PUBLICATION OF OFFERING CIRCULAR

Guangzhou Development District Holding Group Limited
(廣州開發區控股集團有限公司)

(incorporated in People's Republic of China with limited liability)

U.S.$490,000,000 2.85 per cent. Green Bonds due 2027 (the "Bonds")
Issue Price: 100%
(Stock Code: 4407)

This announcement is made by Guangzhou Development District Holding Group Limited (the "**Issuer**") pursuant to Rule 37.39A of the Listing Rules.

Reference is made to the notice of listing of the Bonds on The Stock Exchange of Hong Kong Limited dated 19 January 2022 published by the Issuer.

The offering circular dated 11 January 2022 in relation to the issuance of the Bonds is appended to this announcement.

Hong Kong, 20 January 2022

As at the date of this announcement, the directors of the Issuer are Mr. Yan Yibin, Mr. Jian Xiaofang, Mr. Feng Mengjue, Ms. Yu Qun, Ms. Sun Zhenping, Mr. Chen Fuhua and Mr. Yang Shunxian.

TABLE OF CONTENTS

OFFERING CIRCULAR DATED 11 JANUARY 2022

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached offering circular (the "**offering circular**"). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached offering circular. In accessing the attached preliminary offering circular, you agree to be bound by the following terms and conditions of the Bonds, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: This offering circular is being sent to you at your request and by accepting the e-mail and accessing the attached preliminary offering circular, you shall be deemed to represent to Guotai Junan Securities (Hong Kong) Limited and Bank of China Limited, Singapore Branch as joint global coordinators, joint bookrunners and joint lead managers, and ABCI Capital Limited, Bank of Communications Co., Ltd. Hong Kong Branch, China Everbright Bank Co., Ltd., Hong Kong Branch, China International Capital Corporation Hong Kong Securities Limited, CLSA Limited, CNCB (Hong Kong) Capital Limited, Haitong International Securities Company Limited, Industrial and Commercial Bank of China (Asia) Limited, Industrial Bank Co., Ltd. Hong Kong Branch and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch as joint bookrunners and joint lead managers (together, the "**Managers**") that (1) the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions; (2) to the extent you purchase the securities described in the attached offering circular, you will be doing so pursuant to Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"); and (3) you consent to delivery of the attached offering circular and any amendments or supplements thereto by electronic transmission and agree to the terms set forth herein.

The attached offering circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Managers, the Trustee or the Agents (as defined in the attached offering circular) or any of their respective affiliates, directors, officers, employees, representatives, agents and each person who controls any of them nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

Restrictions: The attached document is subject to completion and is being furnished in connection with an offering in offshore transactions in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached offering circular is not complete and may be changed.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the issuer of the securities or the Managers, the Trustee or the Agents to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the issuer in such jurisdiction.

You are reminded that you have accessed the attached offering circular on the basis that you are a person into whose possession this offering circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached.

Actions that You May Not Take: If you receive this document by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "**Reply**" function on your e-mail software, will be ignored or rejected.

THE ATTACHED OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

IMPORTANT – UK RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Singapore Securities and Futures Act Product Classification – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) that the Securities are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)."

You are responsible for protecting against viruses and other destructive items. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

STRICTLY CONFIDENTIAL

Guangzhou Development District Holding Group Limited
(廣州開發區控股集團有限公司)

(Incorporated with limited liability in the People's Republic of China)

U.S.$490,000,000 2.850 per cent. Green Bonds due 2027

Issue Price: 100.00 per cent.

The U.S.$490,000,000 2.850 per cent. Green Bonds due 2027 (the "**Bonds**") will be issued by Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司) (the "**Issuer**"), a company incorporated in the People's Republic of China (the "**PRC**") with limited liability.

The Bonds will bear interest on their outstanding principal amount from and including 19 January 2022 (the "**Issue Date**") at the rate of 100.00 per cent. per annum, payable semi-annually in arrear on 19 January and 19 July in each year (each an "**Interest Payment Date**") commencing on 19 July 2022. Payments on the Bonds will be made without deduction for or on account of taxes of the PRC or any authority therein or thereof having power to tax to the extent described under "*Terms and Conditions of the Bonds – Taxation*".

The Bonds will constitute direct, unsubordinated, unconditional and (subject to Condition 4(a) (*Negative Pledge*) of the terms and conditions of the Bonds (the "**Terms and Conditions**") unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

The Issuer undertakes that it will (i) within 5 PRC Business Days (as defined in the Terms and Conditions) after the Issue Date, register or cause to be registered with the State Administration of Foreign Exchange ("**SAFE**") the Bonds pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) and its operating guidelines, effective as of 13 May 2013, the Operating Guidelines for Foreign Exchange Business under the Capital Account (資本項目外匯業務操作指引) and the People's Bank of China on Issues Concerning the Overall Macro Prudential Management System for Cross-border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record from SAFE on or before the Registration Deadline (being 150 calendar days after the Issue Date) and (iii) comply with all applicable PRC laws and regulations in relation to the Foreign Debt Registration and any implementing measures promulgated thereunder from time to time.

Pursuant to the Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知(發改外資[2015]2044號)) (the "**NDRC Circular**") issued by the National Development and Reform Commission of the PRC or its local counterparts ("**NDRC**") on 14 September 2015 which came into effect on the same day, the Issuer has registered the issuance of the Bonds with the NDRC and obtained a certificate from NDRC on 27 October 2021 evidencing such registration and intends to provide the requisite information on the issuance of the Bonds to the NDRC within 10 PRC Business Days after the Issue Date.

Unless previously redeemed, or purchased and cancelled, the Issuer will redeem each Bond at its principal amount on 19 January 2027 (the "**Maturity Date**"). The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (as defined below) (which notice shall be irrevocable), and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to but excluding the date fixed for redemption, if (i) the Issuer satisfies the Trustee (as defined in the Terms and Conditions) immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions) as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including but not limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 11 January 2022, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. At any time following the occurrence of a Relevant Event (as defined in the Terms and Conditions), each holder of any Bond (each a "**Bondholder**") will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date (as defined in the Terms and Conditions) at 101 per cent. (in the case of a redemption for a Change of Control (as defined in the Terms and Conditions)) or 100 per cent. (in the case of a redemption for a No Registration Event (as defined in the Terms and Conditions)) of their principal amount, together with any accrued interest up to but excluding such Put Settlement Date. See "*Terms and Conditions – Redemption and Purchase*".

For a more detailed description of the Bonds, see "*Terms and Conditions of the Bonds*" beginning on page 47.

The Bonds will be issued in denominations of U.S.$200,000 each and integral multiples of U.S.$1,000 in excess thereof.

Investing in the Bonds involves risks. See "Risk Factors" beginning on page 12 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States (as defined in Regulation S under the Securities Act ("Regulation S")). The Bonds are being offered only outside the United States in reliance on Regulation S.

For a description of these and certain further restrictions on offers and sales of the Bonds and the distribution of this Offering Circular, see "*Subscription and Sale*".

The Bonds are being issued as "Green Bonds" under the *Green Finance Framework* of the Issuer. See "*Green Finance Framework*" on page 68.

The Bonds are expected to be rated "Baa1" by Moody's Investors Service, Inc. ("**Moody's**") and BBB+ by Fitch Ratings Ltd. ("**Fitch**"). Such rating of the Bonds does not constitute a recommendation by Moody's or Fitch, as applicable to buy, sell or hold the Bonds and may be subject to revision or withdrawal at any time by Moody's or Fitch, as applicable. The Issuer is rated "Baa1" by Moody's and "BBB+" by Fitch Ratings Ltd.. Such rating should be evaluated independently of any other rating of the other securities of the Issuer.

Application will be made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only. This document is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer confirms that the Bonds are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Bonds, the Issuer, the Group or the quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Application has been made for the listing of the Bonds on the Chongwa (Macao) Financial Asset Exchange Co., Ltd. (the "**MOX**") before or after the issue of the Bonds, and such listing will be subject to the MOX's approval. This Offering Circular is for distribution to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular 033/B/2010-DSB/AMCM)) ("**MOX Professional Investors**") only. **Investors should not purchase the Bonds in the primary or secondary markets unless they are MOX Professional Investors and understand the risks involved. The Bonds are only suitable for MOX Professional Investors.**

The MOX has not reviewed the contents of this Offering Circular, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Offering Circular to MOX Professional Investors only have been reproduced in this Offering Circular. Listing of the Bonds on the MOX is not to be taken as an indication of the commercial merits or credit quality of the Bonds, the Issuer or the quality of disclosure in this Offering Circular. The MOX takes no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the Bonds on the Official list of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the Bonds to the Official List of the SGX-ST and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Bonds, the Issuer, subsidiaries, associated companies or the Bonds. The Bonds will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.

The Bonds will be represented initially by interests in a global certificate (the "**Global Certificate**") in registered form which will be registered in the name of a nominee of, and shall be deposited on or about the Issue Date with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described herein, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

Guotai Junan International **Bank of China**

Joint Bookrunners and Joint Lead Managers

ABC International	**Bank of Communications**	**China Everbright Bank Hong Kong Branch**	**China International Capital Corporation**	**CLSA**
CNCB Capital	**Haitong International**	**ICBC (Asia)**	**Industrial Bank Co., Ltd. Hong Kong Branch**	**Shanghai Pudong Development Bank Hong Kong Branch**

Offering Circular dated 11 January 2022

IMPORTANT NOTICE

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

The SGX-ST assumes no responsibility for the contents of this Offering Circular, makes no representation as to the accuracy or completeness of the statements made or opinions expressed herein and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular. The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that (i) this Offering Circular contains all material information with respect to the Issuer and the Issuer's other subsidiaries taken as a whole (collectively, the "**Group**") and the Bonds (including all information which, according to the particular nature of the Issuer, the Group, the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group and of the rights attaching to the Bonds), (ii) this Offering Circular does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading, (iii) the statements of fact contained in this Offering Circular relating to the Issuer, the Group and the Bonds are in every material respect true and accurate and not misleading, (iv) the statements of intention, opinion, belief or expectation contained in this Offering Circular are, honestly and reasonably made or held, and have been reached after considering all relevant circumstances and are based on reasonable assumptions; (v) all reasonable enquiries have been made to ascertain such facts and to verify the accuracy of all such statements; (vi) this Offering Circular does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (vii) the statistical, industry and market-related data and forward looking statements included in this Offering Circular are based on or derived or extracted from sources which each of the Issuer believes to be accurate and reliable in all material respects.

This Offering Circular has been prepared by the Issuer solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, Guotai Junan Securities (Hong Kong) Limited and Bank of China Limited, Singapore Branch as joint global coordinators, joint bookrunners and joint lead managers, and ABCI Capital Limited, Bank of Communications Co., Ltd. Hong Kong Branch, China Everbright Bank Co., Ltd., Hong Kong Branch, China International Capital Corporation Hong Kong Securities Limited, CLSA Limited, CNCB (Hong Kong) Capital Limited, Haitong International Securities Company Limited, Industrial and Commercial Bank of China (Asia) Limited, Industrial Bank Co., Ltd. Hong Kong Branch and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch as joint bookrunners and joint lead managers (together, the "**Managers**") to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the circulation of documents relating thereto, in certain jurisdictions including the United States, the United Kingdom, the European Economic Area, Hong Kong, PRC, Singapore and Japan, and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Bonds and distribution of this Offering Circular, see "*Subscription and Sale*".

No person has been or is authorised to give any information or to make any representation concerning the Issue or any of the Issuer's subsidiaries or the Bonds other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Managers, the Trustee or the Agents (in each case as defined in the Terms and Conditions of the Bonds) or any of their respective affiliates, directors, employees, agents or advisors. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Group or any of them or since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Managers, the Trustee or the Agents or any of their respective affiliates to subscribe for or purchase any of the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Offering Circular is being furnished by the Issuer in connection with the offering of the Bonds exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider purchasing the Bonds. Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Issuer and other sources identified in this Offering Circular. This Offering Circular may not be copied or reproduced in whole or in part. It may be distributed only to and its contents may be disclosed only to the prospective investors to whom it is provided. By accepting delivery of this Offering Circular each investor agrees to these restrictions.

No representation or warranty, express or implied, is made or given by the Managers, the Trustee or the Agents or any of their respective directors, officers, employees, affiliates, advisers or agents, as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular, and nothing contained in this Offering Circular is, or shall be relied upon as a promise, representation or warranty by the Managers, the Trustee or the Agents or any of their respective directors officers, employees, affiliates, advisers or agents. To the fullest extent permitted by law, the Managers, the Trustee and the Agents and any of their respective directors, officers, employees, affiliates, advisers or agents do not accept any responsibility for the contents of this Offering Circular and assume no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer, the Group or the issue and offering of the Bonds. Each of the Managers, the Trustee and the Agents and any of their respective directors, officers, employees, affiliates, advisers or agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Offering Circular or any statement herein. None of the Managers, the Trustee or any Agent undertakes to review the financial condition or affairs of the Issue or the Group after the date of this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Managers, the Trustee or any Agent. None of the Managers, the Trustee nor any Agent has independently verified any of the information contained in this Offering Circular and can give no assurance that this information is accurate, truthful or complete. Each of the Managers, the Trustee and the Agents and any of their respective directors, officers, employees, affiliates, advisers or agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of the Offering Circular or any such statement. This Offering Circular is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Group, the Managers, the Trustee or the Agents that any recipient of this Offering Circular should purchase the Bonds. Each potential purchaser of the Bonds should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Bonds should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

IN CONNECTION WITH THE ISSUE OF THE BONDS, ANY OF THE JOINT GLOBAL COORDINATORS APPOINTED AND ACTING IN ITS CAPACITY AS THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER (THE "STABILISATION MANAGER") MAY OVER-ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE ISSUE DATE. HOWEVER, THERE IS NO OBLIGATION ON SUCH STABILISATION MANAGER TO DO THIS. SUCH STABILISATION IF COMMENCED MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD. SUCH STABILISATION SHALL BE IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND RULES.

In making an investment decision, investors must rely on their own examination of the Issuer, the Group and the terms of the offering, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds. The Issuer, the Group, the Managers, the Trustee and the Agents and their respective directors, officers, employees, advisers, agents or affiliates are not making any representation to any purchaser of Bonds regarding the legality of any investment in the Bonds by such purchaser under any legal investment or similar laws or regulations. The contents of this Offering Circular should not be construed as providing legal, business, accounting or investment advice.

Each person receiving this Offering Circular acknowledges that such person has not relied on the Managers or any person affiliated with the Managers in connection with its investigation of the accuracy of such information or its investment decision.

Singapore Securities and Futures Act Product Classification – In connection with Section 309(B) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defines in section 309A(1) of the SFA) that the Bonds are "prescribed capital markets products" (as defined in the Securities and Futures CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

IMPORTANT – UK RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Group, their respective subsidiaries, their respective associated companies (if any), or the Bonds. In making an investment decision, investors must rely on their own examination of the Issuer, the Group and the terms of the offering of the Bonds, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds. None of the Issuer, the Group, the Managers, the Trustee, the Agents and their respective directors, officers, employees, agents, advisers or affiliates is making any representation to any purchaser of the Bonds regarding the legality of any investment in the Bonds by such purchaser under any legal investment or similar laws or regulations. The contents of this Offering Circular should not be construed as providing legal, business, accounting or investment advice. Each person receiving this Offering Circular acknowledges that such person has not relied on the Managers, the Trustee, the Agents or any of their respective affiliates in connection with its investigation of the accuracy of such information or its investment decision.

Market data and certain industry forecasts and statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer believes this information to be reliable, it has not been independently verified by the Issuer, the Managers, the Trustee or the Agents or their respective directors, advisors, employees, representatives, agents and affiliates, and none of the Issuer, the Managers, the Trustee or the Agents or their respective directors, affiliates, advisers, agents, representatives or employees makes any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. This Offering Circular summarises certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents.

The contents of this Offering Circular have not been reviewed by any regulatory authority in any jurisdiction. Investors are advised to exercise caution in relation to the offer. If investors are in any doubt about any of the contents of this Offering Circular, investors should obtain independent professional advice.

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular contains consolidated financial information of the Issuer as at and for the years ended 31 December 2018, 2019 and 2020, which has been extracted from the audited consolidated financial statements of the Issuer as at and for the years ended 31 December 2018, 2019 and 2020 (the "**Audited Consolidated Financial Statements**") included elsewhere in this Offering Circular. The audited consolidated financial statements of the Issuer as at and for the years ended 31 December 2018, 2019 and 2020 were prepared and presented in accordance with the Accounting Standards for Business Enterprises in the PRC (the "**PRC GAAP**") and have been audited by ShineWing Certified Public Accountants (信永中和會計師事務所) ("**ShineWing**"), an independent auditor of the Issuer in accordance with Auditing Standards for Chinese Certified Public Accountants.

This Offering Circular contains consolidated financial information of the Issuer as at and for the six months ended 30 June 2020 and 2021, which has been extracted from the unaudited but reviewed consolidated interim financial statements of the Issuer as at and for the six months ended 30 June 2021 (the "**Reviewed Interim Financial Statements**", together with the Audited Consolidated Financial Statements, the "**Consolidated Financial Statements**") included elsewhere in this Offering Circular. The Reviewed Interim Financial Statements have been prepared and presented in accordance with PRC GAAP and have been reviewed by Zhongxi Certified Public Accountants LLP (中喜會計師事務所 (特殊普通合夥)) ("**Zhongxi**"), an independent auditor of the Issuer in accordance with Auditing Standards for Chinese Certified Public Accountants.

The Reviewed Interim Financial Statements have not been audited by a certified public accountant, and should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. Neither the Managers nor their respective directors, officers, employees, representatives, advisers, agents or affiliates makes any representation or warranty, express or implied, regarding the sufficiency of such unaudited consolidated financial statements for an assessment of, and potential investors must exercise caution when using such data to evaluate, the Group's financial condition and results of operations. In addition, the Issuer's Reviewed Interim Financial Statements should not be taken as an indication of the expected financial condition or results of operations of the Group for the full financial year ending 31 December 2021.

The Issuer's Consolidated Financial Statements have only been prepared in Chinese and are hereby incorporated in this Offering Circular by reference. An English translation of which (the "**Financial Statements Translation**") has been prepared by ShineWing and Zhongxi, and included in this Offering Circular for reference only. Should there be any inconsistency between the Issuer's Consolidated Financial Statements and the Financial Statements Translation, the Issuer's Consolidated Financial Statements shall prevail.

PRC GAAP is substantially in line with the International Financial Reporting Standards ("**IFRS**"), except for certain modifications which reflect the PRC's unique circumstances and environment. As advised by ShineWing and Zhongxi, there are no material differences between PRC GAAP and IFRS with respect to the determination of the Group's financial position.

Some numerical figures included in this Offering Circular have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

In this Offering Circular, unless otherwise indicated or the context otherwise requires, references to:

- "**China**" or the "**PRC**" refers to the People's Republic of China, excluding, for purposes of this Offering Circular only, Taiwan, the Hong Kong Special Administrative Region of the People's Republic of China and the Macao Special Administrative Region of the People's Republic of China;

- "**CNY**", "**RMB**" or "**Renminbi**" refers to the legal currency of the People's Republic of China;

- the "**Group**", the "**Issuer**", the "**Company**" and words of similar import refers to Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司), formerly Guangzhou GET Holding Limited, itself, or to Guangzhou Development District Holding Group Limited and its consolidated subsidiaries and joint ventures, as the context requires;

- "**Hong Kong**" refers to the Hong Kong Special Administrative Region of the People's Republic of China;

- the "**GDDAC**" refers to Guangzhou Development District Administrative Committee or its local government entities and instrumentalities thereof, or where the context requires, any of them;

- "**MOF**" refers to the Ministry of Finance of the People's Republic of China;

- "**MOFCOM**" refers to the Ministry of Commerce of the People's Republic of China;

- "**NDRC**" refers to the National Development and Reform Commission of the People's Republic of China or its competent local counterparts;

- "**NEEQ**" refers to National Equities Exchange and Quotations, an over-the-counter trading platform of shares in the PRC;

- "**PBOC**" refers to the People's Bank of China, the central bank of the People's Republic of China;

- the "**PRC government**" refers to the central government of the People's Republic of China and its political subdivisions, including provincial, municipal and other regional or local government entities, and instrumentalities thereof, or where the context requires, any of them;

- "**SAC**" refers to the Securities Association of China;

- "**SAFE**" refers to the State Administration of Foreign Exchange of the People's Republic of China or its competent local counterpart;

- "**SASAC**" refers to the State-owned Assets Supervision and Administration Commission of the People's Republic of China;

- "**SAT**" refers to the State Administration of Taxation of the People's Republic of China;

- the "**State Council**" refers to the State Council of the People's Republic of China;

- the "**United States**" or "**U.S.**" refers to the United States of America; and

- "**USD**", "**U.S.$**", "**US$**" or "**U.S. dollars**" refers to the legal currency of the United States of America.

The Issuer prepares and publishes its financial statements in Renminbi. Unless otherwise stated in this Offering Circular, all translations from Renminbi into U.S. dollars were made at the rate of CNY6.4566 to US$1.00, the noon buying rate in New York City for cable transfers payable in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York on 30 June 2021. All such translations in this Offering Circular are provided solely for your convenience and no representation is made that the Renminbi amounts referred to herein have been, could have been or could be converted into U.S. dollars, or vice versa, at any particular rate, or at all. For further information relating to exchange rates, see "*Exchange Rates Information*".

Unless specified otherwise, financial and other information of the Group in this Offering Circular is compiled on a consolidated basis.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purposes only.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains certain forward-looking statements. All statements other than statements of historical facts contained in this Offering Circular constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms, such as "anticipate", "target", "believe", "can", "would", "could", "estimate", "expect", "aim", "intend", "may", "plan", "will", "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, operating income and profitability, planned projects and other matters as they relate to the Group discussed in this Offering Circular regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Offering Circular (whether made by the Group or by any third party) involve known and unknown risks, including those disclosed under the caption "*Risk Factors*", assumptions, uncertainties and other factors that may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements speak only as at the date of this Offering Circular. The Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any change of events, conditions or circumstances, on which any such statement was based.

The factors that could cause the actual results, performance and achievements of the Group or any member of the Group to be materially different include, among others:

- risks associated with the Group's business activities;
- the Group's ability to implement its business strategies and plans of operation;
- the Group's ability to expand and manage its growth;
- the Group's financial condition and results of operations;
- access and cost of capital and financing;
- changes in the competition landscape in the industries in which the Group operates;
- general economic and political conditions, including those related to the PRC or Guangzhou Development District;
- any changes in the laws, rules and regulations of the PRC government and the GDDAC and the rules, regulations and policies of the relevant governmental authorities relating to the Group's business;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which the Group operates;
- macroeconomic measures taken by the PRC government to manage economic growth;
- natural disasters, industrial action, terrorist attacks and other events beyond the Group's control;
- changes in global economic conditions; and
- other factors, including those discussed in the "*Risk Factors*" section of this Offering Circular.

Neither the Group undertakes any obligation to update or revise publicly any of the opinions or forward-looking statements expressed in this Offering Circular as a result of any new information, future events or otherwise.

TABLE OF CONTENTS

SUMMARY

This summary does not contain all the information that may be important to prospective investors in deciding to invest in the Securities. Prospective investors should read the entire Offering Circular, including the section entitled "Risk Factors" and the financial statements and related notes thereto, before making an investment decision.

OVERVIEW

The Group is a leading state-owned financial service and investment platform in Guangzhou, Guangdong Province. The Group manages state capital and upgrades industry in Guangzhou Development District on behalf of the GDDAC. Established on 6 November 1998, 90% of the Company's equity interest is directly owned by the GDDAC, which is the Company's controlling shareholder, with the remaining 10% of the Company's equity interest directly owned by the Department of Finance of Guangdong Province. Leveraging the strong government support and its revenue generating capability, the Group has achieved growth momentum, recorded strong operating performance over the past few years and played an important role in the planning and construction of Guangzhou Development District. As at 31 December 2018, 2019,2020 and 30 June 2021, the Group's total assets were RMB47.7 billion, RMB80.2 billion, RMB95.9 billion and RMB109.3 billion, respectively.

The Group has developed a diversified business portfolio. The Group manages its operations and investment in four business segments and the following is an overview:

- ***Heat and Power Supplies***. The Group conducts its heat and power supplies business mainly through its subsidiary, Guangzhou Hengyun Enterprises Holding Ltd. ("**Guangzhou Hengyun**"), which is a state-owned listed company focuses on power generation and central heating business. As at 30 June 2021, Guangzhou Hengyun owned and operated four cogeneration plants with the installed capacity of 1,122 MW. For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2020 and 2021, total power generated by Guangzhou Hengyun amounted to approximately 5.9 billion kWh, 6.2 billion kWh, 5.5 billion kWh, 2.6 billion kWh and 3.0 billion kWh, respectively. For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its heat and power supplies business operating revenues of RMB2,799.5 million, RMB2,919.7 million, RMB2,651.7 million, RMB1,232.2 million and RMB1,620.1 million respectively, representing 75.6%, 45.3%, 41.8%, 46.0% and 43.5%, respectively, of the Group's total operating revenue.

- ***Science Park Construction and Management***. The Group's science park construction and management business includes the leasing of commercial properties and comprehensive management services for the properties developed by the Group. For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its science park construction and management business operating revenues of RMB477.0 million, RMB549.9 million, RMB628.0 million, RMB255.2 million and RMB353.1 million, respectively, representing 12.9%, 8.5%, 9.9%, 9.5% and 9.5%, respectively, of the Group's total operating revenue.

- ***Real Estate Development***. The Group's real estate development business includes the development and construction of residential complexes and commercial office buildings. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its real estate development business operating revenues of RMB175.1 million, RMB1,595.7 million, RMB624.5 million, RMB320.3 million and RMB198.2 million respectively, representing 4.7%, 24.8%, 9.8%, 12.0% and 5.3% respectively, of the Group's total operating revenue.

- ***Other Businesses***. The Group's other businesses mainly include fund investment, securities business, financing guarantee, information technology services, bio-medicine, financial services and ancillary business. For the years ended 31 December 2018, 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group generated from its other businesses operating revenues of RMB251.9 million, RMB1,375.9 million, RMB2,444.7 million, RMB873.5 million and RMB1,554.1million, respectively, representing 6.8%, 21.4%, 38.5%, 32.6% and 41.7%, respectively, of the Group's total operating revenue.

For the years ended 31 December 2018, 2019, 2020 and for the six months ended 30 June 2020 and 2021, the Group's operating revenue was RMB3,703.5 million, RMB6,441.2 million, RMB6,348.9 million, RMB2,681.2 million, and RMB3,725.5 million, respectively, and its total gross profit was RMB498.5 million, RMB834.7 million, RMB1,113.6 million, RMB527.5 million, and RMB561.5 million, respectively.

