development Co.,	Plant maintenance services	107,161.34			

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Shenzhen Environmental Protection Technology Group Co., Ltd.	Fees for environmental services	385,580.19			
Shenzhen Environmental Engineering Science and Technology Center Co., Ltd.	Fees for environmental services	111,005.66			

Information of sales of goods and provision of labor service

Unit: RMB

Related parties	Content of the related-party transaction	Amount for the current period	Amount for the previous period
Guoren P&C	Property service fee	347,629.57	365,485.39
Hebei Shenbao Investment Development Co., Ltd.	Project payment	26,970,736.12	20,874,664.05
Hebei Shenbao Investment Development Co., Ltd.	Property service fee	13,195,908.87	10,585,122.24
China Kunpeng Industry Source Innovation Center (Shenzhen) Co., Ltd.	Property service fee	1,381,929.74	
Shenyue United Investment Co., Ltd.	Property service fee	2,900,927.45	2,429,042.80
Shenzhen Chuangke Development Co., Ltd.	Property service fee	1,516,908.38	
Shenzhen Guarantee Group Co., Ltd.	Property service fee	4,173,239.39	4,347,773.48
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Property service fee	2,391,764.60	1,844,495.70
Shenzhen Convention & Exhibition Center Management Co., Ltd.	Property service fee	8,741,565.84	6,587,040.80
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	Property service fee	5,809,905.47	12,696,424.71
Shenzhen Talent Recruitment International Co., Ltd.	Property service fee	444,280.42	
Shenzhen Tsinghua University Research Institute	Property service fee	1,376,718.19	351,203.22
Shenzhen Total Logistics Service Co., Ltd.	Property service fee	5,907,491.61	2,500,524.01
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Park Operation Development Co., Ltd.	Property service fee	3,153,538.10	
Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	Property service fee	2,352,378.93	1,707,998.32
Shenzhen Urban Construction Mingyuan Industrial Co., Ltd.	Project payment		564,220.20
Shenzhen Construction Development (Group) Company	Property service fee	136,971.70	
Shenzhen Large Industrial Zone (Shenzhen Export Processing	Project payment	263,350.35	4,124,594.71

Zone) Development Management Group Co., Ltd.			
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Property service fee	76,628.67	81,796.64
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Project payment	209,505.25	255,834.10
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Property service fee	140,690.29	98,543.56
Shenzhen Hi-tech Zone Investment Development Group Co., Ltd.	Property service fee	47,172.26	
Shenzhen Environmental Protection Technology Group Co., Ltd.	Project payment	90,016.79	212,270.67
Shenzhen Environmental Protection Technology Group Co., Ltd.	Property service fee	5,857,237.41	6,269,868.04
Shenzhen South Certification Co., Ltd.	Property service fee	74,213.21	
Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	Property service fee	1,703,980.95	1,095,907.44
Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	Project payment	46,550.75	
Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	Property service fee	7,628,802.17	8,068,487.11
Shenzhen Shenfubao (Group) Co., Ltd.	Project payment	1,328,615.05	1,330,275.23
Shenzhen Shenfubao (Group) Co., Ltd.	Property service fee	4,558,105.71	4,785,217.03
Shenzhen Shenfubao (Group) Co., Ltd.	Funding occupancy expense		-233,337.05
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Project payment		67,252.15
Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	Property service fee	483,048.37	170,701.27
Shenzhen Shentou Property Development Co., Ltd.	Supervision service fee	11,320.75	
Shenzhen Shantou Special Cooperation Zone Branch of Shenzhen Water Planning and Design Institute Co., Ltd.	Property service fee	21,247.49	22,050.00
Shenzhen Special Zone Literature Magazine Co., Ltd.	Property service fee	51,384.96	
Shenzhen Sports Center Operation Management Co., Ltd.	Property service fee	4,806,978.01	687,914.48
Shenzhen Investment Holdings Development Co., Ltd.	Property service fee	110,059.63	
Shenzhen Investment Building Hotel Co., Ltd.	Supervision service fee	70,754.72	
Shenzhen Investment Holdings Co., Ltd.	Project payment	186,843.22	7,209,951.08
Shenzhen Investment Holdings Co., Ltd.	Commission management fee		1,886,792.46
Shenzhen Investment Holdings Co., Ltd.	Property service fee	8,643,987.73	7,584,483.75
Shenzhen Investment Holdings Co., Ltd.	Funding occupancy expense		174,206.14
Shenzhen Bay Area	Property service fee	5,432,881.86	75,100,961.12

International Hotel Co., Ltd.			
Shenzhen Cultural Business Development Co., Ltd.	Property service fee	227,088.46	
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Property service fee	338,650.32	360,707.44
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Property service fee	220,010.13	235,915.67
Shenzhen Xingye Logistics Co., Ltd.	Property service fee	11,009.18	
Shenzhen SME Venture Capital Co., Ltd.	Property service fee		872,990.19
Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	Property service fee	579,370.16	354,142.48
Shenzhen Bay Technology Development Co., Ltd.	Property service fee	78,923,867.12	54,562,406.82
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Project payment		686,767.33
Shenzhen Bay Area Urban Construction and Development Co., Ltd.	Property service fee	2,525,782.31	2,977,659.03
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Project payment	537,490.97	1,419,537.05
Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	Property service fee	3,458,208.00	2,423,260.33
Shenzhen Xingye Xingfa Clothing Manufacturing Co., Ltd.	Property service fee	2,832,334.90	
Shenzhen Infinova Limited	Property service fee	463,319.77	289,916.74
Shenzhen Infinova Smart Park Technology Co., Ltd.	Consultant service expense	1,859,676.00	512,000.00
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Property service fee	2,457,982.89	2,763,006.30
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Supervision service fee	424,528.30	618,867.93
Shenzhen City Construction Industrial Park Development Co., Ltd.	Property service fee	391,346.42	
Chengdu Zunxi Land Co., Ltd.	Property service fee	1,152,459.02	
Shenzhen Chenglong Real Estate Development Co., Ltd.	Property service fee	395,685.75	
Shenzhen Shenzhen Shantou Special Cooperation Zone SIHC Investment Development Co., Ltd.	Property service fee	508,184.64	
Dongguan SIHC Investment Development Co., Ltd.	Property service fee	1,784,025.19	
SIHC and its subsidiaries	Catering Services	197,755.66	

Notes to acquisition of goods and reception of labor service

In 2023, the catering service business with SIHC and a number of its subsidiaries was presented on a consolidated basis under the caliber of "SIHC and its subsidiaries" due to the large number of parties involved and the small amount of transactions with a single related party, which did not meet the criteria for separate disclosure.