COMPETITIVE STRENGTHS

The Group believes that the competitive strengths outlined below are important to its success and future development:

- Full-scale and strong support from the GDDAC;
- Diversified sources of funding and strong credit position;
- Prudent risk management and sound investment risk management systems; and
- Experienced management team with extensive industry knowledge and management expertise.

BUSINESS STRATEGIES

The Group aims to maintain its leading position as an investment platform and financial services provider with strong ability to serve the development of Guangzhou Development District. The Group's goal is to grow its financial investment portfolio, science park construction and management, licensed financial business and to become the flagship financial holding group in the Guangdong-Hong Kong-Macao Greater Bay Area. Staying true to guiding principles of developing still greater consciousness of the need to maintain political integrity, thinking in big-picture terms, following the leadership core, keeping in alignment, and fostering stronger confidence in the path, theory, system, and culture of socialism with Chinese characteristics, the Group will strive to modernize and deepen the reformation of its management structure to enhance and improve its capabilities in financial and technology innovation and real economy servicing. The Group intends to focus on the following business strategies:

- Continue to develop the Group's financial and investment business and promote financial innovation;
- Continue to develop the Group's heat and power supplies business and improve its operating efficiency;
- Adhere to prudent financial management with stringent risk control; and
- Continue to build a professional management team and further improve corporate governance.

RECENT DEVELOPMENT

Guangzhou High-Tech Zone Modern Energy Transfer

In July 2021, the GDDAC transferred 65.98% of its shares in Guangzhou High-Tech Zone Modern Energy Group Co., Ltd to the Group for nil consideration.

Taisheng Acquisition

In August 2021, Guangzhou GET Investment Holdings Co., Ltd ("**GET Investment**"), a wholly-owned subsidiary of the Company, as agreed to enter into a series of transactions (the "**Taisheng Acquisition**"), in which GET Investment will (1) acquire from existing controlling shareholders 36,033,927 shares of Shanghai Taisheng Wind Power Equipment Co., Ltd (the "**Taisheng Shares**")("**Taisheng Wind**"), a company listed on Shenzhen Stock Exchange (SZSE: 300129), representing 5.011% of the total outstanding capital stock of Taisheng Wind, for consideration of approximately RMB540.5 million; and (2) subscribe for 215,745,976 Taisheng Shares to be issued by Taisheng Wind for consideration of RMB1,080.9 million. The total consideration of the Taisheng Acquisition amounted to approximately RMB1,621.4 million. Upon consummation of the Taisheng Acquisition, GET Investment will hold 26.9% of the total Taisheng Shares and become a controlling shareholder of Taisheng Wind.

Taisheng Wind primarily engages in the manufacture, sale and installation of equipment, accessories and parts for generating wind power, such as wind towers. For the year ended 31 December 2020, the total assets, revenue and net profit of Taisheng Wind were approximately RMB4,853.3 million, RMB3,604.0 million and RMB356.0 million respectively, which was equivalent to 5.1%, 56.8% and 42.2% of the total assets, revenue and net profit of the Group respectively. The Group expects a positive market outlook for wind power as an energy source in the electricity market. The Taisheng Acquisition enables the Group to tap into the renewable energy market which complements its coal-based power supplies business and diversifies its income sources. The Taisheng Acquisition is subject to regulatory approval of the China Securities Regulatory Commission, State Administration for Market Regulation and the Shenzhen Stock Exchange and has not reached completion as of the date of the Offering Circular.

Other Material Indebtedness

The Group also borrowed certain loans from various financial institutions in the ordinary course of business.

For more information, please see "*Capitalisation and Indebtedness of the Issuer*".

Financial results of the Company as at and for the nine months ended 30 September 2021

On 29 October 2021, the Company published its consolidated financial information as at and for the nine months ended 30 September 2021 (the "**Third Quarter Financial Information**"), which was prepared in accordance with PRC GAAP and was not reviewed or audited by the Company's independent auditors. The Third Quarter Financial Information is not included in and does not form part of this Offering Circular and has not been reviewed or audited. Consequently, none of the Joint Lead Managers, the Trustee, any Agent (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or their sufficiency for an assessment of the Company's or the Group's financial condition and results of operations. Potential investors must exercise caution when using such trends to evaluate the Company's or the Group's financial condition and results of operations. Such information should not be taken as an indication of the expected financial condition or results of operations of the Company or the Group for the full financial year ending 31 December 2021.

For the nine months ended 30 September 2021, the Company recorded a substantial decrease in a profit before tax as compared to the same period in 2020. The decrease was primarily due to (1) increase in commodity price of coal, which drove up the operating costs of the Company's heat and supplies business; (2) decrease in investment income as the Company disposed its shareholding Guangzhou Securities Co., Ltd in 2020, which generated substantial non-recurring investment income in 2020; and (3) the Company incurred investment loss in relation to certain organic light-emitting diode (OLED) project in the nine months ended 30 September 2021.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The Issuer's summary consolidated financial information as at and for the years ended 31 December 2018, 2019 and 2020 set forth below has been derived from the Issuer's audited consolidated financial statements for the years ended 2019 and 2020. The Issuer's summary financial information as of and for the six months ended June 30, 2020 and 2021 has been derived from the Issuer's unaudited and reviewed consolidated financial statements for the six months ended 30 June 2021.The audited consolidated financial statements of the Issuer for the year ended 2019 and 2020 were prepared and presented in accordance with PRC GAAP and have been audited by ShineWing. The unaudited but reviewed consolidated financial statements of the Issuer for the six months ended 30 June 2020 were prepared and presented in accordance with PRC GAAP and have been reviewed by Zhongxi.

As advised by ShineWing and Zhongxi, PRC GAAP is substantially in line with the International Financial Reporting Standards ("IFRS"), except for certain modifications which reflect the PRC's unique circumstances and environment. For a summary of those differences, see "Summary of Certain Differences between PRC GAAP and IFRS".

Please also see "Risk Factors – Risks Relating to Financial and Other Information – Certain accounting items in the Issuer's financial statements had been restated or reclassified and may not be consistent with or comparable to the financial information in the Issuer's consolidated financial statements for the previous periods" for further information.

The summary financial information below should be read in conjunction with the Issuer's consolidated financial statements and the notes thereto included elsewhere in this Offering Circular.

SUMMARY CONSOLIDATED INCOME STATEMENT OF THE ISSUER

	For the year ended 31 December			For the six months ended 30 June	
	2018	**2019**	**2020**	**2020**	**2021**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Audited)	**(Audited)**	**(Audited)**	**(Reviewed)**	**(Reviewed)**
Total revenue	3,703,519.1	6,441,192.0	6,348,904.9	2,681,155.0	3,725,500.9
Total costs	3,715,518.6	6,213,812.0	6,547,683.6	3,136,702.4	3,903,180.5
Including: Operating costs	2,977,706.8	3,653,041.9	3,727,616.3	1,527,522.3	2,532,877.7
Interest expenses	–	141,301.4	245,225.7	109,424.3	60,270.7
Charges and commissions	–	55,184.6	142,851.5	69,467.6	62,151.0
Taxes and surcharges	109,299.1	477,630.7	269,327.6	105,527.2	114,168.8
Selling and distribution expenses	29,958.2	126,195.8	104,530.2	40,636.6	70,987.5
General and administrative expenses	305,101.6	823,168.5	1,185,215.9	539,999.2	595,462.8
Research and development expenses	–	79,321.9	59,220.7	32,544.6	25,782.9
Financial expenses	293,452.9	857,967.2	813,695.8	711,580.6	441,479.0
Include: Interest expenses	464,827.4	1,296,524.5	1,675,804.3	850,591.5	889,283.3
Interest income	182,212.0	(17,262.1)	644,387.0	190,278.3	384,607.5
Net exchange losses	–	–	(237,192.9)	48,383.8	(66,384.6)
Impairment loss of credit	–	(67,868.3)	(147,183.6)	(10,908.5)	21,870.0
Impairment loss of assets	(5,574.4)	(14,273.8)	(108,246.9)	(16.0)	(107.1)
Add: Other income	40,603.1	39,045.1	90,011.9	16,632.0	35,608.7
Investment income	461,636.3	695,820.9	1,562,035.9	812,372.4	305,897.9
Including: Income from long-term equity investment income of equity method	(5,066.6)	291,887.8	706,717.6	588,744.4	27,544.8
Income from changes in fair value	–	(18,384.6)	(39,699.7)	152,650.4	358,743.2
Assets disposal income	569.8	43,864.7	(1,322.7)	(430.3)	2,249.9
Operating profit	485,235.3	905,584.0	1,156,816.3	514,752.5	546,583.1
Add: Non-operating income	28,587.9	87,684.4	65,518.4	37,306.6	19,246.9
Less: Non-operating expenses	15,298.0	158,611.0	108,772.0	24,526.7	4,296.5
Total profit	498,525.3	834,657.3	1,113,562.7	527,532.5	561,533.4
Less: Income tax expenses	259,268.6	334,176.4	270,230.9	121,803.6	179,787.4
Net profit	239,256.7	500,480.9	843,331.8	405,728.9	381,746.1
Attributable to equity owners of the Company	177,642.0	68,545.3	174,910.1	(89,916.1)	165,824.7

	For the year ended 31 December			For the six months ended 30 June	
	2018	2019	2020	2020	2021
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Audited)	**(Audited)**	**(Audited)**	**(Reviewed)**	**(Reviewed)**
Minority interests	61,614.7	431,935.6	668,421.7	495,644.9	215,921.3
Net after-tax of other comprehensive income	(101,098.3)	140,163.1	(137,132.4)	72,603.6	(8,991.0)
Total comprehensive income	138,158.3	640,644.0	706,199.4	478,332.5	372,755.0
Total comprehensive income attributable to owners of parent Company	83,415.7	205,930.7	45,536.0	(17,264.7)	161,972.7
Total comprehensive income attributable to minority shareholders	54,742.6	434,713.3	660,663.4	495,597.2	210,782.3

SUMMARY CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE ISSUER

	As at 31 December			As at June 30
	2018	2019	2020	2021
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Audited)	**(Audited)**	**(Audited)**	**(Reviewed)**
Current asset:				
Monetary funds	8,942,652.8	15,903,727.4	20,190,110.6	23,955,553.5
Provision of settlement fund	–	487,681.2	697,911.6	640,932.0
Trading Securities	–	2,261,721.9	1,813,068.4	9,014,643.9
Financial assets at fair value with variations accounted into current income account	–	–	1,819,604.8	–
Derivative financial assets	4,100.0	–	97,073.5	102,918.1
Notes receivable and Accounts receivable	799,023.1	845,260.9	1,276,874.4	1,377,866.6
Including: Notes receivable	117,789.5	34,840.0	11,407.9	21,370.6
Accounts receivable	681,233.6	810,420.9	1,265,466.5	1,356,496.0
Receivables financing	–	25,849.4	3,000.0	1,800.5
Prepayments	24,579.3	48,809.7	125,752.3	210,386.1
Other receivables	4,761,058.0	7,233,174.5	8,543,070.3	9,078,821.9
Buying back the sale of financial assets	–	2,585,705.8	613,139.0	418,834.8
Inventories	1,259,896.9	2,819,181.3	6,632,382.0	7,321,503.9
Contract assets	–	–	3,600.6	3,600.6
Assets held for sales	17,861.8	–	92,576.7	–
Non-current assets maturing within one year	34,324.2	441,785.7	689,254.2	734,315.7
Other current assets	1,119,171.7	2,886,131.9	4,658,469.2	5,608,469.7
Total current assets	16,962,667.9	35,539,029.6	47,255,887.6	58,469,647.2
Non-current assets:				
Loans and payments on behalf	–	–	–	–
Available-for-sale financial assets	5,425,598.7	7,774,191.3	8,670,723.6	–
Other debt investment	–	2,712,113.9	3,081,615.1	4,645,906.0
Held-to-maturity investments	–	–	–	–
Long-term receivables	2,029,756.2	3,007,259.3	2,174,787.4	2,027,831.0
Long-term equity investments	5,074,527.4	8,890,250.8	12,275,004.8	11,858,243.8
Other equity instrument investment	–	723,139.8	977,046.5	1,706,442.3
Other non-current financial assets	–	–	1,965.3	7,620,413.4
Investment properties	6,598,878.2	9,734,748.4	8,626,089.7	9,173,758.5
Fixed assets	4,217,006.1	4,499,255.8	4,053,125.4	4,349,406.6
Right-of-use assets	–	–	–	195,104.0
Construction in progress	2,216,695.3	1,386,908.7	1,282,163.0	1,731,314.4
Intangible assets	492,667.3	555,339.9	767,766.3	1,368,854.0
Research and development costs	–	–	–	–
Goodwill	533,974.9	2,626,285.4	2,538,941.0	2,618,699.6
Long-term deferred expenses	123,245.7	122,847.2	125,544.3	154,417.8
Deferred tax assets	151,654.0	211,135.6	723,633.3	727,231.6
Other non-current assets	3,829,512.2	2,388,312.7	3,354,238.1	2,691,292.1
Total non-current assets	30,693,515.8	44,631,788.8	48,652,643.7	50,868,915.2
Total assets	47,656,183.7	80,170,818.4	95,908,531.3	109,338,562.4

	As at 31 December			As at June 30
	2018	2019	2020	2021
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Audited)	**(Audited)**	**(Audited)**	**(Reviewed)**
Current liabilities:				
Short-term borrowings	4,270,447.5	9,843,035.8	7,534,427.3	10,316,218.6
Financial liabilities held for trading	–	–	–	417,991.2
Financial liabilities at fair value with variations accounted into current income account	–	26,948.6	221,702.1	–
Derivative financial liabilities	–	–	–	4,262.2
Notes payable and Accounts payable	713,823.3	852,851.1	853,879.9	1,080,703.6
Advances from customers	353,505.6	414,097.4	248,399.8	220,601.7
Contract liabilities	–	0.0	278,517.5	95,882.7
Financial assets sold for repurchase	–	4,095,646.7	2,555,159.4	2,849,112.2
Acting trading securities	–	4,048,867.1	4,582,565.2	4,755,967.9
Employee benefits payable	72,247.8	197,654.6	354,445.0	297,449.1
Taxes payable	230,887.3	351,900.7	681,429.0	493,040.8
Other payables	905,009.7	2,331,503.8	1,321,373.9	2,363,587.7
Liabilities held for sales	10,859.2	–	–	–
Non-current liabilities maturing within one year	2,020,902.5	2,690,092.7	1,035,580.6	1,388,767.5
Other current liabilities	995,040.0	190,391.1	1,052,102.1	4,065,537.0
Total current liabilities	9,572,723.0	25,042,989.5	20,719,581.8	28,349,123.1
Non-current liabilities:				
Long-term loans	4,776,712.6	7,385,733.7	16,662,582.4	17,052,582.7
Bonds payable	5,088,579.5	13,285,247.5	21,208,250.7	22,212,650.6
Long-term payables	2,460,092.2	2,976,256.7	1,139,605.6	856,807.1
Lease liabilities	–	–	–	156,898.1
Provisions	40.6	1,097.9	1,450.7	1,450.7
Deferred income	192,227.4	209,845.8	253,516.8	260,488.1
Deferred tax liabilities	353,008.5	412,587.1	489,040.1	766,445.6
Other non-current liabilities	68,354.6	66,374.3	70,085.2	73,821.8
Total non-current liabilities	12,939,015.3	24,337,142.9	39,824,531.5	41,381,144.7
Total liability	22,511,738.3	49,380,132.4	60,544,113.3	69,730,267.8
Shareholders' equity				
Share capital (Paid in capital)	10,363,233.8	10,363,233.8	10,363,233.8	10,363,233.8
Perpetual Securities	–	–	5,405,542.0	5,405,671.7
Capital reserve	6,953,753.8	7,243,211.9	5,451,579.1	6,215,235.5
Other comprehensive income	245,177.8	383,311.2	253,937.1	(7,701.1)
General risk reserve	9,631.9	33,539.9	47,955.7	47,955.7
Undistributed profits	1,020,307.8	1,008,056.5	1,070,833.7	1,682,783.5
Total equity attributable to shareholders of the Company	18,592,105.2	19,031,353.3	22,593,081.3	23,707,179.1
Minority shareholders' equity	6,552,340.3	11,759,332.8	12,771,336.6	15,901,115.5
Total shareholders' equity	25,144,445.4	30,790,686.0	35,364,418.0	39,608,294.6
Total liabilities and Shareholders' equity	47,656,183.7	80,170,818.4	95,908,531.3	109,338,562.4

SUMMARY CONSOLIDATED CASH FLOW OF THE ISSUER

	As at 31 December			As at six months ended 30 June	
	2018	2019	2020	2020	2021
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
	(Audited)	**(Audited)**	**(Audited)**	**(Reviewed)**	**(Reviewed)**
Net cash flow from operating activities	(319,424.8)	(2,063,162.2)	(3,465,116.5)	(767,021.6)	641,668.3
Net cash flow from investment activities	(13,326,672.0)	(5,113,368.4)	(6,962,881.4)	(3,530,017.9)	(4,196,544.4)
Net cash flow from financing activities	15,407,478.6	15,216,751.1	14,810,567.1	11,615,622.8	7,340,675.7
Effect of foreign exchange rate changes on cash and cash equivalents	–	83,404.0	(2,858.2)	677.6	2,295.5
Net increase of cash and cash equivalents	1,761,381.9	8,123,624.5	4,379,711.0	7,319,260.9	3,788,095.0
Closing balance of cash and cash equivalents	7,979,391.3	16,103,015.8	20,482,726.8	23,422,276.6	24,270,821.8

THE ISSUE

The following contains summary information about the Bonds and is qualified in its entirety by the remainder of this Offering Circular. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Bonds" and "Summary of Provisions Relating to the Bonds in Global Form" shall have the same meanings in this summary. For a more complete description of the terms of the Bonds, see "Terms and Conditions of the Bonds".

Issuer	Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司)
Issue	U.S.$490,000,000 2.850 per cent. green bonds due 2027.
Issue Price	100.00 per cent.
Form and Denomination	The Bonds will be issued in registered form in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Issue Date	19 January 2022.
Interest	The Bonds will bear interest on their outstanding principal amount from and including 19 January 2022, at the rate of 2.850 per cent. per annum, payable semi-annually in arrear on 19 January and 19 July in each year, commencing on 19 July 2022.
Maturity Date	19 January 2027.
Status of the Bonds	The Bonds will constitute direct, unsubordinated, unconditional and (subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable law and subject to Condition 4(a) (*Negative Pledge*) of the Terms and Conditions, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.
Negative Pledge	The Bonds will contain a negative pledge provision as further described in Condition 4(a) (*Negative Pledge*) of the Terms and Conditions.
Events of Default	The Bonds will contain certain events of default as further described in Condition 9 (*Events of Default*) of the Terms and Conditions.
Cross-Default	The Bonds are subject to a cross-default provision in respect of present or future indebtedness for or in respect of moneys borrowed or raised or any guarantee and/or indemnity thereof of the Issuer or of any of its Subsidiaries which in aggregate equals or exceeds U.S.$35,000,000 or its equivalent. See Condition 9(c) (*Cross-Default*) of the Terms and Conditions.

Taxation . . . . All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or the PRC or, in each case, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay (except in certain circumstances set out in Condition 8 of the Terms and Conditions) such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required. See "*Terms and Conditions of the Bonds – Taxation*".

Final Redemption . . . . Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Maturity Date.

Redemption for Relevant Events . At any time following the occurrence of a Relevant Event, a Bondholder will have the right, at such Bondholder's option, to require the Issuer to redeem all, but not some only of such Bondholder's Bonds on the Put Settlement Date (as defined in Condition 6(c) of the Terms and Conditions) at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with accrued interest up to but excluding the Put Settlement Date.

A "Change of Control" occurs when:

(i) Guangzhou Development District Administrative Committee (廣州開發區管理委員會) and any person directly or indirectly Controlled (as defined in the Terms and Conditions) by the central government of the PRC collectively cease to directly or indirectly hold or own at least 75 per cent. of the issued share capital of the Issuer; or

(ii) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other person(s), unless such person(s) is/are controlled by Guangzhou Development District Administrative Committee and/or any person directly or indirectly Controlled by the central government of the PRC.

A "No Registration Event" occurs when the Registration Documents (as defined in the Terms and Conditions) are not delivered to the Trustee in accordance with Condition 4(d) of the Terms and Conditions on or before the Registration Deadline (as defined in the Terms and Conditions).

Redemption for Taxation Reasons	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to but excluding the date fixed for redemption, if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions) as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 11 January 2022, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due, as further described in "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Taxation Reasons*".
Further Issues	The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, the first payment of interest on them and the timing for compliance with the requirements set out in Terms and Conditions in relation to the NDRC Post-issue Filing (as defined in the Terms and Conditions) and the Foreign Debt Registration (as defined in the Terms and Conditions)) so as to be consolidated and form a single series with the outstanding Bonds, as the case may be, as further described in "*Terms and Conditions of the Bonds – Further Issues*".
Trustee	China Construction Bank (Asia) Corporation Limited.
Principal Paying Agent	China Construction Bank (Asia) Corporation Limited.
Registrar and Transfer Agent . . .	China Construction Bank (Asia) Corporation Limited.
Clearing Systems	The Bonds will be represented initially by beneficial interests in the Global Certificate, which will be registered in the name of a nominee of, and deposited on the Issue Date with, a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in this Offering Circular, certificates for the Bonds will not be issued in exchange for beneficial interests in the Global Certificate.

Notices and Payment	So long as the Bonds are represented by the Global Certificate and the Global Certificate is held by or on behalf of Euroclear and Clearstream, any notice to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system
Governing Law and Jurisdiction .	English law. Hong Kong courts with exclusive jurisdiction.
Listing	Application has been made to the MOX for the listing of by way of debt issues to MOX Professional Investors only before or after the issue of the Bonds, and such listing will be subject to the MOX's approval. Admission to the listing of the Bonds on the MOX shall not be taken as an indication of the merits of the Issuer or the Bonds. Approval in-principle has been received from the SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The Bonds will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require. Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only and it is expected that dealing in, and listing of, the Bonds on the Hong Kong Stock Exchange will commence on 20 January 2022
Selling Restrictions	The Bonds will not be registered under the Securities Act or under any state securities laws of the United States and will be subject to customary restrictions on transfer and resale. See "*Subscription and Sale*".
Ratings	The Issuer is rated Baa1 by Moody's and "BBB+" by Fitch. The Bonds are expected to be rated Baa1 by Moody's and "BBB+" by Fitch. A rating is not a recommendation to buy, sell or hold bonds and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Use of Proceeds	See "*Use of Proceeds*".
Green Finance Framework	The Bonds are being issued as "Green Bonds" under the Issuer's Green Finance Framework. See the section entitled "*Green Finance Framework*"
Clearance and Settlement	The Bonds have been accepted for clearance by Euroclear and Clearstream under the following codes: ISIN: XS2405718466 Common Code: 240571846
LEI Code	300300QQG6PN8Y25MV22

RISK FACTORS

Any investment in the Bonds is subject to a number of risks. Prior to investing in the Bonds, prospective investors should carefully consider risk factors associated with any investment in the Bonds, our business and the industries in which we operate together with all other information contained in this Offering Circular, including, in particular the risk factors described below. Words and expressions defined in the section titled "Terms and Conditions of the Bonds" or elsewhere in this Offering Circular have the same meanings in this section.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Bonds and should be used as guidance only. Additional risks and uncertainties relating to us that are not currently known to us or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on our business, prospects, results of operations and/or financial position and, if any such risk should occur, the price of the Bonds may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Bonds is suitable for them in light of the information in this Offering Circular and their personal circumstances.

RISKS RELATING TO THE GROUP'S BUSINESS AND INDUSTRY

The Group's business, financial condition, results of operations and prospects are heavily dependent on the level of economic activity in Guangdong Province, in particular Guangzhou.

The Group's major businesses are concentrated in Guangzhou, in particular Guangzhou Development District. Therefore, its business, financial condition, results of operations and prospects have been, and will continue to be, heavily dependent on the social conditions, local government policies and level of economic activity in Guangzhou, in particular Guangzhou Development District. Guangzhou and Guangzhou Development District have experienced a prolonged period of rapid economic growth. Guangzhou's gross domestic product rose from RMB2,285.9 billion in 2018 to RMB2,362.9 billion in 2019 and further grew to RMB2,501.9 billion in 2020. Guangzhou Development District's gross domestic product reached approximately RMB279.5 billion in 2018, RMB350.2 billion in 2019 and further grew to RMB366.2 billion in 2020. However, it is uncertain that the economy of Guangzhou and Guangzhou Development District will continue to be maintained at historical growth rates.

The economy of the PRC experienced rapid growth in the past 30 years. There has been a slowdown in the growth of the PRC's gross domestic product since the second half of 2013 and this has raised market concerns that the historic rapid growth of the economy of the PRC may not be sustainable. According to the National Statistics Bureau of the PRC, the annual growth rate of China's gross domestic product in 2018 was 6.6% on a year-on-year basis, and slowed down to 6.1% in 2019. The disruption to economic activities caused by the COVID-19 pandemic reduced the annual growth rate of China's gross domestic product in 2020 to 2.3%. It is difficult to predict how the economic development of Guangzhou and Guangzhou Development District will be affected by a slowdown in the growth of the PRC economy, and there can be no assurance that the policies and measures adopted by the PRC government will be effective in stimulating the recovery of the PRC economy.

More recently, the ongoing COVID-19 pandemic has adversely affected global financial, foreign exchange, commodity and energy markets. The pandemic has since spread globally and there have been increased initial infection and fatality rates across the world. Governments of many countries (including the PRC) have declared a state of emergency, closed their borders to international travellers and issued stay-at-home orders with a view to containing the pandemic. The COVID-19 pandemic and policies implemented by governments to deter the spread of the disease have had and may continue to have an adverse effect on consumer confidence and the general economic conditions which the Group's business is subject to. Specifically, for the six months ended 30 June 2020, the gross domestic product of Guangzhou was RMB1,096.8 billion, representing a decrease of 2.7% comparing to the same period in the previous year. Although Guangzhou has displayed resilience in economic recovery with a 13.7% increase in gross domestic product in the first half of 2021 comparing to the same period in the previous year, and the economic activities have substantially normalised, there have been recent sporadic emergence of COVID-19 cases in Guangdong and across China, in some cases caused by contagious new variants of COVID-19. There can be no assurance that the level of economic development in Guangzhou and Guangzhou Development District will not be negatively affected or will sustain the growth momentum prior to the outbreak of COVID-19 pandemic.

The ongoing COVID-19 pandemic may have an adverse effect on the Group's business, financial condition and results of operations.

The ongoing COVID-19 pandemic may have an adverse effect on the Group's business, financial condition and results of operations. The ongoing outbreak of the novel coronavirus, COVID-19, since late 2019 in the PRC and other countries has caused severe disruption to business and economic activities in the PRC and globally.