(2) Information on Related-party Trusteeship/Contract

Lists of trusteeship/contract of the Company:

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Income recognized in this Current Period
Shenzhen Shentou Property Development Co., Ltd.	ShenZhen Properties & Resources Development (Group) Ltd.	Investment property	6 November 2019	5 November 2025	Market pricing	61,640,558.21
Shenzhen Shenfubao (Group) Co., Ltd.	Shenzhen Shenfubao Property Development Co., Ltd.	Real Estate, engineering	1 January 2023	31 December 2023	Market pricing	1,320,754.72
Shenzhen Fubao Industrial Park Operation Co., Ltd.	Shenzhen Shenfubao Property Development Co., Ltd.	Property maintenance project	1 January 2023	31 December 2023	Market pricing	27,192.08
Shenzhen Shenfubao (Group) Co., Ltd.	Shenzhen Free Trade Zone Security Service Co., Ltd.	Property	1 January 2023	31 December 2023	Market pricing	1,420,000.00
Shenzhen Shenfubao (Group) Co., Ltd.	Shenzhen Shenfubao Hydropower Municipal Service Co., Ltd.	Property	1 January 2023	31 December 2023	Market pricing	2,440,695.63

Notes:

Lists of entrust/contractee

Unit: RMB

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

(3) Information on Related-party Lease

The Company was lessor:

Unit: RMB

Name of lessee	Category of leased assets	The lease income confirmed in the current period	The lease income confirmed in the previous period
Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Investment property	1,265,195.37	1,369,729.39
Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.	Investment property	1,665,257.39	1,891,531.05

The Company was lessee:

Unit: RMB

Name of lessor	Category of leased assets	Rental expense of simplified short-term leases and low-value asset leases (if applicable)	Variable lease payments that are not covered in the measurement of the lease liabilities (if	Rent payable	Interest expense on lease liabilities borne	Added right-of-use assets
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				applicable)							
		Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period	Amount for the current period	Amount for the previous period
Shenzhen Shentou Property Development Co., Ltd.	Investment property						796,404.00		139,419.23		614,554.40
Shenzhen Investment Building Hotel Co., Ltd.	Investment property					820,296.12		66,547.40			
Shenzhen Hi-tech Zone Development Construction Co., Ltd.	Investment property	22,302.40	519,166.28			111,132.00	104,160.00	4,363.33	8,533.45		
Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	Investment property	11,256.87	3,690.77								
Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	Investment property	41,333.32	640,523.85			702,000.00	55,000.00	81,134.66	8,020.54		1,782,328.10
Shenzhen Shenfubao (Group) Co., Ltd.	Investment property					231,660.00		28,809.46		1,204,267.57	
Shenzhen Investment Holdings Co., Ltd.	Investment property	591,394.63	625,825.14			3,482,245.09	324,499.11	192,376.34	153,717.85	1,814,518.69	7,825,665.72
Shenzhen Bay Technology Development Co., Ltd.	Investment property	1,119,654.36	1,132,586.62								
Shenzhen Binjiang Industry Co., Ltd.	Investment property	41,600.00									

Notes:

(4) Information on Related-party Guarantee

The Company was guarantor:

Unit: RMB

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

Unit: RMB

Guarantor:	Amount of guarantee	Start date	End date	Execution accomplished or not
Guoren P&C	82,093,413.89	26 June 2022	30 April 2024	No
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	16,750,000.00	29 March 2022	28 March 2025	No
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	36,850,000.00	29 March 2022	28 March 2026	No
Shenzhen Shendan Zengxin Financing Guarantee Co., Ltd.	13,400,000.00	29 March 2022	28 March 2027	No
Shenzhen Guarantee Group Co., Ltd.	1,684,498.43	December 29, 2023	29 December 2024	No
Shenzhen Guarantee Group Co., Ltd.	2,895,117.51	1 May 2022	1 May 2023	Yes

Notes:

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

Unit: RMB

Related parties	Amount	Start date	Maturity date	Note
Borrowing				
Lending				

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

Unit: RMB

Related parties	Content of the related-party transaction	Amount for the current period	Amount for the previous period
Shenzhen Investment Holdings Co., Ltd.	Transfer of fixed assets		171,582.53
Shenzhen Shenfubao (Group) Co., Ltd.	Acquisition of equity interest		86,923,058.15
ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and Shenzhen SPG Investment Co., Ltd.	Acquisition of equity interest		206,390,636.61
China Shenzhen Foreign Trade (Group) Corp. Ltd.	Acquisition of equity interest		20,902,006.86

(7) Information on Remuneration for Key Management Personnel

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Remuneration for key management personnel	12,312,227.12	15,149,368.18

(8) Other Related-party Transactions

6. Accounts Receivable and Payable of Related Party

(1) Accounts Receivable

Unit: RMB

Project name	Related parties	Ending balance		Beginning balance	
		Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Accounts receivable	Hebei Shenbao Investment Development Co., Ltd.	27,085,777.03	812,573.31	15,856,697.13	475,700.91
	Shenzhen Shenyue United Investment Co., Ltd.	4,407,622.21	240,783.73	1,545,493.83	46,364.81
	Shenzhen Chuangke Development Co., Ltd.	1,607,922.88	48,237.69		
	Shenzhen Guarantee Group Co., Ltd.			69,764.97	2,092.95
	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	2,753,626.63	253,302.70	3,292,961.84	177,657.15
	Shenzhen Convention & Exhibition Center Management Co., Ltd.	1,918,835.40	71,436.06	1,379,512.79	55,256.38
	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	12,659,861.03	2,147,549.43	10,072,563.13	674,112.86
	Shenzhen Tsinghua University Research Institute	57,574.31	1,727.23	113,107.19	3,393.22
	Shenzhen Total Logistics Service Co., Ltd.	608,792.15	18,263.76	779,745.46	23,392.36
	Shenzhen Shenzhen Hong Kong Science and Technology Innovation Park Operation Development Co., Ltd.	3,342,750.39	100,282.51		
	Shenzhen Shenzhen Hong Kong Science and Technology Innovation Cooperation Zone Development Co., Ltd.	372,253.03	11,167.59	114,435.00	3,433.05
	Shenzhen Shenzhen Shantou Special Cooperation Zone SIHC Investment Development Co., Ltd.	508,084.64	15,242.54		
	Shenzhen City Construction Industrial Park Development Co., Ltd.	391,346.42	11,740.39		
	Shenzhen	395,685.75	11,870.57		

	Chenglong Real Estate Development Co., Ltd.				
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	480,229.65	64,846.89	1,811,138.85	104,774.17
	Shenzhen Fubao Industrial Park Operation Co., Ltd.	5,365.01	160.95	307,714.39	9,231.43
	Shenzhen Environmental Protection Technology Group Co., Ltd.	1,653,450.97	63,121.44	1,331,881.42	39,956.44
	Shenzhen Transportation Station Development Co., Ltd.	5.51	0.17		
	Shenzhen Shenfubao (Group) Tianjin Industrial Development Co., Ltd.	1,604,015.82	66,998.26	917,263.67	66,998.66
	Shenzhen Shenfubao (Group) Tianjin Investment Development Co., Ltd.	3,255,544.36	155,467.93	2,454,324.58	88,615.34
	Shenzhen Shenfubao (Group) Co., Ltd.	2,567,475.48	77,024.27	3,699,118.44	145,973.55
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.			55.70	1.67
	Shenzhen Shentou Property Development Co., Ltd.	2,378,435.98	71,353.08	1,500,297.75	45,008.93
	Shenzhen Investment Holdings Co., Ltd.	4,131,697.18	144,179.32	6,623,892.25	218,945.16
	Shenzhen Bay Area International Hotel Co., Ltd.			51,312,666.65	1,539,380.00
	Shenzhen Cultural Business Development Co., Ltd.	935.08	28.05		
	Shenzhen Bay (Baoding) Innovation Development Co., Ltd.	156,427.62	4,692.83	116,061.39	3,481.84
	Shenzhen Bay Technology Development Co., Ltd.	137,865,750.97	7,568,725.60	131,203,332.93	3,936,099.99
	Shenzhen Xiangmihu	992,580.22	29,777.41	811,111.70	24,333.35

	International Exchange Center Development Co., Ltd.				
	Shenzhen Infinova Smart Park Technology Co., Ltd.	1,391,838.00	41,755.14	320,000.00	9,600.00
	China Shenzhen Foreign Trade (Group) Corp. Ltd.	24,500.00	6,600.00		
Total		212,618,383.72	12,038,908.85	235,633,141.06	7,693,804.22
Contract assets	Hebei Shenbao Investment Development Co., Ltd.	361,513.73		373,225.03	
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	231,455.46		337,422.67	
	Shenzhen Fubao Industrial Park Operation Co., Ltd.	26,457.15		26,457.15	
	Shenzhen Environmental Protection Technology Group Co., Ltd.			28,385.93	
	Shenzhen Shenfubao (Group) Co., Ltd.	43,500.00		43,500.00	
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	14,704.85		14,649.15	
	Shenzhen Investment Holdings Co., Ltd.	133,597.44		139,004.56	
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.			50,169.55	
	Shenzhen Xiangmihu International Exchange Center Development Co., Ltd.	14,806.94		46,418.86	
	Shenzhen Urban Construction Mingyuan Industrial Co., Ltd.	18,450.00			
Total		844,485.57		1,059,232.91	
Other receivables	Shenzhen Hi-tech Zone Development Construction Co., Ltd.	167,086.43	10,525.99	121,714.92	5,080.85
	Shenzhen Convention & Exhibition Center Management Co., Ltd.	1,000.00			

	ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. and its consolidated subsidiaries, except where the context otherwise requires	100,000.00	30,000.00	100,000.00	10,000.00
	Shenzhen Binjiang Industry Co., Ltd.	10,000.00	300.00		
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	102,583.54	3,258.35	2,583.54	77.51
	Shenzhen Qianhai Advanced Information Service Co., Ltd.1	10,720,575.27	321,617.26	10,720,575.27	321,617.26
	Shenzhen Shenfubao (Group) Co., Ltd.	81,264.60	2,437.94		
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	350,000.00	10,500.00		
	Shenzhen Shentou Property Development Co., Ltd.	81,233.00	81,233.00	81,233.00	81,233.00
	Shenzhen Investment Holdings Co., Ltd.	685,740.90	157,127.32	685,740.90	112,893.70
	Shenzhen Xinhai Holding Co., Ltd.	201,499,990.18	6,044,999.71	201,499,990.18	6,044,999.71
	Shenzhen Xinhai Rongyao Real Estate Development Co., Ltd.	375,068,984.55	11,252,069.54	375,068,984.55	11,252,069.54
	Shenzhen Tianjun Industrial Co., Ltd.	10,000,000.00		10,000,000.00	0.00
	Shenzhen Bay Technology Development Co., Ltd.	10,065,313.75	301,959.41	4,159,687.50	124,790.63
	Shenzhen Wufang Ceramics Industrial Co., Ltd.	1,747,264.25	1,747,264.25	1,747,264.25	1,747,264.25
	China Shenzhen Foreign Trade (Group) Corp. Ltd.			3,734.83	373.48
Total		610,681,036.47	19,963,292.77	604,191,508.94	19,700,399.93