In 2020, governments of many countries (including the PRC) declared a state of emergency, closed their borders to international travellers and issued stay-at-home orders with a view to containing the pandemic. Although economic activities have substantially normalized in China, and Guangzhou has experienced 13.7% increase in gross domestic product for first half of 2021 as compared to the same period in 2020, there have been recent sporadic emergence of COVID-19 cases in Guangdong and across China, in some cases caused by contagious new variants of COVID-19, which may result in material adverse effect on the business, financial positions and operating results of the Group. In addition, if any of the Group's management or employees are affected by COVID-19 pandemic, the Group may be required to close down its offices or facilities to prevent the spread of the pandemic.

The total revenue and gross profit of the Group decreased from RMB6,441.2 million and 40.2%, respectively, for the year ended 31 December 2019 to RMB6,348.9 million and 35.2%, respectively, for the year ended 31 December 2020. For the year ended 31 December 2020, the gross profit margin of the heat and power supplies business decreased to 12.9%, as compared to a gross profit margin of 18.3% for the year ended 31 December 2019, due to a decrease in heat and electricity supplied for that period as a result of the COVID-19 pandemic. For the year ended 31 December 2020, the gross profit margin of the Group's science park construction and management business decreased to 8.7%, as compared to a gross profit margin of 18.5% for the year ended 31 December 2019, largely due to rent reduction or waiver offered to eligible tenants from February 2020 to April 2020 in response to the PRC government's appeal for remedial measures as a result of COVID-19 pandemic.

Although business activities in general have substantially normalised, there is no assurance that the operations, financial performance or growth prospect of the heat and power supplies business and science park construction and management business would continue to recover or achieve the level of growth prior to COVID-19 pandemic. Despite the mass COVID-19 vaccination scheme and continued normalisation of economic activities in China and across the globe, the COVID-19 is not eradicated and any further development of COVID-19 pandemic may have an adverse impact on the Group's businesses and it is impossible to predict the magnitude of such impact, which could vary based on the duration of the outbreak and the ability of the global community to contain the disease and implement economic stimulus measures. There are uncertainties as to how the COVID-19 pandemic will further evolve and any continuation and/or escalation and/or intensification of the COVID-19 pandemic could materially and adversely affect the Group's business, financial condition and results of operations and the Group's ability to meet its financial obligations.

The Guangzhou Development District Administrative Committee can exert significant influence on the Group and could cause the Group to make decisions or modify the scope of its activities or impose new obligations on the Group that may not be in the Group's best interests.

A state-owned enterprise, 90% of the Company's equity interest is directly owned by the GDDAC, which is the Company's controlling shareholder, with the remaining 10% of the Company's equity interest directly owned by the Department of Finance of Guangdong Province. Therefore, the GDDAC is in a position to significantly influence the Group's major business decisions and strategies, including the scope of its activities, development and investment decisions and dividend policy. The GDDAC may use its ability to influence the Group's business in a manner that may not be in the Group's best interests. Government authorities may, without prior notice or consent from the Group, implement changes to existing policies and plans or implement new policies and plans, which may adversely affect the Group's operations and financial condition. Furthermore, if the GDDAC decides to reorganise or consolidate the Group's assets, it could cause a disruption in the Group's workforce and operations. For example, certain projects invested in by the Group are public interest projects the investment in which may not be in the Group's best interests.

The GDDAC may change its policies, intentions, preferences, views, expectations, projections, forecasts and opinions as a result of changes in the economic, political and social environments, and its projections of population and employment growths. Any amendment, modification or repeal could modify the existing regulatory regime and materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The Group has received support from the GDDAC including both financial support and policy support, the loss or reduction of such supports could adversely affect the Group's operations and financial results, and the repayment of the Bonds remain the sole responsibility of the Group.

The Group's business is capital-intensive and receives significant financial support from the GDDAC, including direct financial support in the form of capital injection, government subsidies and certain other favorable policies, and the Group heavily relies on such support to fund its operations and generate profits. For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2021, the Group received government subsidies from the GDDAC and other governmental institutions in the amount of RMB99.3 million, RMB179.6 million, RMB349.5 million and RMB912.2 million, respectively. Please refer to "*Description of the Group – Competitive Strengths – Full-scale and strong support from the GDDAC.*" for further details.

There can be no assurance that the GDDAC will continue to provide support to the Group or that the government grants, equity injections, capital contributions, asset transfers, injection of property ownership rights, preferential tax treatment, other financial support or other types of government support will not be adjusted or terminated due to changes in government policy or otherwise. If favourable government grants, equity injections, capital contributions, asset transfers, injection of property ownership rights, preferential tax treatment or other incentives or support which are currently available to the Group are reduced or eliminated in the future, the business, financial condition and results of operations of the Group will be materially and adversely affected, and there can be no assurance that such funding sources will provide the Group with a sufficient amount of capital in a timely manner.

The detailed description of the relationships between the Group and the GDDAC in this Offering Circular does not imply in any way any explicit or implicit credit support of the GDDAC in respect of the Bonds. Any ownership or control by the PRC government and the GDDAC does not necessarily correlate to, or provide any assurance as to, the Issuer's or Group's financial condition. As such, the PRC government and the GDDAC do not have any payment obligations under the Bonds. The Bonds are solely to be repaid by the Issuer, as an obligor under the relevant transaction documents and as an independent legal person. Therefore, investors should base their investment decision only on the financial condition of the Issuer and base any perceived credit risk associated with an investment in the Bonds only on the Issuer's financial information reflected in its financial statements.

The Group has substantial indebtedness and may incur additional indebtedness in the future, which could adversely affect its future strategy and operations and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations.

The Group has significant outstanding indebtedness. As at 30 June 2021, the Group had total interest-bearing indebtedness of RMB55,824.6 million (including long-term borrowings of RMB17,052.6 million, bonds payable of RMB22,212.7 million, short-term borrowings of RMB10,316.2 million, other current liabilities of RMB3,657.7 million, long-term borrowings due within one year of RMB1,168 million, long-term payable of RMB707.4 million, interest-bearing indebtedness among other payables of RMB710.0 million.

The Group may incur additional indebtedness and continuing liabilities in the future, including the issuance of debt securities or entering into financing or other loan arrangements. The level of existing indebtedness and incurrence of further indebtedness could have important consequences to the Group's business, including:

- increasing the Group's vulnerability to adverse general economic and industry conditions;
- requiring the Group to dedicate a substantial portion of its cash flows from operations to servicing and repaying its indebtedness, thereby reducing the availability of its cash flows to fund working capital, capital expenditures and other general corporate purposes;
- limiting the Group's ability to capture investment and/or acquisition opportunities and inhibiting its ability to grow and expand its business;
- adding to the Group's interest exposure as a proportion of its costs of doing business;
- limiting the Group's flexibility in planning for or reacting to changes in its businesses and the industries in which it operates;
- reducing the Group's competitiveness compared to its competitors that have less debt; and
- increasing the costs of additional financing.

Creditors of the Group's subsidiaries would have a claim on the Group's subsidiaries' assets that would be prior to the claims of the Group's creditors. As a result, the payment obligations under the Group's indebtedness and liabilities will be effectively subordinated to all existing and future obligations of the Group's subsidiaries, and all claims of creditors of the Group's subsidiaries, will have priority as to the assets of such entities over the Group's claims and those of its creditors.

In addition, the Group continually reviews its current and expected future funding requirements and evaluates and engages in discussions with financial institutions and other market participants, from time to time, on proposals regarding different sources of funding. In incurring indebtedness and liabilities from time to time, members of the Group may create security over their assets, receivables or equity interests in companies or entities held by them (which may include the Group's subsidiaries) in favour of the relevant creditors. Examples of security interests given by the Group include fixed charges and pledges which have been created on the assets and equity interests of some members within the Group. Should any of such secured indebtedness become immediately due and payable as a result of any default in payment or the occurrence of other events of default as defined under the relevant secured indebtedness, the relevant secured creditors would be entitled to take enforcement actions against such secured assets, receivables and equity interests. The secured creditors might take over the relevant members' titles to the secured assets, receivables and equity interests or sell them through auction. In such an event, the value of the Group's assets portfolio will diminish and fewer assets and/or equity interests will be available for distribution to unsecured creditors if the relevant members are in liquidation. If any member of the Group incurs additional debt, the risks that the Group faces as a result of its already substantial indebtedness and leverage could intensify.

Also, if the Group or the relevant subsidiaries are unable to comply with the restrictions (including restrictions on the Group's future investments) and covenants in its current or future debt obligations and other agreements, a default under the terms of such agreements may occur. In the event of a default under such agreements, the holders of the debt could terminate their commitments to the Group or its subsidiaries, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Some of the financing arrangements entered into by the Group and its subsidiaries may contain cross-acceleration or cross-default provisions. As a result, a default by the Group or any of its subsidiaries under any of such agreements may cause the acceleration of repayment of not only such debt but also other debts, or result in a default under other debt agreements. If any of these events occurs, there can be no assurance that the assets and cash flows of the Group or its subsidiaries would be sufficient to repay in full all of their respective debts as they become due, or that the Group or its subsidiaries would be able to find alternative financing. Even if the Group and its subsidiaries could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Group or, as the case may be, its subsidiaries.

The Group may not be able to detect and prevent fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties.

The Group may be exposed to fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties that could subject it to financial losses and sanctions imposed by governmental authorities, which in turn affect its reputation. These misconducts could include:

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;
- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Group in deciding whether to make investments or dispose of assets;
- improperly using or disclosing confidential information;
- recommending products, services or transactions that are not suitable for the Group's customers;
- misappropriating funds;
- conducting transactions that exceed the authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;
- engaging in unauthorised or excessive transactions to the detriment of the Group's customers;
- making or accepting briberies;
- conducting inside dealing; or
- otherwise not complying with applicable laws or the Group's internal policies and procedures.

The Group's internal control procedures are designed to monitor its operations and ensure overall compliance. However, such internal control procedures may be unable to identify all incidents of noncompliance or suspicious transactions in a timely manner if at all. Furthermore, it is not always possible to detect and prevent fraud and other misconduct, and the precautions the Group takes to prevent and detect such activities may not be effective. There is no assurance that fraud or other misconduct will not occur in the future. If such fraud or other misconduct does occur, it may have material adverse effect on the Group's operations, business prospects or financial performance or cause negative publicity for the Group.

The Group is exposed to litigation risks.

The Group may from time to time be involved in disputes with customers, governmental entities, contractors, suppliers, employees and other third party service providers during the course of its daily operations. Claims may be brought against members of the Group based on a number of causes such as breach of contract or fiduciary duties, defective or incomplete work, personal injuries, property damages, breach of warranty or delay in completion and delivery projects. In addition, the Group may bring claims against the customers for non-performance of contract, or against the project contractors for additional costs incurred as a result of the contractors' underperformance or non-performance, project defects or default by the contractors. If the disputes or claims are not resolved or settled through negotiation or mediation, the Group may be involved in lengthy and costly litigation or arbitration proceedings, which may distract the Group's financial and managerial resources. In the event that the Group prevails in those legal proceedings, there is no assurance that the judgement or awards will be effectively enforced. If a judgment or award is rendered against the Group, the amounts that are payable or losses that could not be recovered by the Group may not be fully covered by the Group's insurance, and the amounts could differ from the provisions made by the Group based on its estimates. Any material charges associated with claims brought against the Group and material write-downs associated with the Group's claims could have a material adverse impact on its financial condition, results of operations and cash flow. As of the date of this Offering Circular, the results of searches against the Company and its subsidiaries in the online database of judgment debtors maintained by the Supreme People's Court of the PRC did not reveal any of the aforesaid entities as a judgment debtor.

The Group has recorded negative cash flows from operating activities in the past.

The Group has experienced negative cash flows from operating activities and may continue to generate negative cash flows from operating activities For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2020, the Group had a net cash outflow of RMB319.4 million, RMB2,063.2 million, RMB3,465.1 million and RMB767.0 million, respectively, from operating activities, displaying a trend of growing negative cash flow from operating activities. Although the Group had a net cash inflow of RMB641.7 million from operating activities for the six months ended 30 June 2021, the Group may experience negative operating cash flows in the future. Although the Group believes that such phenomenon is consistent with the Group's business expansion and growth, negative operating cash flows may constrain the Group's working capital, which may materially and adversely affect the Group's business, financial condition and results of operation. In addition, continued negative cash flow from operating activities may affect the Group's ability to obtain new financing on acceptable terms or at all, which may materially and adversely affect the value of the Bonds.

The Group may be unsuccessful in integrating and managing current or future investments and/or acquisitions, including its recent Yuekai Securities acquisition, and there are risks associated with any material acquisitions by the Group.

The Group from time to time considers investment and acquisition opportunities that may complement its core business portfolio and capabilities, and assist in expanding the market share of its core business operations. For example, on 18 March 2019, the Group completed the acquisition of 42.43% of the issued share capital of Lianxun Securities, the name of which was later changed to Yuekai Securities Co., Ltd. ("**Yuekai Securities**"). As at the date of this Offering Circular, the Group hold approximately 47.24% of issued share capital of Yuekai Securities. The Group effectively controls Yuekai Securities and Yuekai Securities has been consolidated as a subsidiary in the audited consolidated financial statements of the Group. The ability of the Group's operations to grow by investments in and/or acquisitions of its target businesses is dependent upon, and may be limited by, the availability of attractive projects, its ability to agree commercial, technical and financing terms to the satisfaction of the Group and obtaining required approvals from relevant regulatory authorities. Such investments and/or acquisitions may also expose the Group to potential difficulties that could prevent it from achieving the strategic objectives for the investments and/or acquisitions or the anticipated levels of profitability from the investments and/or acquisitions. These difficulties include:

- diversion of management's attention from the Group's existing businesses;
- increases in the Group's expenses and working capital requirements, which may reduce its return on invested capital;
- difficulty of expanding into markets in different geographic locations and challenges of operating in markets and industries that the Group does not have substantial experience in;
- increases in debt, which may increase the Group's finance costs as a result of higher interest payments;
- exposure to unanticipated contingent liabilities to acquired businesses; and
- difficulties in integrating acquired businesses or investments into the Group's existing operations, which may prevent it from achieving, or may reduce, the anticipated synergies.

Accordingly, there is no assurance that the Group will be able to successfully integrate Yuekai Securities or that the above difficulties would not arise and result in a material and adverse impact on the Group's business, prospects, financial condition or results of operations. Furthermore, although the Group believes that Yuekai Securities will in future be a core part of the Group's business and that Yuekai Securities' financial results will enhance the Group's overall financial condition or results of operations, there can be no assurance that such objectives will be met.

In addition, where the Group invests in joint ventures where it may not have management control over its investments, there can be no assurance that such joint ventures will operate smoothly or successfully, if at all. There can also be no assurance that joint venture partners will act in a way which is consistent with the interest of the Group and be able and willing to fulfil their obligations under the relevant joint venture or other agreements.

Also, during the course of any material acquisition transactions, such as the Yuekai Securities acquisition, the Group typically conducts due diligence investigations with respect to the target companies, but the due diligence with respect to any acquisition opportunity may not reveal all relevant facts that are necessary or useful in evaluating such opportunity, which could subject the Group to unknown financial, legal and other risks and liabilities. When determining the consideration for any acquisition, the Group will consider various factors, including but not limited to the quality of the target business, estimated costs associated with the acquisition and the management of the target business, prevailing market conditions and intensity of competition. The Group is unable to predict whether there will be any target suitable for acquisition or when any suitable acquisition opportunities could arise. In the event that the Group enters into any letter of intent or agreement for any material acquisition after the issue of the Bonds, the market price and the trading volume of the Bonds may be adversely affected.

The Group operates in multiple businesses through a number of subsidiaries and associated companies, and this business structure exposes the Group to challenges not faced by companies with a single or small number of businesses.

The Group has more than 20 subsidiaries and associated companies operating in multiple industries. Through these subsidiaries and associated companies, the Group focuses on four principal segments of business, namely, (i) heat and power supplies, (ii) science park construction and management, (iii) real estate development and (iv) other businesses. However, the Group is also exploring opportunities in other industries, such as bio-medicine and investment banking. As such, the Group is exposed to risks associated with multiple businesses.

The Group is exposed to business, market and regulatory risks relating to different industries and markets, and may from time to time expand its businesses to new industries and markets in which it has limited operating experience. Such expansion may require the Group to devote substantial resources to become familiar with, and monitor changes in, different operating environments so that it can succeed in its businesses.

In addition, successful operation of the Group's subsidiaries and associated companies requires an effective management system. As the Group continues to grow its businesses, and expand into various industries, the Group's operations may become more complex, which would increase the difficulty of implementing its management system.

The Group provides direct funding, guarantees and other support to certain of its subsidiaries and associated companies. For instance, the Group provides shareholder loans to, or acts as a guarantor for the borrowings of, certain subsidiaries and associated companies. If a subsidiary or associated company defaults on any borrowings lent or guaranteed by the Group, the Group will not receive the repayment as planned or the relevant lender may exercise its right under the guarantee to demand repayment from the Group. The occurrence of either of these types of events may result in a funding shortage at the Group level and may materially and adversely affect the business, financial condition, results of operations or prospects of Group.

The Group's auditor has limited international capital markets experience.

Zhongxi Certified Public Accountants LLP ("**Zhongxi**") is a registered accounting firm in the PRC supervised by relevant PRC regulatory agencies, including MOF and the China Securities Regulatory Commission ("**CSRC**"). Although Zhongxi CPA has significant audit experience in the PRC, it has limited international capital markets experience. During the past few years, regulatory authorities including CSRC's local counterparts announced certain administrative measures, such as admonition, against Zhongxi in relation to its services provided to certain companies. Zhongxi has confirmed that they have taken the required rectification measures. As of the date of this Offering Circular, Zhongxi is not being suspended with respect to any part of its business. If Zhongxi is found to be deficient in performing its audit tasks for other companies, it could affect investors' confidence in all companies and their financial statements audited by Zhongxi. There is no assurance that there will be no new investigations or administrative measures taken by relevant regulatory authorities against Zhongxi in the future, nor can there be any assurance that further negative news about Zhongxi would not have a material and adverse effect on the Group.

Certain accounting items in the Group's financial statements may not be consistent with or comparable to the financial information in the Group's consolidated financial statements for the previous periods.

Since 2017, the Ministry of Finance of the PRC promulgated the New Accounting Standards. The Group's audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 and the Group's unaudited but reviewed consolidated financial statements as at and for the six months ended 30 June 2021 were prepared and presented in accordance with the relevant applicable New Accounting Standards and Requirements. As a result, the presentation of certain accounting items in the Group's audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 and the Group's unaudited but reviewed consolidated financial statements as at and for the six months ended 30 June 2021, as the case may be, may not be comparable to the financial figures in the Group's financial statements for the previous periods.

For details of the New Accounting Standards and Requirements and its impact on the Group's audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 and the Group's unaudited but reviewed consolidated financial statements as at and for the six months ended 30 June 2021, please see "*Notes to Financial Statements – V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors – 1. Changes in Accounting Policies and their Impact*" of the Group's audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 and "*Notes to Financial Statements – V. Statement of Accounting Policies and Changes in Accounting Estimates and Corrections of Errors – 1. Changes in Accounting Policies and their Impact*" of the Group's unaudited but reviewed consolidated financial statements as at and for the six months ended 30 June 2021.

As a result, certain financial figures and certain accounting items in the Group's audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020 and in the Group's unaudited but reviewed consolidated financial statements as at and for the six months ended 30 June 2021 may not be comparable to the financial figures or accounting items in the Group's financial statements for the previous periods.

The Group's audited consolidated financial statements have been prepared and presented in accordance with PRC GAAP, which are different from IFRS in certain respects.

The Group's audited consolidated financial statements included in this Offering Circular have been prepared and presented in accordance with PRC GAAP. PRC GAAP differs in certain respects from IFRS. Please see "*Summary of Certain Differences between PRC GAAP and IFRS*" for details. Each investor should consult its own professional advisers for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

Historical consolidated financial information of the Group may not be indicative of its current or future results of operations.

The historical financial information of the Group included in this Offering Circular is not indicative of its future financial results. The financial information is not intended to represent or predict the Group's results of operations of any future periods. The Group's future results of operations may change materially if its future growth deviates from the historical trends for various reasons, including factors beyond its control, such as the uncertainties in the global and PRC economy as a result of the ongoing COVID-19 pandemic changes in economic environment, PRC environmental rules and regulations and the competitive landscape of the industries in which the Group operates its businesses. The Group may also acquire businesses or companies or dispose of its subsidiaries or assets from time to time in accordance with the Group's business objectives. Period-to-period comparisons of the Group's historical operating results must be evaluated in light of the impact of any such transactions.

Certain facts and statistics in this Offering Circular are derived from publications not independently verified by the Company, the Joint Lead Managers, the Trustee, the Agents or their respective advisers.

This Offering Circular contains facts and statistics relating to the economy of the PRC, Guangdong Province, Guangzhou and the industries in which the Group operates. While the Company has taken reasonable care to select reputable and reliable information sources and ensure that the facts and statistics relating to the relevant economies and the industries in which the Group operates presented are accurately extracted from such sources, such facts and statistics have not been independently verified by the Company, the Joint Lead Managers, the Trustee, the Agents or their respective advisers and, therefore, none of them makes any representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside the PRC. Due to ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon.

The Company published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular.

The Company from time to time issues debt and equity securities in the domestic capital markets in the PRC. According to applicable PRC securities regulations on the capital markets, the Company needs to publish its quarterly, semi-annual and annual financial information to satisfy its continuing disclosure obligations relating to its debt securities issued in the domestic capital markets. After the Bonds are issued, the Company is obligated by the terms of the Bonds, among others, to provide holders of the Bonds with its audited financial statements and certain unaudited periodical financial statements. The quarterly and semi-annual financial information published by the Group in the PRC is normally derived from the Group's management accounts which have not been audited or reviewed by independent auditors. As such, this financial information published in the PRC should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any audited or reviewed information. The Company is not responsible to holders of the Bonds for the unaudited and unreviewed financial information from time to time published in the PRC and therefore investors should not place any reliance on any such financial information.

Public corporate disclosure about the Company may be limited.

As the Company is a private company, there may be less publicly available information about the Company than is regularly made available by public companies in certain other countries.

RISKS RELATING TO THE GROUP'S HEAT AND POWER SUPPLIES BUSINESS

Reductions in output and on-grid tariffs may materially and adversely affect the Group's revenue and results of operations.

At the beginning of every year, the Group estimates the amount of electricity to be sold by the Group's power plants to the relevant grid company and market end-users according to monthly grid power and market power amount issued by government, and average utilisation hours of the Group's power plants. The relevant provincial NDRC and the dispatch centres in each province where the Group conducts the operations coordinate to determine the planned output and the average utilisation hours of the Group's power plants for that year. When determining the Group's planned output and average utilisation hours, the provincial NDRC and the dispatch centre consider various factors, such as the local power demand, the local power generation capacity, the Group's power generating efficiency and implementation of environmental protection technologies. Therefore, any decrease in power demand or increase in the power generation capacity in the areas where the Group operates, or failure to improve power generating efficiency or implement environment protection technologies could negatively affect the determination of the Group's planned output by the relevant provincial NDRC and the dispatch centre. There is no assurance that the installed capacity of power plants in these two provinces will not continue to increase in the future, the occurrence of which may materially and adversely affect the power output of the Group's power plants as determined by the relevant provincial NDRC and the dispatch centre. Although the COVID-19 pandemic and the policies implemented to cope with it adversely affected the economic and production activities in early 2020, there was an overall increase in power generation in China in 2020 by 2.7% comparing to the same period in 2019. As economic activities have substantially normalised in China in 2021, power generation in the six months ended 30 June 2021 increased by 13.7% comparing to the same period in 2020. For the year ended 31 December 2020, the gross profit margin of the heat and power supplies business decreased to 12.9%, as compared to a gross profit margin of 18.3% for the year period 31 December 2019, as the major renovation of a machinery decreased the heat and electricity supplied. As at 30 June 2021, China's economy continues to recover and production activities have normalised, however, there is no guarantee that such recovery and normalisation will continue or that the economic growth will return to the past level, which may materially and adversely affect the general demand for electricity and suppress the Group's revenue derived from its heat and power business.

In addition, on-grid tariffs are subject to review and approval processes by the relevant provincial pricing bureaus and the NDRC. The NDRC may adjust electricity prices taking into account of various factors, including policy considerations, fluctuations in fuel costs, power supply and demand, results of operations of enterprises in the power industry, inflation and current economic conditions. See "*Business – Power Generation – Electricity Sale – Pricing and On-grid Tariffs.*" For example, the NDRC decreased the benchmark on-grid tariff for coal-fired generating units in Guangdong province at RMB0.4735/kWh in April 2015. If the NDRC and the relevant provincial level government authorities continue to reduce the on-grid tariffs, the Group's revenue could be materially and adversely affected. Furthermore, the Group may not be able to pass on any increase in fuel price to the customers through on-grid tariff adjustments in a timely manner, or at all. Even if the NDRC and the provincial pricing bureau agree to adjust the on-grid tariffs in a timely manner in response to the fuel price increase, such adjustments may not be sufficient to cover the increase in fuel price. In October 2019, the NDRC issued the Guiding Opinions on Deepening the Reform of the On-grid Tariffs Formation Mechanism for Coal-fired Power (Fa Gai Jia Ge Gui [2019] No. 1658) (關於深化燃煤發電上網電價形成機制改革的指導意見) (發改價格規[2019]1658號), according to which, the mechanism of benchmark on-grid tariffs for coal-fired power plants shall be changed to a market-oriented pricing mechanism featuring "benchmark price + fluctuation" ("基準價+上下浮動") from 1 January 2020, the benchmark price shall be determined according to the current local benchmark on-grid tariffs for coal-fired power plants with the fluctuation range ranging from 10% upward to 15% downward in principle, and the on-grid tariffs shall not increase in 2020. On 8 October 2021, the State Council announced new measures to ensure a stable supply of energy given the significant increase in energy price in the international market and tight supply of fuel in China. The fluctuation range of the benchmark on-grid tariffs for coal-fired power plants shall be adjusted to 20% in both ways. For industries with high energy consumption, the on-grid tariff shall be determined by market mechanism and not be subjected to the prescribed fluctuation range.

NDRC's focus of pricing mechanism for tariff has shifted to the transmission and distribution tariff. The previous linkage mechanism based on policy adjustment between the on-grid tariffs and the sales tariffs was gradually replaced by a scientific and independent mechanism to ratify transmission and distribution tariff, and a market-oriented pricing mechanism that promotes the formation of market-oriented tariff at both ends, that is, power generation and sale. Although it is possible for the risk of fluctuations in the difference of purchase and sale prices to be significantly reduced, and for revenue from sale of power to further stabilize, resulting in a more stable cash flow, we cannot assure you that future reforms in the PRC electric power sector will not materially and adversely affect our business, financial condition and results of operations.