(2) Accounts Payable

Unit: RMB

Project name	Related parties	Ending carrying amount	Beginning carrying amount
Accounts payable	Shenzhen General Institute of Architectural Design and Research Co., Ltd.	2,102,761.00	1,199,653.20

	Shenzhen Shentou Property Development Co., Ltd.	889,007.87	787,002.77
	Shenzhen SDG Service Co., Ltd.	564,288.00	282,144.00
	Shenzhen Infinova Renyong Information Co., Ltd.		25,203.84
	Shenzhen Qianhai Advanced Information Service Co., Ltd.	8,126,060.00	9,026,060.00
Total		11,682,116.87	11,320,063.81
Other payables	Shenzhen Guarantee Group Co., Ltd.	1,494,841.29	1,494,841.29
	Shenzhen Talent Recruitment International Co., Ltd.	147,132.37	
	Shenzhen Free Trade Zone Life Service Co., Ltd.	4,850.00	4,850.00
	Shenzhen Construction Development (Group) Company	152,227.00	
	Shenzhen Large Industrial Zone (Shenzhen Export Processing Zone) Development Management Group Co., Ltd.	31,218.60	
	Shenzhen Foreign Service Group Co., Ltd.		1,101,949.83
	Shenzhen Fubao Industrial Park Operation Co., Ltd.		11,579.00
	Shenzhen South Certification Co., Ltd.	34,002.15	
	Shenzhen Shenfubao (Group) Co., Ltd.	2,863,523.56	2,503,870.62
	Shenzhen Shenfubao Eastern Investment Development Co., Ltd.	117,693.11	
	Shenzhen Shentou Property Development Co., Ltd.	8,621,679.48	10,126,517.16
	Shenzhen Investment Holdings Co., Ltd.		868,934.14
	Shenzhen Cultural Business Development Co., Ltd.	773,680.00	
	Shenzhen Bay Wanli Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.		687,525.00
	Shenzhen Bay Wanyi Hotel Branch of Shenzhen Wuzhou Hotel Management Co., Ltd.		562,521.00
	Shenzhen SME Venture Capital Co., Ltd.		339,760.59
	Tian'an International Building Property Management Company of Shenzhen	5,214,345.90	5,214,345.90
	China Shenzhen Foreign Trade (Group) Corp. Ltd.		265,018.43
	Shenzhen Bay Technology Development Co., Ltd.	143,003,641.12	179,966,045.36
	Shenzhen Bay Area Urban Construction and Development Co., Ltd.	360,752.18	360,752.18
	Shenzhen Real Estate Jifa Warehousing Co., Ltd.	42,296,665.14	42,296,665.14
	Shenzhen Infinova Limited	144,219.02	144,219.02
	Yangzhou Lvfa Real Estate Co., Ltd.	369,623,672.79	313,705,372.89
Total		574,884,143.71	559,654,767.55

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

7. Commitments of Related Party

8. Other

XV. Share-based Payment

1. The Overall Situation of Share-based Payments

Applicable Not applicable

2. Equity-settled Share-based Payments

Applicable Not applicable

3. Cash-settled Share-based Payments

Applicable Not applicable

4. Share-Based Payment Expenses for the Period

Applicable Not applicable

5. Modification and Termination of Share-based Payment

6. Other

XVI. Commitments and Contingency

1. Significant Commitments

Significant commitments on balance sheet date

Signed large amount contract under performing or to be performed

Item	Amount of Current Period	Same period of last year
Commitments signed but hasn't been recognized in large amount	2,528,685,973.91	2,661,507,526.23

2. Contingency

(1) Significant Contingency on Balance Sheet Date

(1) The action about transferring Jiabin Building contentious matter

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

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

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

On August 21, 2022, the Arbitration Tribunal held the second hearing to inquire about the audit report issued by the third-party auditor and the details of the case, on September 5, 2022, Jun & Partners responded to the *Special Audit Report* of Case No. 541 and Case No. 1063. On 23 March and 24 March 2023, two arbitration awards were received respectively, and according to the conclusion of arbitration awards, the High-tech Zone Branch should return approximately RMB540,000 of public revenue to the Owners' Committee of Shenzhen Nanshan District Software Park (in spite of RMB32 million requested by the Owners' Committee); in regard to the arbitration case between the ITC Technology Park Company and the Owners' Committee of Shenzhen Nanshan District Software Park, all requests of the latter have been rejected by the arbitration tribunal (in spite of RMB13 million requested by the Owners' Committee).

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

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

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

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

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

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

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

Shenzhen Xuansheng applied to the People's Court of Luohu District for compulsory execution on 8 August 2023. On 14 August 2023, the Company received the execution notice (2023) Y03MZ No. 17352 from the People's Court of Luohu District, which required the Company to immediately perform the obligations determined by the effective legal instrument and bear the interest on the debt during the delayed period of performance, the application for execution fee and other related expenses. After communicating

with the court, the Company was required to pay Shenzhen Xuansheng a total sum of RMB696,033.73 for property management fees, building repair funds, and electricity expenses incurred between 1 July 2017 and 31 December 2019. As of 22 August 2023, we also owed overdue interest amounting to RMB95,254.15 and delayed compounded interest totalling RMB3,532.37, bringing the grand total payable amount to RMB794,820.25. Additionally, the Company was responsible for paying the first-instance court acceptance fee of RMB5,733.06 at the People's Court of Luohu District, along with the execution fee of case (2023) Y03MZ No. 17352, which amounts to RMB10,405.53. In summary, the aggregate total of all these costs comes to RMB810,958.84.

In summary, adhering to the principles of respecting the law and accepting judgments, and with the aim to avoid the detrimental impact on the Company's normal business operations due to potential compulsory enforcement measures such as bank account freezing, we have agreed to and indeed made the payment in question. This decision also served to bring an end to the legal dispute with Shenzhen Xuansheng. On 20 September 2023, the Company received a Notice of Case Closure for a Completed Enforcement Matter from the People's Court of Luohu District, effectively marking the conclusion of the case.

(5) Arbitration case concerning civil loan dispute of Shenzhen Rongyao Real Estate Development Co., Ltd.

Due to Xinhai Rongyao and Xinhai Holding's failure to repay principal and interest to Rongyao Real Estate on schedule, Rongyao Real Estate has applied to the Shenzhen Court of International Arbitration for arbitration. The arbitral award orders Xinhai Rongyao and Xinhai Holding to repay Rongyao Real Estate the full loan principal of RMB671,913,800 and corresponding interest (at an annual interest rate of 11%, calculated based on the principal amount of RMB671,913,800 yuan from 4 August 2022 until the full repayment of the loan; provisionally amounting to RMB49,068,400). The award further decides that Xinhai Investment, Urban Construction Property Service Company, Lianghong Industry, and Tiancheng Investment shall bear joint and several liability for the obligations and responsibilities of Xinhai Rongyao and Xinhai Holding under the first arbitration claim. It also decrees that all respondents shall bear the attorney fees of RMB1.2 million paid by Rongyao Real Estate. Lastly, the award requires all respondents to cover the full arbitration costs and property preservation expenses of this case. The provisional total amount owed currently stands at RMB722,182,200.

On 4 May 2023, the Shenzhen Court of International Arbitration issued a Notice of Case Acceptance, and the filing process has since been completed. Subsequently, the respondent initiated a proceeding at the Shenzhen Intermediate People's Court seeking confirmation of the validity of the arbitration agreement, resulting in the Arbitration Institute temporarily suspending its hearing of the case. After the court's review, the respondent's application was dismissed, and the arbitration proceedings will resume once the Shenzhen Court of International Arbitration notifies all parties concerned to proceed with the arbitration process.

(6) Arbitration case concerning equity transfer dispute of ShenZhen Properties & Resources Development (Group) Ltd.

Due to the failure of Xinhai Rongyao to pay compensation for investment losses to Shenzhen Property Group as agreed, Shenzhen Property Group has applied to the Shenzhen Court of International Arbitration for arbitration. It was ruled that Xinhai Rongyao must pay RMB170,556,833.33 to Shenzhen Property Group as compensation for investment loss; that Sichuan Trust does not legally possess the 1% equity interest registered in its name in Shenzhen Rongyao Real Estate Development Co., Ltd. And that Xinhai Rongyao is the actual owner of this 1% equity interest; that Xinhai Rongyao must pledge and register its actually-held 31% equity interest in Shenzhen Rongyao Real Estate Development Co., Ltd. to Shenzhen Property Group; that Sichuan Trust must cooperate in facilitating the registration procedures for the pledge of the aforementioned 1% equity interest in Shenzhen Rongyao Real Estate Development Co., Ltd.; that both Xinhai Rongyao and Sichuan Trust must bear the legal fees of RMB780,000 incurred by Shenzhen Property Group; that Xinhai Rongyao and Sichuan Trust must cover all arbitration costs and property preservation expenses in this case. The provisional total amount involved in these rulings amounts to RMB171,336,833.33.

The Shenzhen Court of International Arbitration issued the *Notice of Case Acceptance* on 14 April 2023, and the case was heard at Shenzhen Court of International Arbitration on 14 December 2023, and is currently waiting for the decision.

(7) As a real estate developer, the Company provides mortgage loan guarantees and pays loan deposits for commercial housing purchasers according to the operation practice of the real estate industry. By 31 December 2023, the balance of the deposit not discharged with guarantee was RMB1,133,604.61, which would be discharged when the mortgage loans are paid off.

As a real estate developer, the Company provides mortgage loan guarantees for commercial housing purchasers according to the operation practice of the real estate industry. By 31 December 2023, the balance of the deposit not discharged with guarantee was RMB211,064,285.20, which would be discharged when the mortgage loans are paid off.

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

There was no significant contingency in the Company to disclose.

3. Others

XVII. Events after Balance Sheet Date

1. Significant Non-adjustment Matters

Unit: RMB

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

Amount to be distributed for every ten shares (RMB)	3.12
Amount to be distributed for every ten shares after consideration and approval (RMB)	3.12

3. Sales Return

4. Notes to Other Events after Balance Sheet Date

Distribution of profit after the balance sheet date

On 29 March 2024, the 25th meeting of the 10th Board of Directors of the Company approved the profit distribution plan for 2023 as follows: a cash dividend of RMB3.12 (tax included) for every 10 shares are to be paid to all shareholders on the basis of 595,979,092 shares in total at the end of 2023. The total cash dividends will be RMB185,945,476.70, and the remaining undistributed profits will be carried forward to the next year. The plan will be implemented after approval by the Shareholders' Meeting.

XVIII. Other Significant Matters

1. The Accounting Errors Correction in Previous Period

(1) Retrospective Restatement

Unit: RMB

Content	Processing program	Name of the influenced report items during comparison period	Accumulative impact
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(2) Prospective Application

Content	Processing program	Reason for adopting prospective application
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2. Debt Restructuring

3. Assets Replacement

(1) Non-monetary Assets Exchange

(2) Other Assets Replacement

4. Pension Plans

5. Discontinued Operations

Unit: RMB

Item	Revenue	Costs	Total profit	Income tax expense	Net profit	Profit from discontinued operations attributable to owners of the Company as the parent
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Other notes:

6. Segment Information

(1) Determination Basis and Accounting Policies of Reportable Segment

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

(2) The Financial Information of Reportable Segment

Unit: RMB

Item	Real estate business	Property management	House leasing business	Offset among segment	Total
Operating Revenue	1,234,537,188.62	1,578,719,323.98	151,860,512.44		2,965,117,025.04
Operating cost	818,496,053.38	1,316,777,091.32	98,252,237.79		2,233,525,382.49
Total assets	14,465,264,793.80	1,974,828,270.01	547,969,004.28		16,988,062,068.09
Total liabilities	10,591,038,446.03	1,548,292,274.22	145,006,312.03		12,284,337,032.28