An increase in coal prices or a disruption in coal supply or its transportation could materially and adversely affect the Group's heat and power supplies business.

The Group principally operates coal-powered cogeneration plants. Coal costs represent the majority of the operating costs of the Group's heat and power supplies business. As such, the Group's results of operations are sensitive to fluctuations in coal prices. The Group negotiates coal prices applicable to its cogeneration plants with its coal suppliers, and the coal prices are subject to other factors, such as market conditions, limitation of production capacity, change of government policy and shortfall of transportation capacity. The price of coal the Group purchases for heat and power supply is subject to market fluctuations and may be volatile. Since 2013, key contracts and the dual mechanism of electric power coal price have been cancelled. Coal enterprises and power enterprises can enter into contracts and determine prices through negotiation at their sole discretion. Therefore, the market price of coal may fluctuate significantly in the future. Increases in coal costs will increase the Group's cost of sales and may adversely affect the Group's profitability. In addition, the Group's ability to pass on coal price increases through on-grid tariff increases is limited. Changes to on-grid tariff prices are subject to the approval of the NDRC and relevant provincial government authorities. Coal price increases may not result in corresponding adjustments of on-grid tariffs on a timely basis, or at all. Furthermore, any such on-grid tariff adjustments made by the NDRC or local and provincial price bureaus may not be sufficient to mitigate the increases in coal prices.

The Group's cogeneration plants purchase a majority portion of coal from third party coal suppliers. In the event of national coal supply shortfalls, any change in the Group's principal coal distributors or suppliers, delays in delivery by the Group's principal coal suppliers, or their inability to meet the Group's quantity or quality requirements, the Group's business operations may be adversely and materially affected. Currently, the PRC's freight transportation infrastructure may not be adequate to support coal transportation demand in the PRC. Disruptions in the delivery of coal could occur for a variety of reasons beyond the Group's control, including transportation bottlenecks, accidents and natural disasters. Disruptions in coal supply would have a material adverse effect on the Group's business, financial condition and results of operations.

The operation of cogeneration plants involves many risks, and if there are interruptions in the normal operation of the Group's power plants, the Group may not have adequate insurance to cover the economic losses.

The operation of the Group's cogeneration plants involves many risks and hazards, including the breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, labour disturbances, natural disasters, environmental hazards and industrial accidents. The occurrence of material operational problems may adversely affect the profitability of a cogeneration plant.

The Group may face difficulties in realising the benefit of business acquisitions and and integrating the acquired business into the Group's other business segments.

Before embarking on acquisitions of other businesses, the Group identified expected benefits, synergies and growth opportunities from acquiring and integrating the target company into the Group. However, due to legal, regulatory and business limitations, the Group may not have access to all necessary information and, as a result, will face the operational, legal and financial risks inherent in such acquisitions. The acquisition and integration process may be complex, costly and time-consuming. The potential obstacles of acquiring and integrating the operations of the target company and realising our expectations for an acquisition, include, among other things:

- failure to implement the business plan for the integrated business;
- delays or difficulties in completing the acquisition of the target company, including unanticipated issues in obtaining the required regulatory approval from the relevant securities and antitrust regulators;

- higher than expected costs, lower than expected cost savings and/or a need to allocate resources to manage unexpected operating difficulties;
- unanticipated changes in the integrated business due to potential divestitures or other requirements imposed by antitrust regulators;
- failure to maintain the continuity or assimilation of operations or employees;
- retaining key customers, suppliers and employees;
- retaining and obtaining required regulatory approvals, licences and permits for the operation of the target company;
- diversion of the attention and resources of management; and
- assumption of liabilities not identified in due diligence.

In August 2021, a subsidiary of the Company entered into a series of transaction to acquire a controlling stake in Taisheng Wind. See "*Recent Development – Taisheng Acquisition*". There is no assurance that the Group will be able to secure the necessary regulatory approval from the China Securities Regulatory Commission, State Administration for Market Regulation and the Shenzhen Stock Exchange or that their regulatory approval will not be accompanied by conditions and requirements which diminish the expected benefits from the acquisition. There is also no assurance that the expansion into the wind energy market will bring about additional income and profits. If the relevant risks of such acquisition and integration are not properly managed or the expected benefits of an acquisition fail to materialise, the post-acquisition business may risk losing key employees, senior management team, customer-supplier relationship, which may have a material and adverse effect on our business, financial condition, results of operations, performance and prospects of the Group.

RISKS RELATING TO THE GROUP'S SCIENCE PARK CONSTRUCTION AND MANAGEMENT BUSINESS

The Group's science park construction and management business are subject to extensive regulation at various levels of government, and any failures to comply with applicable laws, rules and regulations, including failures to obtain any necessary qualifications, permits or approvals for its operations may adversely affect the Group.

In order to operate its science park construction and management business, the Group must obtain and comply with various permits, licenses, certificates, consents and other approvals from administrative authorities, including land use rights documents, planning permits, construction permits, and certificates or confirmations of completion and acceptance. Each approval is dependent on the satisfaction of certain conditions and failure to obtain governmental approvals could have an adverse effect on the Group's operations. For example, certain land parcels allocated to the Group are for specific purposes and may not be transferred, mortgaged or leased without prior approval of the competent government. The Group is also subject to inspections, examinations, inquiries and audits by governmental authorities as part of the process of maintaining or renewing its permits, licenses or certificates.

There can be no assurance that the Group will be able to fulfil the pre-conditions necessary to obtain the required governmental approvals or that it will be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to its operations. There may be delays on the part of relevant administrative bodies in reviewing the Group's applications and granting approvals. There can be no assurance that the Group's projects will not be subject to delays or fines in relation to the development of such land parcels in the future.

There can be no assurance that PRC governmental authorities will abstain from issuing regulations that may restrict the Group's current and planned activities or that the Group will not be required to change its land uses. The PRC government could adopt more stringent industry policies, regulations and measures in the future. If the Group fails to adapt its operations to any such new policies, regulations and measures, or if such policy changes disrupt the Group's business or cause the Group to incur additional costs, the Group's business, prospects and results of operations may be materially and adversely affected. As at the date of this Offering Circular, the Group are in the process of obtaining the aforesaid approvals, licences, permits and certificates for some of the Group's construction projects. Failure to obtain the necessary approvals, licences or permits in a timely manner could result in delay or suspension of business operations and a failure to obtain the necessary approvals, licences or permits may subject the relevant entities to regulatory or administrative penalties.

Any non-compliant Gross Floor Area ("GFA") of the Group's uncompleted and future property developments will be subject to governmental approval and additional payments.

Government authorities inspect property developments after completion and issue completion acceptance certificates provided developments are in compliance with the relevant laws and regulations. If the total constructed GFA of a property development exceeds the GFA originally authorised in a land grant contract or construction permit, or if the completed property contains built-up areas that do not conform with plans approved by construction permits, the Group may be required to pay additional amounts or take corrective actions with respect to such non-compliant GFA before a completion acceptance certificate can be issued.

The Group has obtained completion acceptance certificates for all of its completed properties as at 30 June 2021. However, there can be no assurance that the government authorities will not determine that the total constructed GFA upon completion of the Group's existing projects under development or any future property developments exceed the authorised GFA. Any such non-compliance could lead to material additional payments or penalties, which could adversely affect the Group's financial condition. The Group has not incurred any such material payments or penalties since its founding.

The Group may be adversely affected by the performance of third-party contractors.

The Group engages third-party contractors for its science park construction and real estate development projects. The Group generally selects independent contractors through an open tender process. However, there can be no assurance that the services rendered by any of these independent contractors or subcontractors will always be satisfactory or meet the Group's quality and safety standards. If the performance of any independent contractor is not satisfactory, the Group may need to replace such contractor or take other actions to remedy the situation, which could adversely affect the cost and construction progress of its projects. Further, the completion of its infrastructure projects may be delayed, and the Group may incur additional costs in some cases due to a contractor's financial or other difficulties. In addition, the Group may be asked to undertake additional infrastructure development projects by the government on short notice, and there may be a shortage of contractors that meet the Group's quality requirements. Contractors may undertake projects for other companies and developers engage in risky or unsound practices or encounter financial or other difficulties, which may affect their ability to complete their work for the Group on time or within budget. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is subject to general risks inherent in science park construction.

The Group's business is exposed to risks inherent in construction, including the risks that construction may not be completed on schedule or within budget, that planning may be affected by government regulations, that there may be delays in timing as a result of changes in the parameters regarding government land grants and that customers may default. The occurrence of any of these risks could materially and adversely affect the Group's business, financial condition and results of operations.

RISKS RELATING TO THE GROUP'S REAL ESTATE BUSINESS

The PRC Government may adopt measures aimed at slowing down growth in the real estate sector.

Since 2005, the PRC Government has from time to time introduced various measures to curtail property speculation in response to concerns over, among other things, the increases in property investments and property prices and the overheating of the property market. For example, according to the Notice of the State Council on Issues Relating to Further Well Managing the Central Control of the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知) issued by the General Office of the State Council on 26 January 2011 and the Notice of the State Council on Continuity to Well Manage the Central Control Work of the Real Estate Market (國務院辦公廳關於繼續做好房地產市場調控工作的通知) promulgated by the General Office of the State Council on 26 February 2013, the government will firmly restrain speculative demands and strengthen market supervision to better control the overheating of the PRC real estate market. Such measures may limit property developers' access to capital resources, reduce market demand for their properties and increase their operating costs in complying with these measures, which in turn could have an adverse impact on the demand for land developed by the Group. On 20 August 2020, the MOHURD and PBOC communicated the fund monitoring and financing management rules, which is also known as the "Three Red Lines" (三條紅線), for real estate companies to control the financing activities of property developers and the scale of interest-bearing debts of property developers in China by applying: (i) a 70% ceiling on liabilities to assets, excluding advance proceeds from projects sold on contract, (ii) a 100% cap on net debt to equity ratio, (iii) a cash to short-term borrowing ratio of at least one. Developers will be categorized based on how many limits they breach and their debt growth will be capped accordingly. If a firm passes all three, it will be labeled as "Green", and can increase its debt a maximum of 15% in the next year; if a firm passes two of them, it will be labeled as "Yellow", and can increase its debt a maximum of 10% in the next year; if a firm passed one of them, it will be labeled as "Orange", and can increase its debt a maximum of 5% in the next year; if a firm fails to pass any of them, it will be labeled as "Red", and cannot increase any debt in the next year. There can be no assurance that the PRC Government will not adopt additional and more stringent measures to further dampen the growth of the property sector, which could slow down property development in China. This may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group does not anticipate generating positive operating cash flow during the early stages of land development projects and could require additional financing for future projects.

The Group faces uncertainties and risks related to the early stages of real estate development projects. The Group does not anticipate generating positive operating cash flow during these stages and there can be no assurance that the Group will be able to develop these projects to the point where they will become profitable. If the Group cannot successfully develop these projects, it may require additional financing and there can be no assurance that it will be able to obtain such financing or, as the case may be, the refinancing of the existing facilities on favourable terms or at all. The inability of the Group to recoup its investments in early stage land development projects or obtain additional financing or, as the case may be, the refinancing of the existing facilities as needed could have a material adverse effect on the Group's business, financial condition and results of operations.

RISKS RELATING TO THE GROUP'S OTHER BUSINESSES

The Group's diversification into other businesses may increase its exposure to credit risks.

The Group's other businesses, which include in the financial industry involve many inherent risks, including the risk that the loans the Group guarantees or grants are not repaid on time or at all. The Group's financing guarantee business currently focuses on small- and medium-sized enterprises customers in Guangzhou Development District. Many of its customers have limited financial resources or relatively weaker credit profile, making it difficult for them to obtain capitals from the large state-owned financial institutions. For the same reason, they are more vulnerable to adverse competitive, economic or regulatory conditions, and create greater credit risks relating to the Group's loan and guarantee business than larger or more established businesses with longer operating histories. The Group's conducts its financing guarantee business mainly through its subsidiary, Guangzhou GET Financing & Guarantee Co., Ltd. As at and for the six months ended 30 June 2021, respectively, Guangzhou GET Financing & Guarantee Co., Ltd.'s total outstanding guarantees amounted to approximately RMB739.9 million, and the repayment amount as guarantor was RMB89.0 million.

Since the second half of 2013, the PRC economy has shown signs of a slowdown, raising concerns that its historical rapid growth may not be sustainable. If the PRC economy experiences a slowdown or enters into recession, the operations and financial performance of PRC companies may be heavily affected and customer default may increase, increasing the Group's exposure to credit and liquidity risks. Although the Group seeks to manage its credit risk exposure through internal customer due diligence, credit approvals, establishing credit limits and portfolio monitoring and other risk management measures, there can be no assurance that these measures will be effective given the limited operating history of the Group's financial service business. There is no assurance that the Group is able to manage its credit risk effectively with its existing risk management system.

General economic and market conditions could materially and adversely affect the business of the Group.

The economic recovery since the global financial crisis has been slow, with economic growth rates in major economies such as Europe, the United States, Japan and the PRC generally remaining persistently lower than pre-crisis levels. Although the PRC's economic growth has increased compared to its level immediately after the global financial crisis, it has displayed signs of slowdown as evidenced by a decrease in the growth rate of the PRC's GDP in recent years. This was caused by a combination of factors most of which are beyond the Group's control, such as the global economic conditions, governmental policies and changes in market dynamics globally and regionally. In 2018, the PRC Government reported a GDP of RMB90.03 trillion, representing year-on-year growth of 6.6%. In 2019, the PRC Government reported a preliminary GDP of RMB99.1 5 trillion, representing year-on-year growth of 6.1%. In 2020, the PRC Government reported a GDP of RMB101.6 trillion, representing year-on-year growth of 2.3%. Although the PRC Government has recently taken several measures and actions with an aim to increase investors' confidence in the PRC economy, there can be no assurance that those measures will be effective. Furthermore, the United States and China have recently been involved in disputes over trade barriers that have escalated into a trade war between the two countries. Both countries have implemented and threatened tariffs on certain imported products from the other, casting uncertainty over tariffs and barrier to entry for products on both sides. Sustained tension between the United States and China over trade policies could significantly undermine the stability of the global and Chinese economy. In addition, on 31 January 2020, the United Kingdom officially exited the European Union following a UK-EU Withdrawal Agreement signed in October 2019 and on 31 December 2020, the United Kingdom left the European Single Market and European Union Customs Union. The impacts of Brexit continue to unfold, and given the lack of precedent, it is unclear how Brexit would affect the fiscal, monetary and regulatory landscape within the UK, the EU and globally. This event has resulted in a downgrade of the credit ratings of the United Kingdom and the uncertainty after the Brexit may also create a negative economic impact and increase volatility in global markets. Moreover, there are ongoing concerns about European sovereign debt levels, negative interest rate and the consequences for economic growth and investor confidence in the Eurozone, political gridlock in the United States over government spending, debt levels and civil rights issues and the consequences for economic growth and investor confidence in the United States, and the uncertainty around the Federal Reserve's future monetary policies. All these would add to the uncertainties relating to the overall prospects for the global and the PRC economies, which may have a material adverse impact to the Company's business, prospects, financial conditions and results of operations.

On 12 March 2020, the World Health Organisation declared COVID-19 as a global pandemic. The COVID-19 pandemic has resulted in many countries, including China, Japan, the United States, members of the European Union and the United Kingdom, declaring a state of emergency and imposing extensive business and travel restrictions with a view to containing the pandemic. Widespread reductions in consumption, industrial production and business activities arising from the COVID-19 pandemic will significantly disrupt the global economy and global markets and is likely to result in a global economic recession. In addition, the COVID-19 pandemic has led to significant volatility in the global markets across all asset classes, including stocks, securities, oil and other commodities and this volatility may persist for some time. As the COVID-19 pandemic continues to adversely affect business activities globally, governments and central banks across the world have introduced or are planning fiscal and monetary stimulus measures including direct subsidies, tax cuts, interest rates cuts, quantitative easing programmes and suspension or relaxation of prudential bank capital requirements. These measures aim to contain the economic impact of the COVID-19 pandemic, stabilise the capital markets and provide liquidity easing to the markets. In addition, the PRC regulators have promulgated a series of measures to encourage PRC financial institutions to increase financial support to business and consumers to combat the challenges arising from the COVID-19 pandemic. To lessen the adverse impacts of the COVID-19 pandemic, the PRC Government has promulgated administrative regulations which required a reduction of power tariffs in 2020.

Uncertainties in the global and the PRC's economies may adversely affect the market conditions in China, which in turn, affected the Group's results of operations and financial condition. Turmoil in the financial markets, a downturn in general economic conditions or other risks associated with the business of the Group and the securities industry in general could reduce securities trading and corporate finance activities and affect the value of certain financial assets, which may consequently have a material adverse effect on the Group's commission and fees from brokerage, investment banking and asset management businesses, as well as the returns on financial assets and investments of the Group. As a result of these risks, the Group's income and operating results may be exposed to significant fluctuations.

The PRC securities industry has historically been adversely affected by the tightening of monetary policies and high inflation in the PRC, as well as the volatile PRC's A share market. In the first half of 2020, the global economy experienced a severe downturn due to the COVID-19 pandemic, and the stock market in China experienced great fluctuation during that period.

The fluctuation in the PRC securities markets were caused by a number of factors beyond the Group's control, such as the COVID-19 pandemic or other epidemic or act of God, the overall economic conditions of the PRC, the introduction and suspension of the "circuit-breaker" system and the fluctuations in the exchange rate of Renminbi. Poor market conditions and increase in credit risks could affect the value of the Group's financial assets may have an adverse effect on the Group's securities and futures brokerage business while favourable market conditions may not be sustainable.

In particular, the Group's securities business is closely correlated with securities market condition. The Group conducts it securities business mainly through Yuekai Securities. Substantially all of the revenue of Yuekai Securities is derived from the securities markets, in particular the PRC securities markets. Like other businesses operating in the same industry, its business is directly affected by the inherent risks associated with the securities markets, such as market volatility, investor sentiment, fluctuations in the market capitalisation and trading volume, the supply of liquidity and the perceived credit worthiness of the securities industry in the marketplace. The Group's business is also subject to changes in the general economic and political conditions, such as macroeconomic and monetary policies, fiscal policies, foreign exchange policies, taxation policies and other policies, legislation and regulations affecting the financial and securities industries, upward and downward trends in the business and financial sectors, inflation, currency fluctuations, availability of short-term and long-term market funding sources, cost of funding and the level and volatility of interest rates.

A reduction in the Group's income or a loss resulting from its underwriting and brokerage, investments, trading or asset management activities could have a material adverse effect on its business, results of operations and financial condition.

The Group may not be able to successfully identify, acquire, invest in or operate suitable investment projects, acquisition targets or businesses.

Before making investment decisions, the Group generally conducts business, financial, legal and other due diligence that the Group deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Group may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. External consultants, legal advisors, independent auditors and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. However, when conducting due diligence and making an assessment regarding an investment, the Group relies on resources available to the Group, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that the Group will carry out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity, which could subject the Group to unknown financial, legal and other risks and liabilities. Also, such an investigation will not necessarily result in the investment being successful. When determining the consideration for any investment or acquisition, the Group will consider various factors, including but not limited to the quality of the target business, estimated costs associated with the investment or acquisition and the management of the target business, prevailing market conditions and intensity of competition. There can be no assurance that the Group will be able to address these issues effectively.

The Group may fail to realise any profits from its investment activities or may be unable to sell its investments for a considerable period of time or to recover its investment costs.

The Group has made and expects to continue to make significant investments in the securities of privately held and publicly-traded companies, which involve significant risks. If the Group's investments do not generate operating income, profit or cash flow in time or at anticipated levels, the Group's growth prospects, business, results of operations and financial condition may be materially and adversely affected.

Many of the Group's investments are made in privately held companies by purchasing a portion of their equity securities. The Group holds these securities mainly for investment purposes and its principal means of realising investment returns are through privately negotiated sales or through initial public offerings (IPO) of the companies invested. Generally, it takes a considerable amount of time before the Group can sell any such investment and, in many cases, involves substantial efforts and resources to improve the management and business of a company the Group invested with a view to enhancing the value of its investment, especially when the Group plans to take the company public. This may be caused by a number of reasons:

- Sales of privately held investments through privately negotiated transactions depend heavily on the Group's ability to identify suitable buyers for the particular investment. It may be difficult for the Group to find suitable buyers for its investment in a privately held company;

- Any intended sale may involve prolonged and difficult negotiations with the potential buyer, which may not materialise within a reasonable period, at an acceptable price, or at all;

- Realising investment returns through IPO of an invested company also involves significant uncertainties and is subject to a number of factors beyond the Group's control, including the general economic conditions, performance of the relevant industries, competitiveness of the invested company as well as the conditions in the global and regional financial and capital markets. Securities offering may also need to comply with the applicable securities laws; and

- In many cases, the Group may be prohibited by contract or by applicable securities laws from selling such securities for a period of time.

The Group also invests in publicly traded securities from time to time. Its ability to dispose of these investments is heavily dependent on the performance of the securities market, apart from other factors that may affect a publicly traded company's financial performance. Market prices of publicly traded securities tend to be volatile and subject to significant fluctuations. If the market price of the securities the Group holds declines significantly, the Group may be unable to sell any such securities at a favourable price, if at all, and may lose all or a portion of its investment amount. In addition, holdings of a large number of securities often can only be disposed of over a substantial length of time, exposing the Group's investment returns to risks of downward movement in market prices during the intended disposition period.

Accordingly, the Group may be forced to either sell the securities at lower prices or hold the securities for a considerable period of time, which could have a material adverse effect on the Group's business, results of operations and financial condition.

Difficult market conditions can adversely affect the Group's business in various ways, including by reducing the value or performance of the investments, which could negatively impact the Group's operating income and cash flow and adversely affect its financial condition.

The Group's investment business is materially affected by conditions in the financial markets and economic conditions or events in the PRC and in the world, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation), trade barriers, commodity prices, currency exchange rates and controls and national and international political circumstances (including wars, terrorist acts or security operations). The Group's business and value of its investments are also affected by the performance of the companies in which the Group invests and the market conditions of the industries these companies operate in or are affected by. These factors are outside the Group's control and may affect the level and volatility of securities prices and the liquidity and value of its investments. The Group may not be able to manage its exposure to these conditions and/or events.

The Group may be affected by reduced opportunities to exit and realise value from their investments as a lack of financing makes it more difficult for potential buyers to raise sufficient capital to purchase assets in the Group's portfolios, by lower than expected returns on investments, which could cause the Group to realise diminished or no profit, and by the fact that the Group may not be able to find suitable investments for it to effectively deploy capital, which could adversely affect the Group's ability to make new investments because it can generally only raise capital for a new investment following the substantial deployment of capital from the existing investment.

During periods of difficult market or economic conditions or slowdowns (which may be across one or more industries, sectors or geographies), the Group's portfolio companies may experience decreased operating income, financial losses, credit rating downgrades, difficulty in obtaining access to financing and increased funding costs. These companies may also have difficulties in expanding their businesses and operations or be unable to meet their debt service obligations or other expenses as they become due, including expenses payable to the Group. Negative financial results in the Group's portfolio companies may result in lower investment returns for its investment, which could materially and adversely affect its operating results and cash flow. To the extent the operating performance of such portfolio companies (as well as valuation multiples) deteriorates or does not improve, the Group may sell those assets at values that are less than it projected or even at a loss, thereby significantly affecting the Group's performance and consequently its operating results and cash flow.

The Group has made investments in portfolio companies that it does not control.

The Group invests in portfolio companies that it does not control. The Group's ability to manage and monitor the operations of its portfolio companies derives primarily from its contractual rights under shareholders' agreements and its shareholders' rights under the PRC Company Law and other relevant laws and regulations. Typically, the Group manages and monitors these companies through its representation on their board of directors. The Group's inability to exercise control over these companies exposes it to inherent risks such as daily operational issues and legal non-compliance of its portfolio companies as the Group may not be in a position to resolve issues or address risks in its portfolio companies. Also, its interests may be adversely affected as a result of other shareholders' failure to perform their contractual obligations and disagreements among shareholders over the management or future directions of these companies. In addition, when the Group acquires minority equity interests or dispose a portion of majority equity interests in portfolio companies in a manner that results in the Group retaining a minority investment and not having control, it is subject to risk that the relevant portfolio companies may make business, financial or management decisions with which the Group does not agree or that the majority shareholders or the management of the companies may take risks or otherwise act in a manner that does not serve the Group's interests. Also, regardless of whether the Group has control, there can be no assurance that it will not have disputes with other shareholders of its portfolio companies. In the event of such disputes, the operations of such companies may be adversely affected, and the Group may be forced to take actions, including arbitration and litigation, to resolve such disputes. These actions could result in substantial costs, divert the Group's management resources and adversely impact its reputation. The outcome of any such arbitration or litigation cannot be guaranteed. If any of the foregoing were to occur, the values of the Group's equity interests in companies that it does not control could decrease and its financial condition and cash flows could suffer as a result.

The Group's securities business may be adversely affected by regulatory changes and measures.

The Group conducts securities business through Yuekai Securities, which is subject to laws, policies and regulatory requirements issued by the relevant governmental authorities. These regulations limit the types of products and services the Group may offer by imposing capital requirements and restrict the business activities by stipulating the types of securities that the Group may invest in.

The regulatory authorities conduct periodic inspections, examinations and inquiries in respect of the Group's compliance with relevant regulatory requirements. Any potential failure to comply with the applicable regulatory requirements could result in sanctions, fines, penalties or other disciplinary actions, including, among other things, a downgrade of the Group's regulatory rating and limitations or prohibitions on the Group's future business activities and could also potentially harm the Group's reputation. A downgrade of the Group's regulatory ratings may limit the Group's ability to conduct certain businesses or obtain certain business permits or approvals for the Group's new businesses or cause the Group to be subject to a higher risk capital reserve ratio or a higher securities investor protection fund reserve ratio. Any future incidents of noncompliance may have a material adverse effect on the Group's business, financial condition, results of operations, reputation and prospects.

Rules and regulations applicable to the Group's business are evolving rapidly. New rules and regulations, and changes in the interpretation or enforcement of existing rules and regulations, may directly impact the Group's business strategies, competitiveness and prospects. Changes in the rules and regulations could impose more stringent requirements or additional limitations on the business that the Group's conducts, requiring the Group to modify its existing business practices and lead to additional compliance costs or introduce and increase competition for its business. Any failure to adapt to the ever-changing regulatory environment and maintain the Group's compliance and competitiveness could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to strict capital adequacy, risk management, liquidity and other regulatory requirements, and the Group may not always be able to comply with such requirements.

The Group is subject to capital adequacy, risk indicator, liquidity and other requirements imposed by CSRC, SAC and other regulatory authorities and self-regulatory organisations, and the Group experienced non-compliance of certain requirements from time to time. For example, on August 26, 2020 Yuekai Securities received an admonition letter from the CSRC Guangdong branch. The CSRC Guangdong branch found that there were compliance issues with respect to Yuekai Securities asset management business, risk management measures are insufficient, and there were transactions between Yuekai Securities' different asset management plans that were in contravention of the regulations. The CSRC issued an admonition letter to the then executives of Yuekai Securities and requested that Yuekai Securities take correction measures to improve its internal control and risk management. On 29 September 2021, Yuekai Securities received a notification from the CSRC that the CSRC had decided to open an investigation against it and alleged that it fell short of the proper standard of due diligence when underwriting the bonds issued by a company.

Any failure to meet such requirements could lead to sanctions, fines, penalties or other disciplinary actions, including a downgrade of the Group's regulatory rating and limitations or prohibitions on its future business activities, which may have a material adverse effect on its business, financial condition, results of operations, reputation and prospects. According to the Administrative Measures for Risk Control Indicators of Securities Companies made by the CSRC, effected on 1 November 2006 and revised on 16 June 2016 and 20 March 2020, the risk coverage ratio (namely net capital divided by the sum of various risk capital reserves times 100%) of a securities company shall not be less than 100%; the capital leverage ratio (namely core net capital divided by total on- and off-balance-sheet assets times 100%) of a securities company shall not be less than 8%; the liquidity coverage ratio (namely high-quality liquid assets divided by net cash outflow for the next 30 days times 100%) of a securities company shall not be less than 100%; and the net steady fund rate (available steady funds divided by required steady funds times 100%) of a securities company shall not be less than 100%. Although the Group believes that it is in compliance with relevant capital adequacy, risk management and liquidity requirements, there is no guarantee that the Group will be able to comply with such requirements at all times in the future, and any failure to do so may cause a material adverse effect on the Group's business, operations, financial conditions or prospects.

The Group may not be able to compete successfully in the PRC securities industry.

The PRC securities industry is highly and increasingly competitive. The Group faces intense competition against a large and diverse group of competitors. Commercial banks, fund management companies, insurance companies, trust companies, futures trading companies, asset management companies and other financial institutions are expanding their services into the traditional businesses of securities firms through "one-stop-shop" types of products and service innovation and are competing with securities firms in certain areas such as asset management businesses and any new business areas that they may expand into in the future.

For the securities sales and trading business and asset management business, the Group competes primarily with other licensed securities firms in terms of brokerage commission rates, quality and range of services, and range of product offerings. The intense price competition in recent years has lowered commission rates and fees for the securities brokerage business and asset management business in general. Some of the Group's competitors may have certain competitive advantages, including greater financial resources, stronger brand recognition, broader product and service offerings and a branch network with wider geographic coverage. They may also have more experience with a broader range of services and more complex financial products than the Group. As China is taking steps to open up its financial industry through easing its limits to foreign stakes in securities firms, new competitors may enter into the securities industry, which could further intensify market competition. The Group may not always be able to compete successfully with its competitors, which could have an adverse effect on its business, financial condition, results of operations and prospects.

RISKS RELATING TO THE PRC

The Group's business, financial condition, results of operations and prospects could be adversely affected by slowdowns in the PRC economy.

The Group primarily conducts its businesses in Guangzhou Development District and substantially all of the Group's revenue is derived from the PRC. The Group relies, to a significant degree, on the development and economic growth of the PRC, particularly of Guangdong Province, to achieve revenue growth. The global crisis in financial services and credit markets in 2008 caused a slowdown in the growth of the global economy. In 2015, the PRC Government adopted intensive reforms with the primary aim of restructuring and rebalancing the PRC economy towards a more sustainable model by focusing more on domestic consumption and moving away from investment and export fuelled growth. As a consequence of these reforms and instability in the recovery of the international economy, China reported a GDP of RMB90.03 trillion and RMB99.1 trillion and RMB101.6 trillion in 2018, 2019 and 2020, respectively. The year-on-year growth of 6.6 per cent. in 2018 was equal to the lowest growth rate in the previous 28 years, according to the statistics released by the National Statistics Bureau of the PRC. In March 2016, Moody's Investors Service, Inc. and S&P Global Ratings changed China's credit rating outlook to "negative" from "stable", which highlighted the country's surging debt burden and questioned the government's ability to enact reforms. The continuing effects of reform in the PRC and the sovereign debt crisis in Europe may have an adverse effect on the global and the PRC economies resulting in continuing uncertainty for the overall prospects for the global and the PRC economies. Any slowdown of the PRC economy may create a credit tightening environment, increase the Group's financing costs, or reduce government subsidies to the Group, resulting in a material adverse effect on its business, results of operations and financial condition.

Changes in the economic, political and social conditions in the PRC and government policies adopted by the PRC Government could adversely affect the Group's business and prospects.

The PRC economy differs from the economies of most developed countries in many respects, including with respect to government involvement, level of development, economic growth rate, control of foreign exchange and allocation of resources. The PRC economy has been transitioning from a planned economy to a more market-oriented economy. In recent years, the PRC Government has implemented a series of measures emphasising market forces for economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance in business enterprises.

However, a large portion of productive assets in China continue to be owned by the PRC Government. The PRC Government continues to play a significant role in regulating industrial development, the allocation of resources, production, pricing and management, and there can be no assurance that the PRC Government will continue to pursue the economic reforms or that any such reforms will not have an adverse effect on the Group's business.

The Group's operations and financial results could also be affected by changes in political, economic and social conditions or the relevant policies of the PRC Government, such as changes in laws and regulations (or the interpretation thereof). In addition, the growth of development in the economic and technology development zones and infrastructure construction demand in the PRC depends heavily on economic growth. If the PRC's economic growth slows down or if the PRC economy experiences a recession, the growth of development in Chinese economic and technology development zones and infrastructure construction demand may also slow down, and the Group's business prospects maybe materially and adversely affected. The Group's operations and financial results, as well as the Issuer's ability to satisfy its obligations under the Bonds, could also be materially and adversely affected by changes to or introduction of measures to control changes in the rate or method of taxation and the imposition of additional restrictions on currency conversion.

Uncertainties with respect to the PRC legal system could adversely affect the Group.

As substantially all of the Group's businesses are conducted, and substantially all of the Group's assets are located, in the PRC, the Group's operations are governed principally by PRC laws and regulations. The PRC legal system is based on written statutes while prior court decisions can only be cited as reference. Since 1979, the PRC Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organisation and governance, commerce, taxation, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, China has not developed a fully integrated legal system, and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in China. In particular, because these laws and regulations are relatively new (including the Regulation on the Financing Activities Conducted by Financial Enterprises for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知) (財金[2018]23號) (the "**MOF Circular**") promulgated on 28 March 2018 and took effect on the same day, the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知) (發改外資[2018]706 號) (the "**Joint Circular**") promulgated on 11 May 2018 and took effect on the same day, and the Notice of the General Office of the National Development and Reform Commission on Relevant Requirements for Record-filing and Registration of Issuance of Foreign Debts by Local State-owned Enterprises (國家發展改革委辦公廳關於對地方國有企業發行外債申請備案登記有關要求的通知) (發改辦外資[2019]666號) (the "**Circular 666**") promulgated on 6 June 2019 and took effect on the same day), and because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. In addition, the PRC legal system is based, in part, on government policies and internal rules (some of which are not published on a timely basis or at all) that may have a retroactive effect. As a result, the Group may not be aware of the Group's violation of these policies and rules until sometime after the violation. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management's attention and it may be difficult to obtain a swift and equitable enforcement of laws in the PRC, or the enforcement of judgements by a court of another jurisdiction. These uncertainties relating to the interpretation and implementation of PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Group in its operations and to the holders of the Bonds.

Investors may experience difficulties in effecting service of legal process and enforcing judgments against the Group and the Group's management.

The Company and most of the Company's subsidiaries are incorporated in the PRC. A substantial portion of the Group's assets are located in the PRC. In addition, most of the Company's directors, supervisors and executive officers reside within the PRC and the assets of the Group's directors and officers may be located within the PRC. As a result, it may not be possible to effect service of process outside the PRC upon most of the Group's directors, supervisors and senior management, including for matters arising under applicable securities laws. The Issuer has irrevocably submitted to the exclusive jurisdiction of the Hong Kong courts in the transaction documents relating to the Bonds. Hong Kong and the PRC have entered into certain arrangements on the reciprocal recognition and enforcement of judgments in civil and commercial matters (the "**Reciprocal Arrangements**") which allow for a final court judgment (relating to the payment of money or other civil or commercial proceeding) rendered by a Hong Kong court or PRC court (as the case may be) to be recognised and enforced in the PRC or Hong Kong (as the case may be), provided certain conditions are met. However, certain matters may be excluded under the Reciprocal Arrangements and a judgment may be refused to be recognised and enforced by the requested place in certain circumstances such as for public policy reasons or where the judgment was obtained by fraud. As a general matter, a judgment of a court of another jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with China or if judgments of the PRC courts have been recognised before in that jurisdiction, subject to the satisfaction of other requirements. The PRC signed the Hague Convention on Choice of Court Agreements (the "**Hague Convention**") in September 2017 which is intended to promote the use of exclusive choice of court agreements in international contracts and facilitate the creation of a recognition and enforcement regime for court judgements between contracting States. However, the signing of the Hague Convention does not have currently have any legal effect until it is ratified by the PRC government. China has not entered into treaties and arrangements providing for the reciprocal recognition and enforcement of judgments of courts with many countries, including Japan, the United States and the United Kingdom. Therefore, it may be difficult for investors to enforce any judgments obtained from such foreign courts against the Group, the Company, or any of their respective directors, supervisors or senior management in the PRC.

Government control of currency conversion may adversely affect the value of investors' investments.

Most of the Group's revenue is denominated in Renminbi, which is also the reporting currency. Renminbi is not a freely convertible currency. A portion of the Group's cash may be required to be converted into other currencies in order to meet the Group's foreign currency needs, including payments of distribution, principal and premium on the Bonds. However, the PRC Government may restrict future access to foreign currencies for current account transactions at its discretion. If this were to occur, the Group might not be able to pay distribution, principal and premium to the holders of the Bonds in foreign currencies. Moreover, foreign exchange transactions under capital accounts in the PRC continue to be not freely convertible and require the approval of or the registration with the SAFE or its local branch. These limitations could affect the Group's ability to obtain foreign currencies through equity or debt financing, or to obtain foreign currencies for capital expenditure and as a result, the Group's capital expenditure plans, business operations and consequently its results of operations and financial condition, as well as its ability to satisfy its obligations under the Bonds could be materially and adversely affected.

The payment of dividends by the Company's operating subsidiaries in the PRC is subject to restrictions under PRC law.

PRC laws require that dividends be paid only out of net profits, calculated according to PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions. In addition, PRC law requires enterprises to set aside part of their net profits as statutory reserves before distributing the net profits for the current financial year. These statutory reserves are not available for distribution as cash dividends. Since the availability of funds to fund the Company's operations and to service its indebtedness depends upon dividends received from its subsidiaries, any legal restrictions on the availability and usage of dividend payments from the Company's subsidiaries may impact the Company's ability to fund its operations and to service its indebtedness.

In addition, the Group is subject to certain restrictive covenants in the financing arrangements entered into by the Company's subsidiaries and certain banks. For instance, loan agreements with certain commercial banks may restrict the Company's subsidiaries from paying any dividends to the Company or repaying intercompany loans before the loan is fully repaid.

There can be no assurance of the accuracy or comparability of facts and statistics contained in this Offering Circular with respect to the PRC, its economy or the relevant industry.

Certain facts and other statistics in this Offering Circular relating to the PRC, its economy or the relevant industry in which the Group operates have been directly or indirectly derived from official government publications and certain other public industry sources and although the Group believes such facts and statistics are accurate and reliable, it cannot guarantee the quality or the reliability of such source materials. They have not been prepared or independently verified by the Group, the Joint Lead Managers, the Trustee or any of its or their respective affiliates, employees, directors, agents, advisers or representatives, and, therefore, none of the Company, the Joint Global Coordinators, the Joint Lead Managers, the Trustee, the Agents or any of its or their respective affiliates, employees, directors, agents, advisers or representatives makes any representation as to the completeness, accuracy or fairness of such facts or other statistics, which may not be consistent with other information compiled within or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be incomplete, inaccurate or unfair or may not be comparable to statistics produced for other economies or the same or similar industries in other countries and should not be unduly relied upon. Furthermore, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts or other statistics.

RISKS RELATING TO THE BONDS

As a holding company, the Issuer has only limited sources of funding in order to meet its debt obligations.

As a holding company, the Issuer operates its business mainly through its subsidiaries. Accordingly, the Issuer has limited sources of funding available to it to service its debts and its ability to meet the obligations under its debt obligations. These mainly include dividends and repayments on intercompany loans received from its subsidiaries, as well as divestments of investment assets and obtaining external financing.

With respect to dividends and repayments of intercompany loans from its subsidiaries, if a subsidiary of the Issuer incurs any debt, such debt may impair the Issuer's subsidiaries from distributing dividends or making other distributions to the Issuer ultimately. In addition, PRC laws require that dividends can only be paid out of the net profit calculated according to PRC GAAP and financial regulations in the PRC. In addition, the PRC laws require the companies incorporated in the PRC to set aside part of their net income as statutory reserves. These statutory reserves are not available for distribution as cash dividends. Such restrictions may have an adverse effect on the Issuer's ability to service its debts and its ability to meet its debt obligations as the Issuer relies heavily on dividends and repayments from its subsidiaries.

If the Company fails to complete the SAFE registration in connection with the Bonds within the time period prescribed by the SAFE, there may be logistical hurdles for cross-border payment.

The Company, as a PRC incorporated entity, is required to submit the Bonds to the local SAFE for registration in accordance with the Foreign Debt Registration within 5 PRC Business Days (as defined in the Terms and Conditions) after the Issue Date. Although the non-registration does not render the Bonds ineffective or invalid under PRC law, SAFE may impose penalties on the Company if registration is not carried out within the stipulated time frame. The Issuer intends to register the Bonds as soon as practicable and in any event before the Registration Deadline (being the day falling 150 calendar days after the Issue Date). In addition, if the Issuer fails to complete the SAFE registration, there may be logistical hurdles at the time of remittance of funds (if any cross-border payment is to be made by the Issuer) as domestic banks may require evidence of SAFE registration in connection with the Bonds in order to effect such remittance.

The Company may not be able to redeem the Bonds upon the occurrence of a No Registration Event.

Following the occurrence of a No Registration Event (as defined in "Terms and Conditions"), the holders of the Bonds may require the Company to redeem all of the Bonds at a price in cash equal to 100% of the principal amount of bonds, plus any accrued interest up to but excluding the Put Settlement Date (as defined in the Terms and Conditions). If such an event were to occur, the Company may not have sufficient cash in hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. The Company's failure to repay, repurchase or redeem the Bonds could constitute an event of default under the Bonds, which may also constitute a default under the terms of their other indebtedness.

If the Company fails to complete the NDRC Post-issue Filing in connection with the Bonds within the time period prescribed by the NDRC, the NDRC may impose penalties on the Company.

The Company, as a PRC incorporated entity, is required to provide the requisite information on the issuance of the Bonds to the NDRC within 10 PRC Business Days (as defined in the Terms and Conditions) after the Issue Date. Although failure of the NDRC Post-Issue Filing does not render the Bonds ineffective or invalid under PRC law, the NDRC may impose penalties on the Company if post-issue filing is not carried out within the stipulated time frame. The Company intends to complete the NDRC Post-issue Filing as soon as practicable.

The insolvency laws of the PRC and other local insolvency laws may differ from those of another jurisdiction with which the holders of the Bonds are familiar.

As the Issuer is incorporated under the laws of the PRC, any insolvency proceeding relating to the Issuer, even if brought in other jurisdiction, would likely involve the PRC insolvency laws. The procedural and substantive provisions of the laws of the PRC may differ from comparable provisions of the local insolvency laws of jurisdictions with which the Bondholders are familiar.

An active trading market for the Bonds may not develop.

The Bonds are a new issue of securities for which there is currently no trading market. Although application has been made for the listing and quotation of the Bonds on the the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only, we cannot assure you that we will obtain or be able to maintain a listing on the the Hong Kong Stock Exchange, or that, if listed, a liquid trading market will develop, or as to the liquidity or sustainability of any such market, the ability of Bondholders to sell their Bonds or the price at which Bondholders will be able to sell their Bonds. None of the Managers is obligated to make a market in the Bonds, and if the Managers do so they may discontinue such market-making activity at any time without notice. Further, the Bonds may be allocated to a limited number of investors, in which case liquidity may be limited. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, the holders of the Bonds will only be able to resell the Bonds in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

Investors in the Bonds may be subject to foreign exchange risks.

The Bonds are denominated and payable in U.S. dollars. An investor who measures investment returns by reference to a currency other than U.S. dollars would be subject to foreign exchange risks by virtue of an investment in the Bonds, due to, among other things, economic, political and other factors over which the Issuer does not have any control. Depreciation of the U.S. dollars against such currency could cause a decrease in the effective yield of the Bonds below their stated coupon rates and could result in a loss when the return on the Bonds is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Bonds.

International financial markets and world economic conditions may adversely affect the market price of the Bonds.

The market price of the Bonds may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Bonds is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issues in other countries, including the PRC. Since the global financial crisis in 2008 and 2009, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Bonds could be adversely affected.

For example, since July 2018, the U.S. and PRC had made various announcements or threats to increase and impose tariffs on goods from the other country. On 15 January 2020, the two sides showed signs of making a truce by signing the Phase 1 Deal pursuant to which, amongst other things, the U.S. committed to cut some tariffs on Chinese goods and the PRC pledged to purchase more U.S. goods and address some intellectual property complaints. The effect of such tariffs on the economy of the PRC and the U.S. is yet to be seen, and the trade dispute between the PRC and the U.S. and the increasing amount of the tariff that the U.S. plans to impose on Chinese imports may have an adverse effect on the global and the PRC economies resulting in continuing uncertainty for the overall prospects for the global and the PRC economies this year and beyond.

Further, the World Health Organisation declared COVID-19 to be a global pandemic. There has been rapid and widespread increase in new infections in the United States, Europe and other parts of the world and increased fatality rates in many countries. Citizens in many affected countries and areas have been being advised or required to stay at their homes subject to limited exceptions. Despite the recently developed vaccines, these are still in the early stages of being widely rolled out globally and their effectiveness remains to be seen. There are also new strains of COVID-19 in the UK and in South Africa. The reduced consumption, commercial activities and industrial production will severely disrupt their economies and the global supply chain and may result in recessions in these economies.

In the spring of 2020, there was also a disagreement between Saudi Arabia and Russia on their daily production outputs of crude oil. Saudi Arabia had significantly increased its daily output which has led to a significant decline in global crude oil prices. The oil price remains volatile, in spite of reports that a deal has been reached between the OPEC+ group, an alliance between OPEC and other oil producers including Russia to cut oil production, and global rollout of the COVID-19 vaccine signalling at recovery of the global economy which prompted an increase in oil prices. There have also been extreme volatilities in the global markets across all asset classes: stocks, bonds, oil and metals pursuant to these and these volatilities may also happen in future.

As a result, the global economy is facing significant uncertainties and the global financial markets are experiencing significant volatilities which may adversely affect the market price of the Bonds. Investors must exercise caution before making any investment decisions.

The liquidity and price of the Bonds following the offering may be volatile.

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in each of the Group's revenue, earnings and cash flows and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies or any adverse change in the credit rating, revenues, earnings or results of operations could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the Bonds will trade. There can be no assurance that these developments will not occur in the future.

Modifications and waivers may be made in respect of the Terms and Conditions of the Bonds and the Trust Deed by the Trustee or less than all of the holders of the Bonds.

The Terms and Conditions of the Bonds provide that the Trustee may, without the consent of Bondholders, agree to any modification (except as mentioned in the Trust Deed) of the Trust Deed, the Agency Agreement and/or the Terms and Conditions of the Bonds which in the opinion of the Trustee will not be materially prejudicial to the interests of Bondholders and to any modification of the Trust Deed, the Agency Agreement and/or the Terms and Conditions of the Bonds which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law.

In addition, the Trustee may, without the consent of the Bondholders, authorise or waive any proposed breach or actual breach of, or any failure to comply with, any of the provisions of the Bonds, the Trust Deed, the Agency Agreement, and/or the Terms and Conditions of the Bonds (other than a proposed breach, or a breach relating to the subject of certain reserved matters) if, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby.

The Trustee may request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances (including, without limitation, giving of notice to the Issuer pursuant to Condition 9 of the Terms and Conditions and taking steps and/or actions and/or instituting proceedings pursuant to Condition 13 of the Terms and Conditions), the Trustee may (at its sole discretion) request Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes steps and/or actions and/or institutes proceedings on behalf of the Bondholders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute such proceedings if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such steps and/or actions and/or proceedings can be taken and/or instituted. The Trustee may not be able to take steps and/or actions and/or institute proceedings, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed constituting the Bonds and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable laws and regulations, it will be for the Bondholders to take such steps and/or actions and/or institute such proceedings directly.

Gains on the transfer of the Bonds and distribution payable by the Issuer to overseas Bondholders may be subject to income tax and value-added tax under PRC tax laws.

Under the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法) (the "**EIT Law**") which took effect on 1 January 2008, amended on 29 December 2018, and its implementation rules, any gains realised on the transfer of the Bonds by Bondholders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of the Bonds by enterprise holders would be treated as income derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, there is uncertainty as to whether gains realised on the transfer of the Bonds by individual Bondholders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排), which was promulgated on 21 August 2006 (the "**Arrangement**"), Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

Pursuant to the EIT Law, the PRC Individual Income Tax Law (中華人民共和國個人所得稅法) (the "**IIT Law**") which took effect on 1 January 2019, and the implementation regulations in relation to both the EIT Law and IIT Law, PRC income tax at a rate of 10 per cent. or 20 per cent. is normally applicable to PRC-source income derived by non-resident enterprises or individuals respectively, subject to adjustment by applicable treaty. As the Issuer is a PRC resident enterprise for tax purposes, distribution paid to non-resident Bondholders may be regarded as PRC-sourced, and therefore be subject to PRC income tax at a rate of 10 per cent. for non-resident enterprise Bondholders and at a rate of 20 per cent. for non-resident individual Bondholders (or a lower treaty rate, if any).

On 23 March 2016, the MOF and the SAT issued the Circular of Full Implementation of Replacing Business Tax with Value-Added Tax Reform (財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知) (Caishui [2016] No. 36) ("**Circular 36**"), which introduced a new value-added tax ("**VAT**") from 1 May 2016. VAT is applicable where entities or individuals provide services within the PRC. The services are treated as being provided within the PRC where either the service provider or the service recipient is located in the PRC. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the "loans" refers to the activity of lending capital for another's use and receiving the interest income thereon. If the issuance of Bonds is treated by the relevant tax authorities as the Bondholders providing financing services within the PRC, the Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges (as described below) on VAT for payments of distribution and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. Pursuant to the PRC City Maintenance and Construction Tax Law (中華人民共和國城市維護建設稅法), Interim Provisions on the Collection of Educational Surcharges (徵收教育費附加的暫行規定(2011修訂)), the Notice of the Ministry of Finance on the Relevant Matters regarding Unifying the Policies on Local Education Surcharges (財政部關於統一地方教育附加政策有關問題的通知) and the Interim Administrative Measures on the Collection and Utilisation of Local Educational Surcharges in Guangdong Province (廣東省地方教育附加徵收使用管理暫行辦法), city maintenance and construction tax, educational surcharges and local educational surcharges will be applicable when the entities and individuals are obliged to pay VAT. The Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges on VAT for payments of distribution and certain other amounts on the Bonds paid by the Issuer to Bondholders that are non-resident enterprises or individuals. VAT is unlikely to be applicable to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Bonds, but there is uncertainty as to the applicability of VAT if either the seller or buyers of Bonds is located inside the PRC, Circular 36 together with other laws and regulations pertaining to VAT are relatively new, the interpretation and enforcement of such laws and regulations involve uncertainties.

If a Bondholder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax or VAT or related surcharges on VAT on distribution or gains on the transfer of the Bonds, the value of the relevant Bondholder's investment in the Bonds may be materially and adversely affected.

The Bonds may not be a suitable investment for all investors.

Each potential investor in any Bond must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Bonds, the merits and risks of investing in the relevant Bonds and the information contained in this Offering Circular;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Bonds and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Bonds;
- understand thoroughly the terms of the relevant Bonds and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in Bonds which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of such Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Bonds are legal investments for it, (b) Bonds can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

The Bonds may not be a suitable investment for all investors seeking exposure to green assets.

We have developed our Green Finance Framework and intend to adopt certain obligations with respect to the issue of Green Bonds as described in the section headed "Green Finance Framework." We intend to issue Green Bonds to finance and/or refinance Eligible Green Projects as defined in the Company's Green Finance Framework and will be used as working capital in connection with Eligible Green Projects in alignment with the Green Bond Principles (2021). We cannot guarantee that we will be able to comply with the obligations as set out in the Green Finance Framework. However, it will not be an event of default under the terms of the Bonds if we fail to comply with such obligations. Such failure may affect the value of the Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets. Therefore, the Bonds may not be a suitable investment for all investors seeking exposure to green assets.

PricewaterhouseCoopers has been engaged by the Company to examine the assertions in "Green Finance Framework", and has expressed a limited assurance opinion on such description ("**Attestation Report**"). The criteria for PricewaterhouseCoopers's procedures are the ICMA Green Bond Principles. The Attestation Report is not incorporated into, and it does not form part of, this Offering Circular. The Attestation Report is not a recommendation to buy, sell or hold securities and are only current as of their respective dates of issue and are subject to certain disclaimers set out therein. Furthermore, the Attestation Report is for information purposes only and none of PricewaterhouseCoopers or the Managers accepts any form of liability for the substance of the Attestation Report and/or any liability for loss arising from the use of the Attestation Report and/or the information provided in it.

In addition, In connection with the issue of the Bonds, the Issuer has requested the Hong Kong Quality Assurance Agency (the "**HKQAA**") to issue independent certification (a "**HKQAA Pre-issuance Stage Certificate**") confirming that the Bonds are in compliance with the requirements of the Green Finance Certification Scheme operated by the HKQAA (the "**HKQAA Green Finance Certification Scheme**"). The HKQAA Green Finance Certification Scheme is a set of voluntary guidelines that aims to facilitate the development of green finance and the green industry. The HKQAA Pre-issuance Stage Certificate has been obtained for the Bonds. See the section headed "The HKQAA Green Finance Certification Scheme" of this offering memorandum for more details.