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

(4) Other notes

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

8. Other

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

1. Accounts Receivable

(1) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including 1 year)	123,156,033.99	4,013,380.50
One to two years	1,024,931.55	1,312,285.45
Two to three years	716,023.90	9,756.09
More than three years	96,824,380.44	96,814,624.35
Three to four years	9,756.09	112,354.95
Four to five years	112,354.95	
Over 5 years	96,702,269.40	96,702,269.40
Total	221,721,369.88	102,150,046.39

(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawal of Bad debt provision separately accrued	98,246,909.94	44.31%	98,246,909.94	100.00%	0.00	96,702,269.40	94.67%	96,702,269.40	100.00%	0.00
Of which:										
Accounts receivable withdrawal of bad debt provision of by group	123,474,459.94	55.69%	3,445,301.16	2.79%	120,029,158.78	5,447,776.99	5.33%	310,734.28	5.70%	5,137,042.71
Of which:										
Total	221,721,369.88	100.00%	101,692,211.10	45.86%	120,029,158.78	102,150,046.39	100.00%	97,013,003.68	94.97%	5,137,042.71

Bad debt provision separately accrued: RMB98,246,909.94

Unit: RMB

Name	Beginning balance		Ending balance			Reason for withdraw
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05	93,811,328.05	93,811,328.05	93,811,328.05	100.00%	Involved in lawsuit and unrecoverable
Luohu District Economic Development Company	54,380.35	54,380.35	54,380.35	54,380.35	100.00%	Long aging and expected unrecoverable
Shenzhen Tewe Industry Co., Ltd. (Chenhui Building)	2,836,561.00	2,836,561.00	2,836,561.00	2,836,561.00	100.00%	Long aging and expected unrecoverable
Individually immaterial but individually provided for bad debts			1,544,640.54	1,544,640.54	100.00%	Involved in lawsuit and unrecoverable

Withdrawal of bad debt provision by group: 3445301.16

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Portfolio of credit risk features	111,348,682.81	3,445,301.16	3.09%
Government portfolio	12,125,777.13		
Total	123,474,459.94	3,445,301.16	

Notes to the determination basis for the group:

If adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable:

Applicable Not applicable

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Others	
Bad debt provision accrued by item	96,702,269.40	1,544,640.54				98,246,909.94
Withdrawal of bad debt provision by group	310,734.28	3,134,566.88				3,445,301.16
Total	97,013,003.68	4,679,207.42				101,692,211.10

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision

(4) Accounts Receivable Written-off in Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant accounts receivable:

Unit: RMB

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

Notes to verification of accounts receivable:

(5) Top 5 of the Ending Balance of the Accounts Receivable and the Contract Assets Collected according to Arrears Party

Unit: RMB

Name of the entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to total ending balance of accounts receivable and contract assets	Ending balance of bad debt provision of accounts receivable and impairment provision for contract assets
Shenzhen Futian Talent Anju Co., Ltd.	109,392,112.37		109,392,112.37	49.33%	3,281,763.37
Shenzhen Jiyong Properties & Resources Development Company	93,811,328.05		93,811,328.05	42.31%	93,811,328.05
Shenzhen Futian District Government Property	12,125,777.13		12,125,777.13	5.47%	

Management Centre					
Shenzhen Tewe Industry Co., Ltd.	2,836,561.00		2,836,561.00	1.28%	2,836,561.00
Shenzhen Feihuang Industrial Co., Ltd.	769,919.05		769,919.05	0.35%	769,919.05
Total	218,935,697.60		218,935,697.60	98.74%	100,699,571.47

2. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Dividend receivable		151,433,108.41
Other receivables	4,489,713,785.01	5,010,963,761.04
Total	4,489,713,785.01	5,162,396,869.45

(1) Interest Receivable

1) Category of Interest Receivable

Unit: RMB

Item	Ending balance	Beginning balance
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2) Significant Overdue Interest

Unit: RMB

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

3) Disclosure by Withdrawal Methods for Bad Debts

Applicable Not applicable

4) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Unit: RMB

Category	Beginning balance	Changes in the current period			Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision
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Other notes:

5) Interest Receivable Written-off in Current Period

Unit: RMB

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

Unit: RMB

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

Other notes:

(2) Dividend Receivable

1) Category of Dividend Receivable

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
SZPRD Urban Renewal Co., Ltd.		151,433,108.41
Total		151,433,108.41

2) Significant Dividends Receivable Aging over 1 Year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason	Whether occurred impairment and its judgment basis
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3) Disclosure by Withdrawal Methods for Bad Debts

Applicable Not applicable

4) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Other changes	

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision
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Other notes:

5) Dividends Receivable Written-off in Current Period

Unit: RMB

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

Unit: RMB

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

Other notes:

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

Unit: RMB

Nature	Ending carrying amount	Beginning carrying amount
Guaranteed deposit	2,555,194.00	2,537,789.00
Payment on behalf	39,020.00	
External intercourse funds	134,608,516.50	23,374,171.34
Intercourse funds to subsidiary	4,383,952,304.98	5,017,542,623.59
Total	4,521,155,035.48	5,043,454,583.93

2) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including 1 year)	4,489,358,790.65	5,011,106,446.45
One to two years	336,882.00	51,049.05
Two to three years	35,449.05	69,600.00
More than three years	31,423,913.78	32,227,488.43
Three to four years	69,600.00	
Four to five years		50,000.00
Over 5 years	31,354,313.78	32,177,488.43
Total	4,521,155,035.48	5,043,454,583.93

3) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Bad debt provision separately accrued	127,631,562.61	2.82%	22,485,536.08	17.62%	105,146,026.53	126,148,050.95	2.50%	23,592,842.54	18.70%	102,555,208.41
Of which:										
Withdrawal of bad debt provision by group	4,393,523,472.87	97.18%	8,955,714.39	0.20%	4,384,567,758.48	4,917,306,532.98	97.50%	8,897,980.35	0.18%	4,908,408,552.63
Of which:										
Total	4,521,155,035.48	100.00%	31,441,250.47	0.70%	4,489,713,785.01	5,043,454,583.93	100.00%	32,490,822.89	0.64%	5,010,963,761.04