There is currently no market consensus on what precise attributes are required for a particular project to be defined as "green," and therefore no assurance can be provided to potential investors that the eligible green projects will continue to meet the relevant eligibility criteria. Although applicable green projects are expected to be selected in accordance with the categories recognized by the HKQAA Green Finance Certification Scheme and are expected to be developed in accordance with applicable legislation and standards, there can be no guarantee that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and/or operation of any such green projects. Where any negative impacts are insufficiently mitigated, green projects may become controversial, and/or may be criticized by activist groups or other stakeholders.

The HKQAA Pre-issuance Stage Certificate is not incorporated into, and does not form part of this Offering Memorandum. The HKQAA Pre-issuance Stage Certificate may not reflect the potential impact of all risks related to the Bonds, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Bonds. The HKQAA Pre-issuance Stage Certificate is not a recommendation to buy, sell or hold securities and is only current as of its date of issue.

While we intend to use the proceeds from the issuance of the Bonds in accordance with the Green Finance Framework, it would not be an Event of Default under the Description of the Bonds if it were to fail to comply with such obligations or were to fail to use the proceeds in the manner specified in the relevant terms and conditions and/or (ii) the HKQAA Pre-issuance Stage Certificate, the Attestation Report and/or any other certification were to be withdrawn. Any failure to use the net proceeds in the manner specified in this offering memorandum, and/or any failure to meet, or to continue to meet, the investment requirements of certain investors with environmental and/or social concerns with respect to the Bonds, may affect the value and/or trading price of the Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in green projects. In the event that the Bonds are included in any dedicated "green," "environmental," "sustainable" or other equivalently-labelled index, no representation or assurance is given by the Company or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates. None of the Company, the Managers, the Trustee nor the Agents make any representation as to the suitability or reliability for any purpose of the HKQAA Pre-issuance Stage Certificate, the Attestation Report or any other certification or whether the Notes fulfil, in whole or in part, the relevant environmental criteria or any present or future investor expectations or requirements.

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts and the Bondholders would need to be subject to the exclusive jurisdiction of the Hong Kong courts. There is also no assurance that the PRC courts will recognise and enforce judgments of the Hong Kong courts in respect of English law governed matters or disputes.

The Terms and Conditions of the Bonds and the transaction documents are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken. Under the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判斷的安排), judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgment could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC. While it is expected that the PRC courts will recognise and enforce a judgment given by Hong Kong courts governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the Bondholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the Bondholders' ability to initiate a claim outside of Hong Kong will be limited.

A change in English law which governs the Bonds may adversely affect the Bondholders.

The "*Terms and Conditions of the Bonds*" are based on English law in effect. No assurance can be given as to the impact of any possible judicial decision or change to English law, or administrative practices after the date of this Offering Circular and any such change could materially adversely impact the value of any Bonds affected by it.

The Bonds will initially be represented by a Global Certificate and holders of a beneficial interest in a Global Certificate must rely on the procedures of the relevant Clearing System.

The Bonds will initially be represented by a Global Certificate. Such Global Certificate will be deposited with a common depositary for Euroclear and Clearstream. Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive bonds. The relevant clearing system will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the clearing systems.

While the Bonds are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Bonds by making payments to the common depositary for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant clearing system to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system to appoint appropriate proxies.

Bondholders should be aware that a definitive Certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

In relation to any Bond which has a principal amount consisting of a minimum specified denomination plus a higher integral multiple of another smaller amount, it is possible that the Bonds may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a Bondholder who, as a result of trading such amounts, holds a principal amount of less than the minimum specified denomination will not receive a definitive certificate in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to one or more specified denominations. If definitive Bonds are issued, holders should be aware that a definitive certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The Bonds are unsecured obligations.

As the Bonds are unsecured obligations, their repayment may be compromised if:

- the Issuer enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Issuer's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Issuer's indebtedness.

If any of these events were to occur, the Issuer's or, as the case may be, the Issuer's assets and any amounts received from the sale of such assets may not be sufficient to pay amounts due on the Bonds.

The Bonds may be redeemed by the Issuer prior to maturity.

The Issuer may redeem the Bonds at its option, in whole but not in part, at a redemption price equal to 100 per cents. of their principal amount, together with any interest accrued to (but not including) the date fixed for redemption if, subject to certain conditions, as a result of a change in tax law, the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Terms and Conditions), as further described in Condition 6(b) (*Redemption for Taxation Reasons*) of the Terms and Conditions.

If the Issuer redeems the Bonds prior to their maturity date, investors may not receive the same economic benefits they would have received had they held the Bonds to maturity, and they may not be able to reinvest the proceeds they receive in a redemption in similar securities. In addition, the Issuer's ability to redeem the Bonds may reduce the market price of the Bonds.

The Issuer may not be able to meet their outstanding obligations under the Bonds.

The Issuer may (and at maturity, will) be required to redeem all of the Bonds. If such an event were to occur, the Issuer may not have sufficient cash on hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Bonds by or on behalf of the Issuer may constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer's other indebtedness.

The Issuer may issue additional Bonds in the future.

The Issuer may, from time to time, and without prior consultation with the Bondholders create and issue further bonds (see "*Terms and Conditions of the Bonds – Further Issues*") or otherwise raise additional capital through such means and in such manner as the Group may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Bonds.

Decisions that may be made on behalf of all holders of the Bonds may be adverse to the interests of individual holders of the Bonds.

The Terms and Conditions of the Bonds contain provisions for calling meetings of holders of the Bonds to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Bonds including holders who did not attend and vote at the meeting and holders who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of holders of the Bonds may be adverse to the interests of individual Bondholders.

The PRC government (including GDDAC) has no payment or other obligations under the Bonds.

The PRC government (including GDDAC) is not an obligor and Bondholders shall have no recourse to the PRC government (including GDDAC) in respect of any obligation arising out of or in connection with the Bonds in lieu of the Issuer. This position has been reinforced by the the Regulation on the Financing Activities Conducted by Financial Enterprises for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知) (財金[2018]23號) and the the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知) (發改外資[2018]706號). Both Circulars are relatively new, and because of the limited volume of published decisions, the interpretation and enforcement of these laws and regulations involve uncertainties. The PRC government (including GDDAC) as the ultimate shareholder of the Issuer only has limited liability in the form of its equity contribution in the Issuer. As such, the PRC government (including GDDAC) does not have any payment obligations under the Bonds. The Bonds are solely to be repaid by the Issuer as independent legal persons.

The ratings of the Bonds and the Issuer may be downgraded or withdrawn.

The Bonds are expected to be rated Baa1 by Moody's and "BBB+" by Fitch. Such rating of the Bonds does not constitute a recommendation by Moody's Fitch, as applicable, to buy, sell or hold the Bonds and may be subject to revision or withdrawal at any time by Moody's Fitch, as applicable. The Issuer is rated "Baa1" by Moody's and "BBB+" by Fitch. Any decline in the financial position of the Issuer or any of its subsidiaries may result in the rating of the Issuer being revised, suspended or withdrawn entirely. A rating is not a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawn at any time. The Issuer is not obligated to inform holders of the Bonds if a rating is lowered or withdrawn. Any adverse change in an applicable credit rating could adversely affect the trading price for the Bonds.

Changes in market interest rates may adversely affect the value of the Bonds.

The Bonds will carry fixed interest rates. Consequently, investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. If Bondholders sell the Bonds they hold before the maturity of such Bonds, they may receive an offer less than their investment.

Certain facts and statistics are derived from publications not independently verified by the Group or the Managers.

Facts and statistics in this Offering Circular relating to global economy and the relevant industry are derived from publicly available sources. While each of the Issuer has taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by any of the Issuer, the Managers, the Trustee or the Agents or any of their respective directors, officers, employees, affiliates, advisers or agents and, therefore, neither the Issuer, nor such parties make any representation as to the accuracy of such facts and statistics. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, each of the Issue nor such parties cannot assure investors that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

EXCHANGE RATE INFORMATION

CHINA

The PBOC sets and publishes daily a central parity exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. Since 1994, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, has been based on rates set by the PBOC, which are set daily based on the previous day's interbank foreign exchange market rates and current exchange rates in the world financial markets. From 1994 to 20 July 2005, the official exchange rate for the conversion of Renminbi to U.S. dollars was generally stable. Although Chinese governmental policies were introduced in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currency for current account items, conversion of Renminbi into foreign exchange for capital account items, such as foreign direct investment, loans or securities, requires the approval of SAFE and other relevant authorities. On 21 July 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On 20 June 2010, the PBOC announced that it intends to further reform the Renminbi exchange rate regime by allowing greater flexibility in the Renminbi exchange rate. On 16 April 2012, the band was expanded to 1.0 per cent. Such floating band was further enlarged from 1.0 per cent. to 2.0 per cent., effective from 17 March 2014, as announced by the PBOC on 15 March 2014. On 11 August 2015, the PBOC adjusted the mechanism for market makers to form the central parity rate by requiring them to consider the closing exchange rate of the last trading date, the supply and demand of foreign exchange and the rate change at primary international currencies. On 11 December 2015, the China Foreign Exchange Trade System, a sub-institutional organization of the PBOC, published the CFETS Renminbi exchange rate index for the first time which weighs the Renminbi based on 13 currencies, to guide the market in order to measure the Renminbi exchange rate from a new perspective. From 11 August to 13 August 2015, the value of the Renminbi depreciated by approximately 4.4 per cent. against the U.S. dollar. In January and February 2016, the Renminbi experienced further fluctuations in value against the U.S. dollar. Following the gradual appreciation against U.S. dollar in 2017, Renminbi experienced a recent depreciation in value against U.S. dollar followed by a fluctuation in 2018 and early 2019. On 5 August 2019, PBOC set the Renminbi's daily reference rate above 7 per U.S. dollar for the first time in over a decade amidst an uncertain trade and global economic climate. The PRC government may in the future make further adjustments to the exchange rate system.

The following table sets forth information concerning exchange rates between the Renminbi and the U.S. dollar for the periods presented:

	Exchange Rate[(1)]			
Period	**Period end**	**Average[(2)]**	**High**	**Low**
	(RMB per U.S.$1.00)			
2015	6.4778	6.2869	6.4896	6.1870
2016	6.9430	6.6400	6.9580	6.4480
2017	6.5060	6.7350	6.9575	6.4773
2018	6.8755	6.6292	6.9737	6.2649
2019	6.9618	6.9014	7.1786	6.6822
2020	6.5250	6.9042	6.5208	7.1681
2021				
January	6.4282	6.4672	6.4822	6.4282
February	6.4730	6.4600	6.4869	4.4344
March	6.5518	6.5109	6.5716	6.4648
April	6.4749	6.5186	6.5649	6.4710
May	6.3674	6.4321	6.4749	6.3674
June	6.4566	6.4250	6.4811	6.3796
July	6.4609	6.4763	6.5104	6.4609
August	6.4604	6.4768	6.5012	6.4604
September	6.4434	6.4563	6.4702	6.4320
October	6.4050	6.4172	6.4485	6.3820
November	6.3640	6.3889	6.4061	6.3640
December	6.3726	6.3693	6.3772	6.3435

Notes:

(1) Exchange rates between Renminbi and U.S. dollar represent the noon buying rates as set forth in the H.10 statistical release of the Federal Reserve Board.

(2) Annual averages are calculated by averaging the rates on the last business day of each month during the relevant year. Monthly averages are calculated by averaging the daily rates during the relevant monthly period.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to modification and other than the words in italics is the text of the Terms and Conditions of the Bonds which will appear on the reverse of each of the definitive certificates evidencing the Bonds:

The issue of the US$490,000,000 2.850 per cent. green bonds due 2027 (the "**Bonds**", which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 and consolidated and forming a single series therewith) was authorised by a resolution of the board of directors of Guangzhou Development District Holding Group Limited (廣州開發區控股集團有限公司) (the "**Issuer**") passed on 24 March 2021 and was approved by State-owned Assets Supervision and Administration Bureau of Guangzhou Development District (廣州開發區國有資產監督管理局) on 5 August 2021. The Bonds are constituted by a trust deed (as amended and/or supplemented from time to time, the "**Trust Deed**") dated on or about 19 January 2022 (the "**Issue Date**") between the Issuer and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Bonds. These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. An agency agreement (as amended and/or supplemented from time to time, the "**Agency Agreement**") dated on or about 19 January 2022 relating to the Bonds has been entered into between the Issuer, the Trustee, and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as the principal paying agent (in that capacity, the "**Principal Paying Agent**", which expression shall include any successor thereof), as the registrar (in that capacity, the "**Registrar**", which expression shall include any successor thereof) and as the transfer agent (in that capacity, the "**Transfer Agent**", which expression shall include any successor or additional transfer agent appointed from time to time) and any other agents named in it. Copies of the Trust Deed and the Agency Agreement are available for inspection by the Bondholders at all reasonable times during usual business hours at the specified office of the Principal Paying Agent being as at the Issue Date at 28/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong following prior written request and with proof of holding and identity satisfactory to the Principal Paying Agent. "**Agents**" means the Principal Paying Agent, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time pursuant to the Agency Agreement with respect to the Bonds including their respective successors. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed are deemed to have notice of those provisions applicable to them of the Agency Agreement.

All capitalised terms that are not defined in these terms and conditions (these "**Conditions**") will have the meanings given to them in the Trust Deed.

1 FORM, SPECIFIED DENOMINATION AND TITLE

The Bonds are in registered form issued in the specified denomination of US$200,000 (each, a "**Specified Denomination**") and integral multiples of US$1,000 in excess thereof.

The Bonds are represented by registered certificates (the "**Certificates**") and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Bonds by the same holder.

Title to the Bonds shall pass by transfer and registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as otherwise required by law, the holder (as defined below) of any Bond shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate (other than the endorsed form of transfer) representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.

In these Conditions, "**Bondholder**" and, in relation to a Bond, "**holder**" mean the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first named thereof).

*Upon issue, the Bonds will be represented by a global certificate (the "**Global Certificate**") registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). These Conditions are modified by certain provisions contained in the Global Certificate. See "Summary of Provisions Relating to the Bonds in Global Form".*

2 TRANSFERS OF BONDS AND DELIVERY OF NEW CERTIFICATES

(a) **Transfer:** A holding of Bonds may, subject to the Agency Agreement and Conditions 2(d) and 2(e), be transferred in whole or in part upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Bonds to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or the relevant Transfer Agent may require; provided, however, that a Bond may not be transferred unless the principal amount of Bonds transferred and (where not all of the Bonds held by a holder are being transferred) the principal amount of the balance of Bonds not transferred are Specified Denominations. In the case of a transfer of part only of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. No transfer of title to a Bond will be valid unless and until entered on the Register.

Transfers of interests in the Bonds evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

(b) **Delivery of New Certificates:** Each new Certificate to be issued upon transfer of Bonds pursuant to Condition 2(a) shall be made available for delivery within seven business days of receipt of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer and Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(b), "**business day**" means a day, other than a Saturday or Sunday or public holiday, on which commercial banks are generally open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.

(c) **Transfer or Exercise Free of Charge:** Certificates, on transfer, shall be issued and registered without charge to the relevant Bondholder by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon (i) payment by the relevant Bondholder of any tax, duty or other governmental charges that may be imposed in relation to them (or the giving of such indemnity and/or security and/or pre-funding as the Registrar or the relevant Transfer Agent may require in respect thereof); (ii) the Registrar or the relevant Transfer Agent being satisfied in its absolute discretion with the documents of title or identity of the person making the application; and (iii) the relevant Agent being satisfied that the Regulations (as defined in Condition 2(e)) concerning transfer of Bonds have been complied with.

(d) **Closed Periods:** No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Bond, (ii) after a Put Exercise Notice has been deposited in respect of such Bond pursuant to Condition 6(c), (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a)), or (iv) during the period of 15 days prior to (and including) any date on which Bonds may be called for redemption by the Issuer pursuant to Condition 6(b).

(e) **Regulations:** All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer and registration of Bonds (the "**Regulations**"), the initial form of which is scheduled to the Agency Agreement. Each of the Issuer and the Registrar may change the regulations from time to time, with the prior written approval of the Trustee and (in the case of any regulation proposed by the Issuer) of the Registrar. A copy of the current regulations will be made available (free of charge to the Bondholder and at the Issuer's expense) by the Registrar to any Bondholder following written request and proof of holding and identity satisfactory to the Registrar and is available for inspection by any Bondholder at the specified office of the Registrar at all reasonable times during usual business hours following prior written request and proof of holding and identity satisfactory to the Registrar.

3 STATUS

The Bonds constitute direct, unsubordinated, unconditional and (subject to Condition 4(a)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable law and subject to Condition 4(a), at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

4 COVENANTS

(a) **Negative Pledge:** So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and the Issuer will ensure that none of its Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds (i) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) such other security as either (A) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Bondholders or (B) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

(b) **Undertakings Relating to Foreign Debt Registration:** The Issuer undertakes that it will (i) within five PRC Business Days after the Issue Date, file or cause to be filed with SAFE the Bonds pursuant to the Administrative Measures for Foreign Debt Registration (外債登記管理辦法) and its operating guidelines, effective as of 13 May 2013, the Operating Guidelines for Foreign Exchange Business under the Capital Account (資本項目外匯業務操作指引) and the People's Bank of China on Issues Concerning the Overall Macro Prudential Management System for Cross-border Financing (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration and obtain a registration record from SAFE on or before the Registration Deadline and (iii) comply with all applicable PRC laws and regulations in relation to the Foreign Debt Registration and any implementing measures promulgated thereunder from time to time.

(c) **Undertakings relating to NDRC:** The Issuer undertakes to file or cause to be filed with the National Development and Reform Commission of the PRC (the "**NDRC**") the requisite information and documents within 10 PRC Business Days after the Issue Date in accordance with the Circular on Promoting the Reform of the Filing and Registration System on the Issuance by Enterprises of Foreign Debt (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知(發改外資[2015]2044號)) issued by the NDRC and which came into effect on 14 September 2015, and any implementation rules, regulations, certificates, circulars or notices in connection therewith as issued by the NDRC from time to time (the "**NDRC Post-issue Filing**").

(d) **Notification of Completion of the Foreign Debt Registration and the NDRC Post-issue Filing:** The Issuer shall on or before the Registration Deadline provide the Trustee with (i) a certificate in English substantially in the form set out in the Trust Deed signed by an Authorised Signatory (as defined in the Trust Deed) of the Issuer confirming (A) the completion of the NDRC Post-issue Filing and the Foreign Debt Registration and (B) no Change of Control, Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred; and (ii) copies of the relevant documents evidencing due filing with the NDRC and the relevant SAFE registration certificates, any other document evidencing the completion of registration issued by SAFE and the particulars of registration, each certified in English by an Authorised Signatory of the Issuer as being a true and complete copy of the original (the items specified in (i) and (ii) together, the "**Registration Documents**").

In addition, the Issuer shall procure that, within 10 PRC Business Days after the Registration Documents are delivered to the Trustee, the Issuer gives notice to the Bondholders (in accordance with Condition 16) confirming the completion of the NDRC Post-issue Filing and the Foreign Debt Registration.

The Trustee may rely conclusively on the Registration Documents and shall have no obligation or duty to monitor or ensure or assist with the NDRC Post-issue Filing or the Foreign Debt Registration on or before the Registration Deadline or to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the NDRC Post-issue Filing and/or the Foreign Debt Registration and/or the Registration Documents or to translate or procure any translation thereof or to give notice to the Bondholders confirming the completion of the NDRC Post-issue Filing or the Foreign Debt Registration, and shall not be liable to Bondholders or any other person for not doing so.

(e) **Financial Statements:** So long as any Bond remains outstanding, the Issuer shall furnish the Trustee with (i) a Compliance Certificate of the Issuer (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) and a copy of the relevant Audited Financial Reports within 150 calendar days of the end of each Relevant Period prepared in accordance with PRC GAAP (audited by a nationally or internationally recognised firm of independent accountants) of the Issuer and if such statements shall be in the Chinese language, together with an English translation of the same translated by (A) a nationally or internationally recognised firm of accountants or (B) a professional translation service provider and checked by a nationally or internationally recognised firm of accountants, together in each such case with a certificate in English signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate; (ii) a copy of the Unaudited Financial Reports within 90 calendar days of the end of each Relevant Period prepared on a basis consistent with the Audited Financial Reports and if such statements shall be in the Chinese language, together with an English translation of the same and translated by (A) a nationally or internationally recognised firm of accountants or (B) a professional translation service provider and checked and confirmed by a nationally or internationally recognised firm of accountants, together in each such case with a certificate in English signed by an Authorised Signatory of the Issuer certifying that such translation is complete and accurate; and (iii) a Compliance Certificate of the Issuer (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) within 14 days of any written request therefor from the Trustee.

The Trustee shall not be required to review the Audited Financial Reports or the Unaudited Financial Reports delivered to it as contemplated in this Condition 4(f) and, if the same shall not be in the English language, shall not be required to request or obtain or arrange for an English translation of the same, and the Trustee shall not be liable to any Bondholder or any other person for not doing so.

(f) **Ratings:** So long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders, the Issuer will maintain ratings on the Bonds by at least one Rating Agency.

(g) **Definitions:** In these Conditions:

"**Compliance Certificate**" means a certificate of the Issuer in English substantially in the form set out in the Trust Deed and signed by any Authorised Signatory of the Issuer that, having made all reasonable enquiries, to the best knowledge, information and belief of the Issuer as at a date (the "**Certification Date**") not more than five days before the date of the certificate that:

(i) no Relevant Event (as defined in Condition 6(c)), Event of Default (as defined in Condition 9) or Potential Event of Default (as defined in the Trust Deed) has occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and

(ii) the Issuer has complied with all its covenants and obligations under the Trust Deed and the Bonds;

"**Audited Financial Reports**" means, for a Relevant Period, the annual audited consolidated income, balance sheet and cash flow of the Issuer and its consolidated subsidiaries together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them, prepared in accordance with PRC GAAP;

"**NDRC**" means the National Development and Reform Commission of the PRC or its local counterparts;

"**PRC**" means the People's Republic of China, and for the purpose of these Conditions only, excluding the Hong Kong Special Administrative Region of the People's Republic of China, the Macao Special Administrative Region of the People's Republic of China and Taiwan;

"**PRC Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are generally open for business in Beijing;

"**PRC GAAP**" means the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC from time to time;

"**Rating Agency**" means Fitch Ratings, Inc. and its successors;

"**Registration Deadline**" means the day falling 150 calendar days after the Issue Date;

"**Relevant Indebtedness**" means any indebtedness incurred outside of the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter market or other securities market;

"**Relevant Period**" means, (i) in relation to the Audited Financial Reports, each period of twelve months ending on the last day of the Issuer's financial year (being 31 December of that financial year) and, (ii) in relation to the Unaudited Financial Reports for a semi-annual report, each period of six months ending on the last day of the first half of the Issuer's financial year (being 30 June of that financial year), and (iii) in relation to other Unaudited Financial Reports which are required to be disclosed pursuant to applicable law or regulations, such period as specified in applicable law or regulations;

"**SAFE**" means the State Administration of Foreign Exchange of the PRC or its local counterparts;

a **"Subsidiary**" of any person means (i) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity, or (ii) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person; and

"**Unaudited Financial Reports**" means, for a Relevant Period, the semi-annual (or any other interim reporting period required by applicable law or regulations) unaudited and reviewed or unreviewed consolidated income, balance sheet and cash flow statements of the Issuer and its consolidated subsidiaries, together with any statements, reports (including any directors' and auditors' reports) and notes attached to or intended to be read with any of them (if any), prepared in accordance with PRC GAAP.

5 INTEREST

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 2.850 per cent. per annum, payable semi-annually in arrear in equal instalments of US$14.25 per Calculation Amount (as defined below) on 19 January and 19 July in each year (each an "**Interest Payment Date**") commencing on 19 July 2022.

Each Bond will cease to bear interest from the due date for redemption unless, upon surrender of the Certificate representing such Bond, payment of principal or premium (if any) is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the date on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (b) the date falling seven days after the Trustee or the Principal Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Bondholder under these Conditions).

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

Interest in respect of any Bond shall be calculated per US$1,000 in principal amount of the Bonds (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall (save as provided above in relation to equal instalments) be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 REDEMPTION AND PURCHASE

(a) **Final Redemption:** Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 19 January 2027 (the "**Maturity Date**"). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

(b) **Redemption for Taxation Reasons:** The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice in accordance with Condition 16 to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to but excluding the date fixed for redemption, if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in Condition 8) as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 11 January 2022, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due.

Prior to the publication by the Issuer of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee:

(i) a certificate of the Issuer in English signed by an Authorised Signatory of the Issuer stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer taking reasonable measures available to it; and

(ii) an opinion, addressed to and in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment or statement.

The Trustee shall be entitled (but shall not be obliged) to accept and rely upon such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b), in which event the same shall be conclusive and binding on the Bondholders.

All Bonds in respect of which any notice of redemption is given under this Condition 6(b) shall be redeemed on the date specified in such notice in accordance with this Condition 6(b).

Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption under this Condition 6(b) or any Put Exercise Notice under Condition 6(c) and shall not be liable to the Bondholders, the Issuer or any other person for not doing so.

(c) **Redemption for Relevant Events:** At any time following the occurrence of a Relevant Event, the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with any accrued interest up to but excluding such Put Settlement Date. In order to exercise such right, the holder of the relevant Bond must deposit at the specified office of the Principal Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, substantially in the form scheduled to the Agency Agreement, obtainable from the specified office of the Principal Paying Agent (a "**Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16.

The "**Put Settlement Date**" shall be the 14th day after the expiry of such period of 30 days as referred to above. A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds the subject of the Put Exercise Notices delivered as aforesaid on the Put Settlement Date.

The Issuer shall give notice in writing to Bondholders in accordance with Condition 16 and to the Trustee and the Principal Paying Agent in writing by not later than 14 days (in the case of a redemption for a Change of Control) or five days (in the case of a redemption for a No Registration Event) following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify (i) the procedure for exercise by holders of their rights to require redemption of the Bonds pursuant to this Condition 6(c) and the requirements that holders must satisfy in order to do so, and (ii) the following:

(A) a statement that either a Change of Control or a No Registration Event has occurred;

(B) the date by which the Put Exercise Notice must be given;

(C) the redemption amount and the method by which such amount will be paid;

(D) the names and addresses of all Paying Agents;

(E) a statement that a Put Exercise Notice, once validly given, may not be withdrawn.

Unless it has received notice pursuant to this Condition 6(c), the Trustee shall be entitled to assume that no Relevant Event has occurred. Neither the Agents nor the Trustee shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and none of them shall have any obligation or duty to verify the accuracy, validity and/or genuineness of any documents in relation to or connection with the Registration Conditions and none of them shall be liable to Holders, the Issuer or any other person for not doing so.

In this Condition 6:

a "**Change of Control**" occurs when:

(i) Guangzhou Development District Administrative Committee (廣州開發區管理委員會) and any person directly or indirectly Controlled by the central government of the PRC collectively cease to directly or indirectly hold or own at least 75 per cent. of the issued share capital of the Issuer;

(ii) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other person(s), unless such person(s) is/are controlled by Guangzhou Development District Administrative Committee and/or any person directly or indirectly Controlled by the central government of the PRC.

"**Control**" means (i) the ownership, acquisition or control of 100 per cent. of the voting rights of the issued share capital of a person or (ii) the right to appoint and/or remove all or the majority of the members of a person's board of directors or other governing body, in each case whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; the term "**Controlled**" has meanings correlative to the foregoing;

a "**No Registration Event**" occurs when the Registration Documents are not delivered to the Trustee in accordance with Condition 4(d) on or before the Registration Deadline;

a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case, whether or not being a separate legal entity); and

a "**Relevant Event**" means a Change of Control or a No Registration Event.

So long as the Bonds are represented by the Global Certificate, the right of Bondholders to redemption of the Bonds following the occurrence of a Relevant Event will be effected in accordance with the rules of the relevant clearing systems.

(d) **Notices of Redemption:** All Bonds in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date specified in such notice in accordance with this Condition 6. If there is more than one notice of redemption given in respect of any Bond (which shall include any notice given by the Issuer pursuant to Condition 6(b) and any Put Exercise Notice given by a Bondholder pursuant to Condition 6(c)), the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail.

(e) **Purchase:** The Issuer and its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer, or any of its Subsidiary, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for, among other things, the purposes of calculating quorums at meetings of the Bondholders or, for the purposes of Conditions 9, 12(a) and 13.

(f) **Cancellation:** All Certificates representing Bonds redeemed or purchased by or on behalf of the Issuer and its Subsidiaries shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Bonds shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Bonds shall be discharged.

7 PAYMENTS

(a) **Method of Payment:**

(i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in Condition 7(a)(ii) below.

(ii) Interest on each Bond shall be paid on the due date to the person shown on the Register at the close of business on the fifth Payment Business Day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Bond shall be made in U.S. dollars by wire transfer to the registered account of the Bondholder. For the purposes of this Condition 7(a)(ii), a Bondholder's "**registered account**" means the U.S. dollar denominated account maintained by or on behalf of it with a bank, details of which appear on the Register at the close of business on the Record Date.

(iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested in writing by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of premium (if any) or interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of premium (if any) or interest so paid.

*Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(b) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8; and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto No commission or expenses shall be charged to the Bondholders in respect of such payments.

(c) **Payment Initiation:** Payment instructions (for value on the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if that date is not a Payment Business Day, on the first following day which is a Payment Business Day), or, in the case of payments of principal or premium (if any) where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on a Payment Business Day on which the Principal Paying Agent is open for business and on which the relevant Certificate is surrendered.

(d) **Appointment of Agents:** The Principal Paying Agent, the Registrar and the Transfer Agent initially appointed by the Issuer and its specified offices are listed below. The Principal Paying Agent, the Registrar and the Transfer Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Bondholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Agent and to appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, and (iv) such other agents as may be required by the stock exchange on which the Bonds may be listed, in each case, as approved in writing by the Trustee.

Notice of any such termination or appointment or any change of any specified office of an Agent shall promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

(e) **Delay in Payment:** Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Bond if the due date is not a Payment Business Day, or if the Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so).

(f) **Non-Payment Business Days:** If any date for payment in respect of any Bond is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment or if a cheque mailed in accordance with Condition 7(a)(ii) arrives after the due date for payment. In this Condition 7, "**Payment Business Day**" means a day (other than a Saturday, a Sunday or a public holiday) on which banks and foreign exchange markets are generally open for business and settlement of U.S. dollar payments in Hong Kong and New York City and (if surrender of the relevant Certificate is required) the relevant place of presentation.

8 TAXATION

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or the PRC or, in each case, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

Where such withholding or deduction is made by the Issuer by or within the PRC at the rate of up to and including the rate applicable on 11 January 2022 (the "**Applicable Rate**"), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amount which would otherwise have been receivable by them had no such withholding or deduction been required.

If the Issuer is required to make a deduction or withholding by or within the PRC in excess of the Applicable Rate, then the Issuer shall pay such additional amounts ("**Additional Tax Amounts**") as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in respect of any Bond:

(i) **Other Connection:** to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the PRC other than the mere holding of the Bond; or

(ii) **Surrender more than 30 days after the Relevant Date:** in respect of which the Certificate representing it is presented or surrendered (where presentation or surrender is required) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Tax Amounts on presenting or, as the case may be, surrendering the Certificate representing such Bond for payment on the last day of such period of 30 days (as if such last day were a Payment Business Day).

"**Relevant Date**" in respect of any Bond means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Bondholders that, upon further presentation or, as the case may be, surrender of the Certificate representing such Bond being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation or surrender.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 8 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Bondholder or any third party to pay such tax, duty, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

9 EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (provided that in any such case the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest:

(a) **Non-Payment:** there has been a failure to pay (i) the principal of or any premium (if any) on any of the Bonds when due or (ii) interest on any of the Bonds when due and such failure to pay interest continues for a period of 14 days; or

(b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Bonds, the Trust Deed (other than where such default gives rise to a right of redemption pursuant to Condition 6(c)), which default is, in the opinion of the Trustee, incapable of remedy or, if such default is, in the opinion of the Trustee, capable of remedy, such default is not remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee; or

(c) **Cross-default:** (i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds US$35,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 9(c) operates); or

(d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or any material part of the property, assets or revenues of the Issuer or any Principal Subsidiary and is not discharged or stayed within 60 days; or

(e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries on the whole or any material part of its assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged or stayed within 60 days; or

(f) **Insolvency:** the Issuer or any Principal Subsidiary is (or is, or could be, deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt, or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the debts of the Issuer or any Principal Subsidiary; or

(g) **Winding-up:** an order is made by a court of competent jurisdiction or an effective resolution is passed for the winding-up or dissolution of the Issuer or any Principal Subsidiary, or the Issuer or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business or operations, except for (i) the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (A) on terms approved by an Extraordinary Resolution of the Bondholders, (B) in the case of a Principal Subsidiary, such reconstruction, amalgamation, reorganisation, merger or consolidation was conducted whilst the Principal Subsidiary was solvent; or (C) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another Subsidiary; or

(h) **Nationalisation:** (i) any step is taken by any person acting under the authority of any national, regional or local government with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the undertaking, assets or revenues of the Issuer or any Principal Subsidiary or (ii) the Issuer or any Principal Subsidiary is prevented by any such person from exercising normal control over all or a material part of its undertaking, assets or revenues, provided that any actions taken by Guangzhou Development District Administrative Committee, State-owned Assets Supervision and Administration Commission of Guangdong government, the provincial government of Guangdong or any political subdivision or any authority thereof solely in its capacity as a direct shareholder in the Issuer and/or an indirect shareholder in the Issuer and the Principal Subsidiaries shall not be deemed to be a seizure, compulsory acquisition or expropriation or preventing the Issuer or the Principal Subsidiaries from exercising normal control for the purposes of this Condition 9(h); or

(i) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or

(j) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds and the Trust Deed; or

(k) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 9(d) to 9(h) (both inclusive).

In this Condition 9, "**Principal Subsidiary**" means any Subsidiary of the Issuer:

(a) whose revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated revenue, as shown by its latest audited income statement are at least five per cent. of the consolidated revenue as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(b) whose net profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profit, as shown by its latest audited income statement are at least five per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(c) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited balance sheet are at least five per cent. of the consolidated total assets of the Issuer and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Issuer and its Subsidiaries including, the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests; or

(d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that (xx) the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall forthwith become a Principal Subsidiary and (yy) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition;

provided that, in relation to paragraphs (a), (b) and (c) above of this definition:

(a) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

(b) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total revenue, net profit or total assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer;

(c) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total revenue, net profit or total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by the Issuer; and

(d) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer.

10 PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal or premium (if any)) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11 REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or such Transfer Agent as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Bondholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the relevant Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12 MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER

(a) **Meetings of Bondholders:** The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if requested in writing to do so by Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the Maturity Date of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing at least 75 per cent., or at any adjourned meeting at least 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution (A) in writing signed by or on behalf of the holders of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding or (B) passed by Electronic Consent shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. A Written Resolution will be binding on all Bondholders whether or not they participated in such Written Resolution.

(b) **Modification and Waiver:** The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions or any of the provisions of the Trust Deed and/or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Bondholders. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee otherwise agrees, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders as soon as practicable.

(c) **Entitlement of the Trustee:** In connection with the exercise of its functions, rights powers and discretions (including but not limited to those referred to in this Condition 12) the Trustee shall have regard to or be responsible for the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require on behalf of any Bondholder, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

13 ENFORCEMENT

At any time after the Bonds become due and payable, the Trustee may, at its discretion and without further notice, take such steps and/or actions and/or institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed and/or the Bonds, but it need not take any such steps and/or actions and/or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least 25 per cent. in aggregate principal amount of the Bonds then outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

14 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including provisions relieving it from taking proceedings to enforce its rights under the Trust Deed, the Agency Agreement and/or these Conditions and in respect of the Bonds and to enforce payment or taking other actions, steps and/or proceedings unless first indemnified and/or secured and/or pre-funded to its satisfaction and to be paid or reimbursed for its fees, costs, expenses and indemnity payments and any liabilities incurred by it in priority to the claims of Bondholders. The Trustee is entitled to enter into business transactions with the Issuer and any entity related (directly or indirectly) to the Issuer without accounting for any profit.

The Trustee may rely without liability to Bondholders, the Issuer or any other person on any report, confirmation, certificate or information from or any advice or opinion of any legal counsel, accountants, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate, information, advice or opinion, in which event such report, confirmation, certificate, information, advice or opinion shall be binding on the Issuer and the Bondholders.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement, or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by way of Extraordinary Resolution or clarification of any directions, and the Trustee shall be entitled to rely on any such directions or clarification and shall not be responsible or liable for any loss or liability incurred by the Issuer, the Bondholders or any other person as a result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction as a result of seeking such direction or clarification of any directions from the Bondholders or in the event that no direction or clarification is given to the Trustee by the Bondholders.

The Trustee shall be entitled to rely on any direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to ascertain whether any Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred or to monitor compliance by the Issuer with the provisions of the Trust Deed, the Agency Agreement or these Conditions and shall not be liable to the Bondholders or any other person for not doing so.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer and any other person appointed by the Issuer relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Bondholders.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and its Subsidiaries, and the Trustee shall not at any time have any responsibility for the same and each Bondholder shall not rely on the Trustee in respect thereof.

15 FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the first payment of interest on them and the timing for compliance with the requirements set out in these Conditions in relation to the NDRC Post-issue Filing and the Foreign Debt Registration) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any further bonds issued pursuant to this Condition 15 and consolidated and forming a single series with the Bonds. Any further bonds consolidated and forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed.

16 NOTICES

Notices to the holders of Bonds shall be mailed to them by uninsured mail at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday, a Sunday or a public holiday) after the date of mailing. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held by or on behalf of Euroclear and Clearstream, any notice to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Save as contemplated in Condition 13, no person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

18 GOVERNING LAW AND JURISDICTION

(a) **Governing Law:** The Trust Deed, the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) **Jurisdiction:** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Trust Deed or the Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with any Bonds, the Trust Deed or the Agency Agreement ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the exclusive jurisdiction of such courts and waived any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) **Agent for Service of Process:** The Issuer irrevocably appoints Guangzhou Development District (HK) Investment Co., Limited at Unit 04-05, 16/F, The Broadway, 54-62 Lockhart Road, Wanchai, Hong Kong as its authorised agent in Hong Kong to receive service of process in any Proceedings in Hong Kong based on any of the Bonds, the Trust Deed or the Agency Agreement. If for any reason the Issuer ceases to have such an agent in Hong Kong, the Issuer shall promptly appoint a new agent in Hong Kong to accept service of process and shall deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(d) **Waiver of Immunity:** The Issuer has waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Bonds while they are in global form, some of which modify the effect of the Terms and Conditions set out in this Offering Circular. The following is a summary of certain of those provisions.

Terms defined in the Terms and Conditions set out in this Offering Circular have the meaning in the paragraphs below.

The Bonds will be represented by a Global Certificate which will be registered in the name of a nominee of, and deposited with, a common depositary on behalf of Euroclear and Clearstream.

Under the Global Certificate, the Issuer, for value received, will promise to pay such principal, interest and premium (if any) on the Bonds to the Bondholders on such date or dates as the same may become payable in accordance with the Terms and Conditions.

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

Individual definitive Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate. Such exchange will be effected in accordance with the provisions of the Trust Deed, the Agency Agreement and the regulations concerning the transfer and registration of the Bonds scheduled thereto and, in particular, shall be effected without charge to any holder of the Bonds or the Trustee, but against such indemnity and/or security as the Registrar or the relevant Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

The Issuer will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Bondholders. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

In addition, the Global Certificate will contain provisions which modify the Terms and Conditions as they apply to the Bonds evidenced by the Global Certificate. The following is a summary of certain of those provisions:

PAYMENT

So long as the Bonds are represented by the Global Certificate, each payment in respect of the Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

NOTICES

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to Bondholders shall be validly given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds in substitution for notification as required by the Terms and Conditions.

MEETINGS

For the purposes of any meeting of Bondholders, the holder of the Bonds represented by this Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each U.S.$1,000 in principal amount of Bonds for which the Global Certificate is issued.

BONDHOLDER'S REDEMPTION

The Bondholder's redemption option in Condition 6(c) (*Redemption for Relevant Events*) of the Terms and Conditions may be exercised by the holder of the Global Certificate giving notice to the Principal Paying Agent of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in the Terms and Conditions.

ISSUER'S REDEMPTION

The option of the Issuer provided for in Condition 6(b) (*Redemption for Taxation Reasons*) of the Terms and Conditions shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the Terms and Conditions.

TRANSFERS

Transfers of interests in the Bonds will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

CANCELLATION

Cancellation of any Bond by the Issuer following its redemption or purchase by the Issuer or its respective Subsidiaries will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders.

TRUSTEE'S POWERS

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers appropriate to do so in the circumstances, but without being obligated to, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Bonds and (b) consider such interests on the basis that such accountholders were the Bondholders in respect of which the Global Certificate is issued.

The Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

USE OF PROCEEDS

The gross proceeds of the issue of the Bonds will be approximately U.S.$490 million. After deduction of the combined management and underwriting commission and the other expenses incurred in connection with the issue of the Bonds, the net proceeds of the issue of the Bonds will be allocated to finance and/or refinance Eligible Green Projects as defined in the Company's Green Finance Framework and will be used as working capital in connection with Eligible Green Projects.

GREEN FINANCE FRAMEWORK

BACKGROUND

Guangzhou Development District Holding Group Limited (the "**Group**") is a leading state-owned financial service and investment platform in Guangzhou, Guangdong Province. The Group manages state capital and upgrades industry in Guangzhou Development District on behalf of the Guangzhou Development District Administrative Committee ("GDDAC"). Established in November 1998, 90% of the Company's equity interest is directly owned by the GDDAC, which is the Company's controlling shareholder, with the remaining 10% of the Company's equity interest directly owned by the Department of Finance of Guangdong Province. Leveraging the strong government support and its revenue generating capability, the Group has achieved growth momentum, recorded strong operating performance over the past few years and played an important role in the planning and construction of Guangzhou Development District.

The Group's operations primarily focus on four business segments, including (i) heat and power supplies; (ii) science park construction and management; (iii) real estate development and (iv) other businesses. In light of the overall guidance from the State Council and the National Environmental Plan in the 14th Five-Year Plan for environmental protection and development of low carbon economy, the Group is committed to ensuring its economic performance is beneficial to the environment and society, as well as to its own sustainable development.

Environmentally-friendly and sustainable development is the key foundation of the Group's business. Coupled with development strategies and operating models, the Group strives to promote sustainable development and social responsibilities, and meet the expectations of stakeholders including but not limited to government, clients, industry, employees, business partners, and communities.

To this end, the Group adopts proactive sustainable development methodology which has established sound polices and procedure in place. At the same time, the Group actively promotes energy conservation and emissions reduction to put forth the concept of environmental protection with sustainable development at low carbon emissions to every work detail.

RATIONALE OF THE GROUP'S GREEN FINANCE FRAMEWORK

The Group adheres to high environmental standards with sustainable development at low carbon emissions and regards environment protection and sustainable development as its core values. The Group is aware of control and mitigation of the impact from its performance on the environment and the communities to fulfill its green commitment towards creating long-lasting value. The Group's Board is responsible for leading and guiding the Group's policies on sustainable development at low carbon emissions and working together with management to identify, evaluate and address environmental issues on an ongoing basis, and oversees environmental affairs and plans the long-term environment-friendly development goals.

In order to have a reinforced dialogue with Socially Responsible Investors, the Group's Green Finance Framework ("GFF") will be an opportunity to emphasize the Group's core strategy in terms of sustainable development and combating climate change, and to diversify the Group's investor base. The Group's Green Financing Transactions ("GFT") will also help ensure the progress of the State Council and the Country's vision of sustainable development as well as carbon peak and neutrality goals under the 14th Five-Year Plan, and beyond, is fulfilled.

FRAMEWORK OVERVIEW

This bespoke the Group's GFF has been developed to demonstrate how the Group and its affiliates intend to enter into GFT to fund projects that are strongly environmental-friendly to support the Group's business strategy and vision. Fundraising will include bonds, loans and other debt instruments GFT with structures tailored to contribute to sustainable development by application of the proceeds to Eligible Projects as defined in this Framework.

– With respect to bonds, bonds issued under GFF will be in alignment with the Green Bond Principles (GBP) 2021[1] released by International Capital Market Association (ICMA) or the Climate Bonds Standard V3.0[2] issued by Climate Bonds Initiative (CBI), or the Green Bond Endorsed Projects Catalogue (2021 Edition)[3] jointly announced by the People's Bank of China (PBOC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC) or as they may be subsequently amended.

– With respect to loans, loans issued under GFF will be in alignment with the Loan Market Association ("LMA") Green Loan Principles ("GLP") 2021[4] or as they may be subsequently amended.

– Other forms of financing may conform to other sustainable or green finance principles as may have been established at the time of such financing transaction being undertaken.

In aligning with the above principles and guidelines, the Group's GFF is presented through four core components as well as its recommendation for external review:

(a) Use of Proceeds

(b) Process for Project Evaluation and Selection

(c) Management of Proceeds

(d) Reporting

(e) External Review

Bond(s) issued under this Framework may take the form of public transactions or private placements, in bearer or registered format, and may take the form of senior unsecured or subordinated issuances. Such bonds and loans entered into under this Framework will be standard recourse-to-the-issuer obligations and investors will not bear the credit risk of the underlying allocated eligible asset exposures.

GFTs may be done in any jurisdiction and market reflecting the Group's current and future business needs.

(1) In alignment with ICMA Green Bond Principles, June 2021, https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/

(2) In alignment with the Climate Bond Standard V3.0 https://www.climatebonds.net/climate-bonds-standard-v3

(3) In alignment with the Green Bond Endorsed Projects Catalogue (2021 Edition) http://www.gov.cn/zhengce/zhengceku/2021-04/22/content_5601284.htm

(4) In alignment with LMA Green Loan Principles, February 2021, https://www.lsta.org/content/green-loan-principles/

1. Use of Proceeds

The Group will allocate an amount at least equivalent to the net proceeds of the Green Financing Instruments issued under this Framework to finance and/or re-finance, in whole or in part, projects which meet the eligibility criteria of the following Eligible Green Project categories ("Eligible Green Projects"), as defined as below.

A maximum 3-year look-back period would apply for refinanced projects and the Group expects each issuance under this framework to be fully allocated within 2 years from the date of issuance.

Eligible Green Projects Categories and Description/Condition of Eligible Green Projects.

Eligible Green Projects Categories	**Description/Condition of Eligible Green Projects**
Green Building	**Acquisition, construction, maintenance and renovation of building that have received, or expect to receive certified the below recognized green building certifications:** – Chinese Green Building Evaluation Label – 2 Star or above (Design/Operations Label); or – Building Research Establishment Environmental Assessment Method (BREEAM) – Excellent or above; or – U.S. Leadership in Energy and Environmental Design (LEED) – Gold or above; or – Hong Kong BEAM Plus – Gold or above; or – Construction of Ultra-Low Energy Consumption Buildings: Construction of public and residential buildings adapted to climate characteristics and site-specific conditions that reduce the demand for heating, air conditioning and lighting through passive building designs, and adopt active technical measures to improve the efficiency of building energy equipment and systems in the public and residential building as well as the acquisition of consumption. The technical indicators of the building shall meet the requirements of the "*Technical Standard for Near-Zero Energy Building*" (GB/T 51350); or – Green Buildings: All civil and industrial buildings are designed and constructed in accordance with the national green building codes and standards to obtain national green building evaluation labels within the validity period. For example, the building should comply with indicators as listed in technical standards, such as the *"Green Building Evaluation Standard"* (GB/T 50378), the "*Green Industrial Building Evaluation Standard*" (GB/T 50878), the "*Green Ecological Area Evaluation Standard*" (GB/T 51255), the "*Green Office Building Evaluation Standard*" (GB/T 50903), the "*Green Store Building Evaluation Standard*" (GB/T 51100), the "*Green Hospital Building Evaluation Standard*" (GB/T 51153); or – Application of Renewable Energy in Buildings: Design, construction and application of renewable energy application systems for buildings that use solar photovoltaic devices installed on roofs and walls of building to supply electricity to buildings, those use heat pumps and other facilitates to provide cooling and heating to buildings; or – Prefabricated Buildings: Construction of buildings using prefabricated components at construction site through the method of assembly construction. The building-related technical indicators should meet or exceed the requirements of Grade A and under the "*Evaluation Standard for Assembled Buildings*" (GB/T 51129) within the validity period; or

Eligible Green Projects Categories	Description/Condition of Eligible Green Projects

– Energy Conservation and Environmental-friendly Renovation of Existing Buildings: Technical indicators of the building meet relevant national or local energy conservation standards for existing buildings and relevant requirements for energy-saving renovation activities of building energy systems after renovation. Renovation, operation and purchase of the existing buildings which have obtained relevant national green building star-level with the validity period; and the renovation, operation and purchase of existing building that have reached the national-relevant green building star-level within the validity period after renovation. For example, the building technology complies with technological standards such as the "*Statistical Standard for Civil Buildings*" (GB 50352), the "*Standard for Energy-Saving in Public Buildings*" (GB 50189) and the "Standard for the Evaluation of Green Retrofit of Existing Buildings" (GBT 51141); or

– Green Warehousing Logistics: Construction, operation and renovation of logistics warehouses in accordance with the national green building codes and standards, for which they have obtained national green building evaluation marks. For example, the technical indicators of green logistics warehouse building shall meet the requirements of the "*Green Warehouse Requirements and Evaluation*" (SB/T 11164); or

– Energy efficiency (such as in new and refurbished buildings,energy storage, district heating, smart grids, appliances and products); or

– Green buildings that meet regional, national or internationally recognised standards or certifications for environmental performance; or

– Any other green building label, that is an equivalent standard of the above

Energy Efficiency . . . .

Investments and expenditures in projects that improve energy efficiency and reduce energy consumption in buildings and facilities by a minimum of 15%, such as but not limited to:

– Renovations or refurbishment of existing buildings; or

– Installation/replacement of equipment in buildings such as LED lighting, smart metering, heating ventilation and air conditioning systems.

Pollution Prevention and Control . . . .

Investments and expenditures in projects that prevent and reduce waste and pollution, such as but not limited to:

– Equipment and technologies for reducing resource consumption and pollution emissions;

– Implementing waste sorting and recycling facilities; or

– Enforcement of dust control and noise reduction, during construction and/or operation of buildings.

Sustainable Water and Wastewater Management . . . .

Sustainable water and wastewater management by installation of rainwater collection systems, water conservation systems, water recycling and treatment systems.

Renewable Energy . . . .

Investment and installation of renewable energy systems and associated infrastructure, including but not limited to:

– Solar photovoltaic;

– Solar hot water; or

– Wind.

Eligible Green Projects Categories	Description/Condition of Eligible Green Projects
Clean Transportation	Investments and expenditure in low energy or emission transportation assets, systems, infrastructure, components, and services, excluding any infrastructure or rolling stock assets used for the transportation of fossil fuel or mining products.

2. Project for Project Evaluation and Selection

Overall principle:

1. Select national and regional key green projects with a certain scale effect or demonstration effect.

2. Adhere to the principle of diversification in the selection of project types and regions.

Specific screening criteria: two-tier green project screening mechanism

Stage 1 Evaluation Procedure:Review and select green projects preliminarily in accordance with the Green Bond Principles (GBP) 2021 released by International Capital Market Association (ICMA), or the Climate Bonds Standard V3.0 issued by Climate Bonds Initiative (CBI), or the Green Bond Endorsed Projects Catalogue (2021 Edition) jointly announced by the People's Bank of China (PBOC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC).

Stage 2 Evaluation Procedure: Further review and confirm on the green projects based on the direct and indirect environmental KPIs.

(1) Direct environmental KPIs: environmental KPIs disclosed in the supporting documents for the projects, which are expected to be quantitative

(2) Indirect environmental KPIs:

- According to the supporting documents for the projects, energy-saving technologies or producing methods have been adopted in the projects.

- The projects are in line with the policies and initiatives on the sustainable development at low carbon emissions, energy-savings and emissions reduction in the national or international markets.

Accountability Mechanisms for the Group's Green Finance

The Group's Green Finance Working Group ("GFWG") is responsible for the management of this GFF and the compliance of all financing instruments issued under the Framework. The GFWG consists of senior representatives from the following departments, including:

- Financial Management Department

- Strategic Development Department

- Construction Business Headquarters

- Chief Engineer Office

- Risk Control Department

The GFWG may be supplemented from time to time, or expanded, by the inclusion of representatives from other relevant teams.

The GFWG will:

- Meet at least two times each year to select and evaluate green projects to invest in for the current year and the next year

- Ratify Eligible Green Projects, which are initially proposed by the constituent team members

- Undertake regular monitoring of the asset pool to ensure the eligibility of Green and/or Social Projects with the criteria set out in the Group's GFF Section 1, Use of Proceeds, whilst replacing any ineligible Green and/or Social Projects with eligible new Green and/or Social Projects

- Ensure that projects comply with the Group's Environmental and Social Risk Management framework as well as applicable local governmental regulations and projects no longer meeting the selection criteria detailed in this Framework will be removed and/or substituted on a best efforts basis

- Facilitate regular reporting on any Green, Social or Sustainability issuance in alignment with our Reporting commitments

- Manage any future updates to this Framework

- Ensure that the approval of Eligible Green Projects will follow the Group's existing credit/loan/investment approval processes

3. Management of Proceeds

The proceeds of each of the Group's GFT can be managed through using a designated account or keeping a GFT Register. Under the GFT Register method, the proceeds will be deposited in the general funding accounts, and earmarked for allocation towards the Eligible Green Projects. The Group will maintain a GFT Register to track the use of proceeds for the GFT. Green Finance Allocation Register will be established to ensure and monitor the allocation of green finance proceeds.