Bad debt provision separately accrued: RMB22,485,536.08

Unit: RMB

Name	Beginning balance		Ending balance			
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Shum Yip Properties	109,666,108.82	7,110,900.41	111,203,099.25	6,057,072.72	5.45%	Long-term uncollectible

Development Co., Ltd.						
Dameisha Tourism Centre	2,576,445.69	2,576,445.69	2,576,445.69	2,576,445.69	100.00%	Long-term uncollectible
Hong Kong Hang Yue Development Company Limited (Wuyao Company)	3,271,837.78	3,271,837.78	3,271,837.78	3,271,837.78	100.00%	Long-term uncollectible
Elevated train project	2,542,332.43	2,542,332.43	2,542,332.43	2,542,332.43	100.00%	Long-term uncollectible
Shanghai Yutong Real Estate Co., Ltd.	5,676,000.00	5,676,000.00	5,676,000.00	5,676,000.00	100.00%	Long-term uncollectible
Individually immaterial but individually provided for bad debts	2,415,326.23	2,415,326.23	2,361,847.46	2,361,847.46	100.00%	Long-term uncollectible
Total	126,148,050.95	23,592,842.54	127,631,562.61	22,485,536.08		

Withdrawal of bad debt provision by group: 8,955,714.39

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Within one year (including 1 year)	260,459.14	7,813.77	3.00%
1-2 years (including 2 years)	336,882.00	33,688.20	10.00%
2-3 years (including 3 years)	35,449.05	10,634.72	30.00%
3-4 years (including 4 years)	69,600.00	34,800.00	50.00%
4-5 years (including 5 years)			
Over 5 years	8,868,777.70	8,868,777.70	100.00%
Total	9,571,167.89	8,955,714.39	

Notes to the determination basis for the group:

Withdrawal of bad debt provision by adopting the general mode of expected credit loss:

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2023	8,997,495.81		23,493,327.08	32,490,822.89
Balance of 1 January 2023 in the current period				
Withdrawal of the current period	57,734.04			57,734.04
Amount transferred-back for the current period	-53,478.77		-1,053,827.69	-1,107,306.46

Balance of 31 December 2023	9,001,751.08		22,439,499.39	31,441,250.47
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The basis for the division of each stage and the withdrawal proportion of bad debt provision

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

Applicable Not applicable

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

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Others	
Other receivables	32,490,822.89	-1,049,572.42				31,441,250.47
Total	32,490,822.89	-1,049,572.42				31,441,250.47

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

Unit: RMB

Name of the entity	Amount reversed or recovered	Reason for reversal	Way of recovery	Basis and rationality of determining the original withdrawal proportion of bad debt provision

5) Particulars of the Actual Verification of Other Receivables during the Current Period

Unit: RMB

Item	Written-off amount

Of which the verification of significant other receivables:

Unit: RMB

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

Notes to the verification of other receivables:

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

Unit: RMB

Name of the entity	Nature	Ending balance	Aging	Proportion to total ending balance of other receivables %	Ending balance of bad debt provision
Dongguan Wuhe Real Estate Co., Ltd.	Intra-company funds	2,113,760,170.00	Within 1 year	46.75%	
Shenzhen Guangming Wuhe	Intra-company funds	1,471,000,000.00	Within 1 year	32.54%	

Real Estate Co., Ltd.					
Yangzhou Wuhe Real Estate Co., Ltd.	Intra-company funds	750,436,602.93	Within 1 year	16.60%	
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.	Intra-company funds	41,346,763.61	Within 1 year	0.91%	
Shum Yip Properties Development Co., Ltd.	Intra-company funds	111,203,099.25	Over 5 years	2.46%	6,057,072.72
Total		4,487,746,635.79		99.26%	6,057,072.72

7) Presentation in Other Receivables due to the Centralized Management of Funds

Unit: RMB

Other notes:

3. Long-term Equity Investment

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Investment to subsidiaries	1,356,325,401.10	65,834,000.00	1,290,491,401.10	1,436,329,880.39	68,364,000.00	1,367,965,880.39
Investment to joint ventures and associated enterprises	103,041,364.69	18,983,614.14	84,057,750.55	98,765,051.45	18,983,614.14	79,781,437.31
Total	1,459,366,765.79	84,817,614.14	1,374,549,151.65	1,535,094,931.84	87,347,614.14	1,447,747,317.70

(1) Investment to Subsidiaries

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase/decrease for the current period				Ending balance (Carrying value)	Ending balance of depreciation reserve
			Additional investment	Reduced investment	Withdrawal of impairment provision	Others		
Shenzhen Huangcheng Real Estate Co., Ltd.	35,552,671.93						35,552,671.93	
Shenzhen Wuhe Industry Investment Development Co., Ltd.	44,950,000.00						44,950,000.00	
SZPRD Yangzhou Real Estate Development Co., Ltd.	50,000,000.00						50,000,000.00	
Dongguan ITC Changsheng Real Estate Development Co., Ltd.	20,000,000.00						20,000,000.00	
Shenzhen International Trade Center Property	195,337,851.23						195,337,851.23	

Management Co., Ltd.									
Shenzhen Property Engineering and Construction Supervision Co., Ltd.	3,000,000.00							3,000,000.00	
SZPRD Commercial Operation Co., Ltd.	63,509,120.32							63,509,120.32	
Zhanjiang Shenzhen Real Estate Development Co., Ltd.		2,530,000.00			2,530,000.00				
Shum Yip Properties Development Co., Ltd.		15,834,000.00							15,834,000.00
SZPRD Xuzhou Dapeng Real Estate Development Co., Ltd.		50,000,000.00							50,000,000.00
Shenzhen Rongyao Real Estate Development Co., Ltd.	508,000,000.00							508,000,000.00	
SZPRD Urban Renewal Co., Ltd.	77,474,479.29				77,474,479.29				
Dongguan Wuhe Real Estate Co., Ltd.	50,000,000.00							50,000,000.00	
Shenzhen Guangming Wuhe Real Estate Co., Ltd.	50,000,000.00							50,000,000.00	
Shenzhen Wuhe Urban Renewal Co., Ltd.	236,641,757.62							236,641,757.62	
Yangzhou Wuhe Real Estate Co., Ltd.	33,500,000.00							33,500,000.00	
Total	1,367,965,880.39	68,364,000.00			80,004,479.29			1,290,491,401.10	65,834,000.00

(2) Investment to Joint Ventures and Associated Enterprises

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase/decrease for the current period								Ending balance (Carrying value)	Ending balance of depreciation reserve
			Additional investment	Reduced investment	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Others		
I. Joint ventures												
Shenzhen Real Estate Jifa Warehousing Co., Ltd.	44,730,585.30				3,335,233.21							48,065,818.51
Tian'an	7,037,952.30				12,985.03							7,050,937.33

International Building Property Management Company of Shenzhen												
Subtotal	51,768,537.60				3,348,218.24						55,116,755.84	
II. Associated enterprises												
Shenzhen Wufang Ceramics Industrial Co., Ltd.		18,983,614.14										18,983,614.14
CSCEC Intelligent Parking Technology Co., Ltd.	28,012,899.71				991,215.00			63,120.00			28,940,994.71	
Subtotal	28,012,899.71	18,983,614.14			991,215.00			63,120.00			28,940,994.71	18,983,614.14
Total	79,781,437.31	18,983,614.14			4,339,433.24			63,120.00			84,057,750.55	18,983,614.14

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flow.

Applicable Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

(3) Other Notes

4. Operating Revenue and Cost of Sales

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Principal business	1,036,514,608.68	790,579,825.41	56,064,949.33	44,999,240.65
Others	17,294,746.27		19,421,465.41	
Total	1,053,809,354.95	790,579,825.41	75,486,414.74	44,999,240.65

Breakdown information of operating income and operating cost:

Unit: RMB

Category of contracts	Segment 1		Segment 2				Total	
	Operating Revenue	Operating cost						
Business Type	1,053,809,354.95	790,579,825.41					1,053,809,354.95	790,579,825.41
Of which:								
Real estate sales business	977,069,378.47	739,184,462.23					977,069,378.47	739,184,462.23
House leasing business	76,739,976.48	51,395,363.18					76,739,976.48	51,395,363.18
Classification								

by operating region								
Of which:								
Shenzhen	1,053,809,354.95	790,579,825.41					1,053,809,354.95	790,579,825.41
Market or customer type								
Of which:								
Contract type								
Of which:								
Classification by time of commodity transfer								
Of which:								
Classification by contract term								
Of which:								
Classification by sales channel								
Of which:								
Total	1,053,809,354.95	790,579,825.41					1,053,809,354.95	790,579,825.41

Information about performance obligations:

Item	Timing of fulfilment of performance obligations	Important payment terms	Nature of goods that the Company is committed to transfer	Whether or not the person primarily responsible	Funds undertaken by the Company expected to be returned to customers	Type of quality assurance provided by the Company and related obligations
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Other notes:

The income of the parent company in current period was income from the sale of real estate and the rental business.

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

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB0.00 at the period-end, among which RMB__ was expected to be recognized in __, RMB__ was expected to be recognized in __, and RMB__ was expected to be recognized in __.

Significant contract changes or significant transaction price adjustments

Unit: RMB

Item	Accounting treatment	Amount of impact on revenue
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Other notes:

5. Investment Income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
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Long-term equity investment income accounted by cost method		151,433,108.41
Long-term equity investment income accounted by equity method	4,339,433.24	2,040,461.81
Income from the disposal of long-term equity investments	757,435,475.21	
Entrusted loans interest		159,934,119.41
Total	761,774,908.45	313,407,689.63

6. Other

XX. Supplementary Materials

1. Items and Amounts of Non-recurring Profit or Loss

Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gains and losses on disposal of non-current assets	702,127,250.52	Mainly attributable to the receipt of equity transfer
Government grants recognized in profit or loss for the current period (except for government grants closely related to the Company's normal operating business, in compliance with national policies and in accordance with defined criteria, and having a continuous impact on the Company's profit or loss)	7,802,977.21	
Other non-operating income and expense other than the above	-2,773,489.32	
Other items of profit or loss that meet the definition of non-operating profit or loss	5,684,844.32	Mainly attributable to the value-added tax credits and deductions
Less: Income tax effects	76,182,752.47	
Effects of the minority shareholders' equity (net of tax)	284,222.25	
Total	636,374,608.01	--

Details of other profit and loss items in line with the definition of non-recurring gains and losses:

Applicable Not applicable

This is mainly due to the fact that the VAT plus credit preferential policy is valid until 31 December 2023, and this gain does not have a sustained impact on the Company's profit or loss.

There are no other profit and loss items in line with the definition of non-recurring gains and losses in the Company.

Note to defining the non-recurring profit and loss items listed in the *Explanatory Notice of Information Disclosure by Companies Offering Securities to the Public No. 1 - Non-recurring Profit and Loss Items* as recurring profit and loss items

Applicable Not applicable

2. Return on Equity and Earnings Per Share

Profit as of reporting period	Weighted average ROE (%)	EPS	
		EPS-basic	EPS-diluted
Net profit attributable to ordinary shareholders of the Company	10.26%	0.7786	0.7786
Net profit attributable to ordinary shareholders of the	-3.81%	-0.2892	-0.2892

Company after deduction of non-recurring profit or loss			
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3. Accounting Data Differences under PRC GAAP and Those under IFRSs

(1) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with International Accounting Standards and Chinese Accounting Standards

Applicable Not applicable

(2) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with Domestic Accounting Standards and Chinese Accounting Standards

Applicable Not applicable

(3) Explain Reasons for the Differences between Accounting Data Under Domestic and Overseas Accounting Standards; for Any Adjustment Made to the Difference Existing in the Data Audited by the Foreign Auditing Agent, Such Foreign Auditing Agent's Name Shall Be Clearly Stated.

4. Others