The Register will contain, for each GFT launched, information including:

1. GFT Details: ISIN (if applicable), Pricing Date, Maturity Date and etc.

2. Eligible Green Project Allocation List: Information including:

- The Eligible Projects List, including for each Eligible Project, the Eligible Green Project category, project description, project location, Group's ownership percentage, total project cost, amount allocated, settled currency, etc.

- Amount of unallocated Proceeds

Management of the unallocated proceeds

It is the Group's intention to deploy proceeds of each of the Group's GFT to Eligible Green Projects within a 2-year period. If part of the proceeds cannot be allocated to Eligible Green Projects at the moment, the Group can deposit the unallocated proceeds into the designated account for the green bond, or invest the unallocated proceeds into qualified money market products or debt instruments according to the relevant rules and regulations set out by the competent authorities.

4. Reporting

Allocation Reporting

The Group will provide information on the allocation of the net proceeds of its Green Financing Instruments in a Green Finance Report. Such information will be provided on an annual basis until all the net proceeds have been allocated. The information will contain at least the following details:

(1) List of Eligible Green projects of the current year

(2) The amount of Proceeds allocated to each Eligible Green Project category

(3) When possible, descriptions of the Eligible Green Projects financed, such as project locations, amount allocated, etc.

(4) Selected examples of projects financed

(5) Percentage of financing vs. refinancing

(6) Amount of unallocated Proceeds

Furthermore, the Group will confirm that the use of proceeds of the GFT conforms to this GFF.

Impact Reporting

The Group will provide reporting on the environmental benefits of the Eligible Green Projects potentially with the following environmental impact indicators. In addition, calculation methodologies and key assumptions will be disclosed.

Eligible Green Projects Categories	Impact Indicators
Green Building	• Type and level of green building certifications obtained • Annual energy savings (MW/year) • Annual Greenhouse Gas (GHG) emissions reduced/avoided (t CO_2 eq p.a.) • Annual reduction in water consumption (in m^3)
Energy Efficiency	• Amount of energy saved (in MWh) • Percentage annual energy efficiency gain relative to an established baseline
Pollution Prevention and Control	• Reduction in CO_2,NO_x, PM10, PM2.5, and SO_x emissions (in tonnes) • Waste that is prevented, minimized, reused or recycled before and after the project in % of total waste and/or in absolute amount in tones p.a.; and • Waste that is separated and/or collected, and treated (including composted) or disposed of in an environmentally sound manner before and after the project.
Sustainable Water and Wastewater Management	• Annual amount of water/rainwater/wastewater collected/treated/recycled/reused (m^3/year)
Renewable Energy	• Installed renewable energy production capacity
Clean Transportation	• Annual GHG emissions reduced or avoided in (in tonnes of CO_2 equivalent p.a.)

The allocation and impact reporting mentioned above will be disclosed to the Group's stakeholders, and the abstract of which will be published on the Group's website.

Stakeholder Management

The Group has established a process for conducting stakeholder engagement at corporate level. In addition, the GFWG would be responsible for conducting stakeholder engagement at project level. Project level stakeholder engagement activities would be performed subject to local regulatory requirements. Where applicable, stakeholder engagement exercises would be conducted by the Group along with the environmental impact assessment. The Group would obtain a copy of the environmental impact assessment report prepared either by itself or by professional agencies/consultants, and the applicable local regulator's approval document for the eligible projects.

Stakeholder engagement activities would be performed in the project design, operation and construction stages throughout the project lifecycle. According to the analysis (e.g. materiality analysis) performed at corporate level, stakeholders include but not limited to government, corporate clients, industry peers and industrial organizations, employees, partners and communities. The GFWG would communicate with the stakeholders of the corresponding project through two-way communication channels, such as surveys, interviews, public disclosure and company hotline and mailbox, to collect opinions and comments on environmental (e.g. environmental impact) and social (e.g. potential impact on people's lives) issues. The Group would categorize the stakeholders' comments and opinions collected and then assign relevant department(s) to address the issues (e.g. Human Resource Department will handle employee-related issues) and respond to stakeholder feedback. Opinions would be responded through company website, telephone feedback, etc.

The Group confirms that records on the result of stakeholder engagement, including summary of the engagement, identified stakeholders, engagement method, feedback collected and relevant responds would be retained.

External Reviews

The Group has engaged HKQAA and PwC to assess this GFF and its alignment with the relevant principle, standard and catalogue released by the relevant organizations or authorities mentioned earlier in the Group's GFF and issue a pre-issuance stage certificate and verification report respectively.

The Group's GFF, together with HKQAA's pre-issuance stage certificate and PwC's verification report will be disclosed according to the relevant requirements.

Amendments to this Framework

The GFWG will review this Framework on a regular basis, including its alignment to updated versions of the Principles as and when they are released, with the aim of adhering to best practices in the market. Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of the Group, HKQAA and PwC. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an external reviewer. The updated Framework, if any, will be published on the Group's website and will replace this Framework.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the Issuer's consolidated capitalisation and indebtedness as at 30 June 2021 and as adjusted to give effect to the issue of the Bonds before deduction of management and underwriting commission and expenses. The table should be read in conjunction with the Issuer's Financial Statements.

	As at 30 June 2021			
	Actual		As Adjusted	
	RMB	*U.S.$*(2)	*RMB*	*U.S.$*(2)
	(in millions)			
Current borrowings				
Short-term borrowings	10,316.20	1,597.80	10,316.20	1,597.80
Long-term borrowings due within one year	1,043.90	161.70	1,043.90	161.70
Long-term payables due within one year	124.10	19.20	124.10	19.20
Bonds payable due within one year	2,399.90	371.70	2,399.90	371.70
Short-term financing funds payable	1,257.80	194.80	1,257.80	194.80
Interest-bearing indebtedness among other payables	710.00	110.00	710.00	110.00
Non-current borrowings				
Long-term borrowings	17,052.60	2,641.10	17,052.60	2,641.10
Bonds payable	22,212.70	3,440.30	22,212.70	3,440.30
Long-term payables	707.40	109.60	707.40	109.60
Bonds to be issued	–	–	3,163.73	490.00
Total borrowings	55,824.60	8,646.20	58,988.33	9,136.20
Shareholders' equity				
Share capital	10,363.2	1,605.1	10,363.2	1,605.1
Other equity instruments	5,405.7	837.2	5,405.7	837.2
Capital reserve	6,215.2	962.6	6,215.2	962.6
Other comprehensive income	(7,701.1)	(1,192.7)	(7,701.1)	(1,192.7)
Special reserve	–	–	–	–
Surplus reserve	–	–	–	–
Retained profits	1,682.8	260.6	1,682.8	260.6
Total shareholders' equity attributable to shareholders of the Company	23,707.2	3,671.8	23,707.2	3,671.8
Non-controlling interests	15,901.1	2,462.8	15,901.1	2,462.8
Total shareholders' equity	55,574.1	8,607.4	55,574.1	8,607.4
Total capitalisation and indebtedness(1)	111,398.7	17,253.6	114,562.4	17,743.6

Notes:

(1) Total capitalisation and indebtedness equals total borrowings plus total shareholders' equity.

(2) The translation of Renminbi amounts into U.S. dollar amounts has been made at the rate of RMB6.4566 to U.S.$1.00, the noon buying rate as set forth in the H.10 Statistical release of the Federal Reserve Bank of New York on 30 June 2021.

Since 30 June 2021, the Group has incurred the following material indebtedness:

In August 2021, the Group issued RMB1,300,000,000 3.19% bonds targeting professional investors. It was listed on Shenzhen Stock Exchange on 6 September 2021.

Unless otherwise disclosed in this Offering Circular, there has been no material change in the Issuer's capitalisation and indebtedness since 30 June 2021.

DESCRIPTION OF THE GROUP

OVERVIEW

The Group is a leading state-owned financial service and investment platform in Guangzhou, Guangdong Province. The Group manages state capital and upgrades industry in Guangzhou Development District on behalf of the GDDAC. Established on 6 November 1998, 90% of the Company's equity interest is directly owned by the GDDAC, which is the Company's controlling shareholder, with the remaining 10% of the Company's equity interest directly owned by the Department of Finance of Guangdong Province. Leveraging the strong government support and its revenue generating capability, the Group has achieved growth momentum, recorded strong operating performance over the past few years and played an important role in the planning and construction of Guangzhou Development District. As at 31 December 2018, 2019, 2020 and 30 June 2021, the Group's total assets were RMB47.7 billion, RMB80.2 billion, RMB95.9 billion and RMB109.3 billion, respectively.

The Group has developed a diversified business portfolio. The Group manages its operations and investment in four business segments and the following is an overview:

- ***Heat and Power Supplies***. The Group conducts its heat and power supplies business mainly through its subsidiary, Guangzhou Hengyun Enterprises Holding Ltd. ("**Guangzhou Hengyun**"), which is a state-owned listed company focuses on power generation and central heating business. As at 30 June 2021, Guangzhou Hengyun owned and operated four cogeneration plants with the installed capacity of 1,122 MW. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, total power generated by Guangzhou Hengyun amounted to approximately 5.9 billion kWh, 6.2 billion kWh, 5.5 billion kWh, and 2.6 billion kWh, and 3.0 billion kWh, respectively. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its heat and power supplies business operating revenues of RMB2,799.5 million, RMB2,919.7 million, RMB2,651.7 million, RMB1,232.2 million and RMB1,620.1 million respectively, representing 75.6%, 45.3%, 41.8%, 46.0% and 43.5%, respectively, of the Group's total operating revenue.

- ***Science Park Construction and Management***. The Group's science park construction and management business includes the leasing of commercial properties and comprehensive management services for the properties developed by the Group. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its science park construction and management business operating revenues of RMB477.00 million, RMB549.9 million, RMB628.0 million, RMB255.2 million and RMB353.1 million, respectively, representing 12.9%, 8.5%, 9.9%, 9.5% and 9.5%, respectively, of the Group's total operating revenue.

- ***Real Estate Development***. The Group's real estate development business includes the development and construction of residential complexes and commercial office buildings. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its real estate development business operating revenues of RMB175.1 million, RMB1,595.7 million, RMB624.5 million, RMB320.3 million and RMB198.2 million respectively, representing 4.7%, 24.8%, 9.8%, 12.0% and 5.3% respectively, of the Group's total operating revenue.

- ***Other Businesses***. The Group's other businesses mainly include fund investment, securities business, financing guarantee, information technology services, bio-medicine, financial services and ancillary business. For the years ended 31 December 2018, 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group generated from its other businesses operating revenues of RMB251.9 million, RMB1,375.9 million, RMB2,444.7 million, RMB873.5 million and RMB1,554.1 million, respectively, representing 6.8%, 21.4%, 38.5%, 32.6% and 41.7%, respectively, of the Group's total operating revenue.

For the years ended 31 December 2018, 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group's operating revenue was RMB3,703.5 million, RMB6,441.2 million, RMB6,348.9 million, RMB2,681.2 million, and RMB3,725.5 million, respectively, and its total gross profit was RMB498.5 million, RMB834.7 million, RMB1,113.6 million, RMB527.5 million, and RMB561.5 million, respectively.

COMPETITIVE STRENGTHS

The Group believes that the competitive strengths outlined below are important to its success and future development:

Full-scale and strong support from the GDDAC

The Group is the largest state-owned company directly and wholly-owned by the GDDAC, and is an important investment and financing entity in the Guangzhou Development District. The Group has received strong support from the local government since its inception, which is critical for the Group to carry out large-scale and capital-intensive projects. Since its establishment in 1998, the Group has received financial support in different forms from the Guangzhou Development District Government, the Guangzhou Development District Government Finance Bureau and the SASAC of the Guangzhou Development District, including government subsidies, capital injections, governmental grants and tax returns. The GDDAC increased the registered capital of the Group by capital injections at different milestones of the Group's development. As at 30 June 2021, the registered capital of the Group amounted to RMB10.4 billion. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2021, the Group received capital injections from the GDDAC and other governmental institutions in the amount of approximately RMB400.0 million, RMB160.0 million, RMB50.0 million and RMB795.0 million, respectively, and received government subsidies from the GDDAC and other governmental institutions in the amount of RMB99.3 million, RMB179.6 million and RMB262.5 million and RMB117.2 million, respectively. The Group also from time to time receives government grants, shares transfer and other fiscal supports from different government authorities. For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2021, the Group received government grants and share transfer in the amount of nil, RMB130.2 million, RMB36.9 million and nil, respectively, and received other fiscal support in the amount of RMB1,235.2 million, nil, nil, nil respectively. The Group also receives shares and land grants from the GDDAC. Leveraging the strong financial support and favourable policy from the GDDAC, the Group has continued to enhance its position as a leading state-owned financial service and investment platform in Guangzhou, to make strategic investments in key industries and to further support the industry upgrade in Guangzhou Development District.

Diversified sources of funding and strong credit position

The Group has access to diversified financing channels to fund its project development, including bank loans, trust loans, debt financing, equity financing and financial leasing. The Group maintains stable and long-term relationships with a number of reputable banks, such as Huaxia Bank, Bank of China, Bank of Communication, China CITIC Bank, China Minsheng Bank, People's Insurance of China, China Taiping Insurance, Taikang Insurance, Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China, Guotai Junan Securities Co., Ltd., GF Securities Co., Ltd., China Zheshang Bank Co., Ltd., People's Insurance Company of China, Taikang Life Insurance Company Limited, and China Merchants Bank. As at 30 June 2021, the Group had aggregated banking facilities of approximately RMB94.6 billion, of which approximately RMB53.8 billion was unutilised. The Group believes that it has a robust liquidity position. The Group has good credit record in the capital market and is capable of raising funds in the capital market to meet its financing needs from time to time. It has successfully issued medium-term notes, corporate bonds, short-term financing bills and ultra-short-term financing bills without any defaults. From the second half of 2020 and up to the date of this Offering Circular, the Group issued multiple corporate bonds and medium-term notes, raising a total of RMB7.6 billion. In addition, the Group actively manages its cash flow and capital commitments to ensure that it has sufficient funds to meet its existing and future cash flow requirements. Also, the Group maintains a healthy debt composition.

As at 30 June 2021, the Group's long-term borrowings represented approximately 31% of the Group's total indebtedness. The Group's ability to access diversified sources of funding and its strong financing capability have enabled it to fulfil the capital need of its businesses and to capitalise on various business opportunities. The Group believes that it will continue to have access to sufficient capital to support its business operations and expansion.

Prudent risk management and sound investment risk management systems

The Group has implemented a comprehensive risk management and internal control systems in respect of the Group's business risks, project risks and legal risks by collecting, monitoring and evaluating risks and eventually disposing these risks. For risk management, the Group collects risk management information from its subsidiaries periodically and conducts safety and risk inspections. The risk management committee is responsible for supervising the board of directors and ensuring that the Group's daily operation complies with applicable laws and internal risk control mechanisms. For internal control, The Group's senior management and the government regularly have in-depth discussions regarding the key projects and essential appraisal procedures are conducted before investment decisions are taken, and the key projects includes external investments, asset disposal, capital increase and financing.

The Group has also developed comprehensive investment management and investment risk management systems by implementing a set of policies and procedures. For details of the Group's risk management and internal control mechanism, please see "*Business—Risk Management and —Internal Control*."

Experienced management team with extensive industry knowledge and management expertise

The Group has an experienced management team with extensive knowledge in the industries in which the Group operates. The Group believes that the team's industry knowledge and technical expertise enable the Group to make prudent investment decisions so as to strengthen its operations in the relevant sectors. Most of the Group's senior management members are involved in the day-to-day management of the Group's businesses. Please see "*Directors, Supervisors and Management*" for further information on the Group's senior management team. Under the sound leadership of its management team and leveraging their past experience, the Group has successfully achieved its missions over the years and distinguished itself from its competitors.

The Group's experienced management team is also supported by a dedicated team of staff with extensive technical and industry knowledge. As at 30 June 2021, the Group had a total of approximately 4,600 employees. The Group believes in the benefits of improving the skills and knowledge of its management team and employees, and regularly conducts both in-house and external management and professional training programmes.

BUSINESS STRATEGIES

The Group aims to maintain its leading position as an investment platform and financial services provider with strong ability to serve the development of Guangzhou Development District. The Group's goal is to grow its financial investment portfolio, park construction and management, licensed financial business and to become the flagship financial holding group in the Guangdong-Hong Kong-Macao Greater Bay Area. Staying true to guiding principles of developing greater consciousness of the need to maintain political integrity, thinking in big-picture terms, following the leadership core, and keeping in alignment, and fostering stronger confidence in the path, theory, system, and culture of socialism with Chinese characteristics, the Group will strive to modernize and deepen the reformation of its management structure to enhance and improve its capabilities in financial and technology innovation and real economy servicing. The Group intends to focus on the following business strategies:

Continue to develop the Group's financial and investment business and promote financial innovation

The Group will continue to strengthen its financial and investment business by utilising its industry experiences accumulated over the years and leveraging its pivotal role in the regional financial services industry as a leading state-owned financial service and investment firm.

- The Group will continue to expand its licensed financial business and create new profit streams. To this end, the Group intends to make equity investments in financial entities with promising return prospects, such as regional and national banks, securities companies, insurance companies and trust companies. Specifically, the Group's acquisition of Yuekai Securities and relocation of its headquarters from Huizhou to Guangzhou will put the Group on the map as a flagship financial services provider in Guangzhou. Yuekai Securities will be reshaped into a financial service platform to serve the technology companies based in Guangzhou, in particular, the Guangzhou Development District, and enable the Group to capture the growth opportunities presented by these fast-growing, high-potential technology companies. While Yuekai Securities will continue to strengthen its traditional businesses in wealth management, investment banking, asset management and investment consulting, it also seeks to expand into equity research and private equity investments in order to build a venture-capital business model and create synergies between industrial development and financial services in the region. It will also explore the possibility of venturing into ETF market making. It aims to position itself as a "Financial Supermarket" in the Guangzhou Development Zone and project business strength in FinTech and its influence across Guangdong-Hong Kong-Macau Greater Bay Area and other areas of the PRC, becoming a first-class boutique broker. The Group expects to receive steady returns from these equity investments in the long run.

- The Group will continue to focus on the further development of its fund management business. To this end, the Group intends to devote its efforts to developing its venture investment funds, equity investment funds and municipal development funds to invest in or buy out suitable target financial institutions.

- The Group intends to further promote financial innovation. Leveraging its existing resources as the developer and management service provider of science parks, the Group will also provide financial services to the tenants such as equity investment, micro loans and over-the-counter trading to get not just the rent but also the overall return from the innovative financial services.

Continue to develop the Group's heat and power supplies business and improve its operating efficiency

The heat and power supplies business generates the majority of the Group's revenue, and provide stable source of income for the Group. The Group will continue to operate, strengthen and expand its heat and power supplies business. The Group plan to optimise the structure of its energy business by increasing the proportion of high-capacity coal-fired units application while vigorously developing natural gas other renewable power generation units. Furthermore, the Group intend to continue to enhance the energy conversion efficiency and reduce the net coal consumption rates of thermal power units. The Group plan to reduce emission resulting from the power generation process and strengthen the desulfurisation and denitrification processes.

Adhere to prudent financial management with stringent risk control

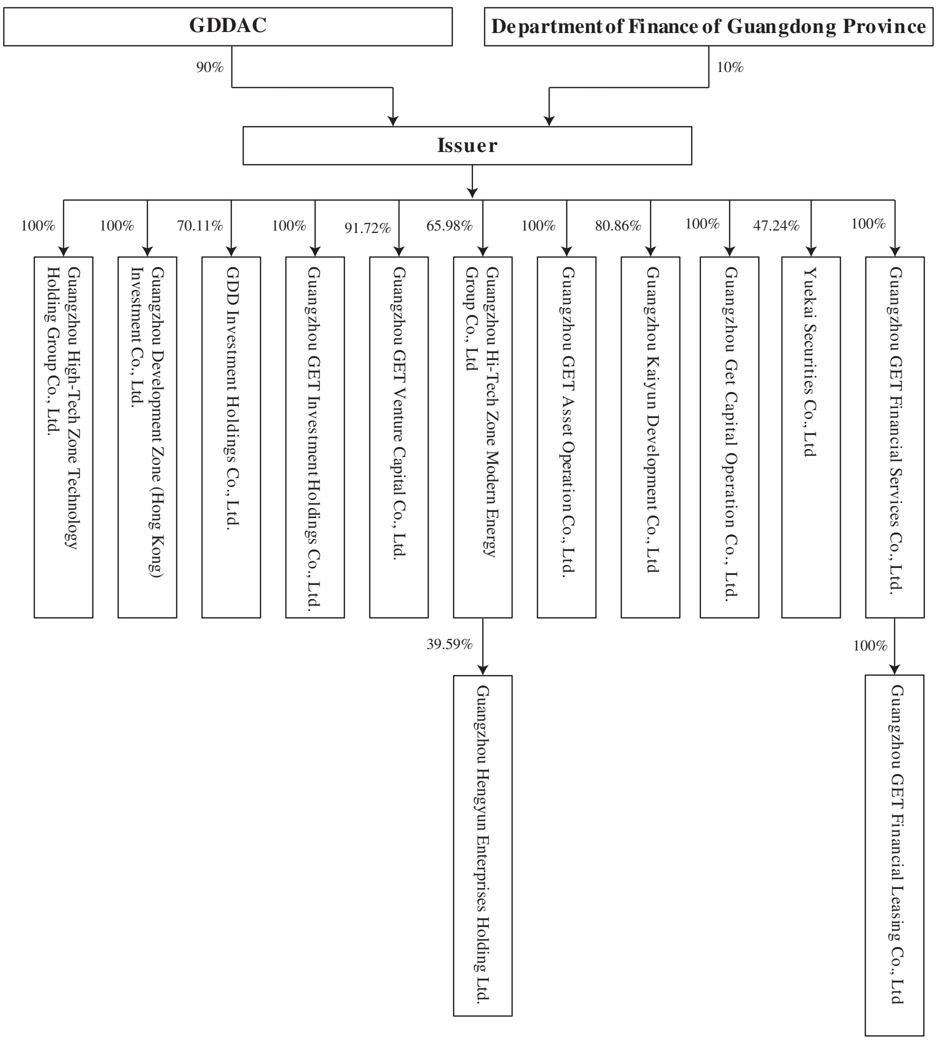
The Group believes that a prudent financial management system can reduce operational and financial risks and help achieve long-term sustainable growth. The Group will continue to implement its dividend policies to ensure stable distribution from its subsidiaries. In addition, the Group will continue to implement and enhance its prudent financial management system with well-defined policies and procedures, prudent investment policy that targets to achieve balance between assets and liabilities, between investment return and risk taking, and between principal business and other ancillary business and to strengthen cooperation with banks, to seek alternative sources of financing and to maintain a balanced indebtedness structure consisting of short-term, medium-term and long-term credit facilities.

Continue to build a professional management team and further improve corporate governance

The Group believes that its experienced management team and sound corporate governance structure have been key factors in contributing to its growth and development. The Group will continue to build a professional management team with well-qualified and experienced personnel, carry out regular training so as to enable the Group to continue to improve the efficiency of its operations and achieve its strategic goals through the expertise, and continuity, of the Group's management team. In addition, the Group has adopted a systematic management approach to manage its business in a disciplined manner and will continue to improve and streamline its management structure and internal control systems to control operational and investment risks and enhance the efficiency of its business operations.

CORPORATE STRUCTURE

The following chart summarises the corporate structure of the Group as at the date of this Offering Circular:



HISTORY AND DEVELOPMENT

The following sets out a number of key events in the business and corporate development of the Group:

- On 6 November 1998, the GDDAC approved the establishment of the Group's predecessor, Guangzhou Kaide Holdings Co., Ltd.

- In July 1998, the GDDAC approved the acquisition of Guangzhou Hengyun's shares from Guangzhou Development District International Trust Investment Corporation and Guangzhou Development District Industry Development Corporation Co., Ltd.

- In October 2002, Guangzhou Kaide Holdings Co., Ltd purchased from Chongqing Wujiang Electric Power Co., Ltd. shares of SCI (Guangzhou) Investment Group Co., Ltd. and became its largest shareholder.

- In May 2005, Guangzhou Kaide Holdings Co., Ltd successfully issued an aggregate principal amount of RMB2.4 billion medium term note.

- In August 2012, Guangzhou Kaide Holdings Co., Ltd entered into a joint venture to produce 8.5 – generation liquid-crystal screen with LG Display Co., Ltd.

- From 2012 to 2014, Guangzhou Kaide Holdings Co., Ltd was consecutively named a "Top 500 Service Enterprises of China" published by China Enterprise Confederation.

- In March 2017, Guangzhou Kaide Holdings Co., Ltd invested in NASDAQ listed BeiGene Co., Ltd.

- In July 2017, Guangzhou Kaide Holdings Co., Ltd. was renamed and the Group's current name was adopted.

- In October 2017, the Group invested in organic light-emitting diode (OLED) manufacturing project with LG Display.

- In April 2018, the Group got an "AAA" credit rating from China Chengxin International Credit Rating Co., Ltd.

- In July 2018, the Group successfully issued an aggregate principal amount of RMB5 billion corporate securities.

- In November 2018, the Group subscribed 20 % of the issued and outstanding shares of Urtrust Insurance with an investment of RMB920 million.

- In March 2019, the Group increased its shareholding in Lianxun Securities to 47.24% and became its controlling shareholder. Lianxun Securities effected a name change to Yuekai Securities and relocated its headquarter from Huizhou to Guangzhou.

- In October and November 2019, the Group successfully issued two series of corporate bonds in aggregate principal amount of RMB4.5 billion.

- In January 2020, the Group donated RMB6 million in response to the COVID-19 pandemic.

- In April 2020, the Group successfully issued privately placed bonds for COVID-19 pandemic control and prevention in a principal amount of RMB2 billion.

- In July 2020, the Group continued to be rated as "Baa1" and "BBB+" by Moody's Investor Services, Inc. and Fitch Ratings Ltd.

- In August 2020, the Group launched "Intellectual Property Assets Securitization 2.0" products.
- In September 2020, the Group was ranked as one of the Top 500 Services Enterprises of China.
- In December 2020, the Group issued an aggregate principal amount of USD500 million offshore bonds, and became the first listed company in the Guangzhou city having US-dollar denominated bonds dual-listed on the stock exchanges of Hong Kong and Macau.
- In January 2021, the name of the Group changed from "Guangzhou Development District Financial Holdings Co., Ltd." to "Guangzhou Development District Holding Group Limited".

RECENT DEVELOPMENT

Guangzhou High-Tech Zone Modern Energy Transfer

In July 2021, the GDDAC transferred 65.98% of its shares in Guangzhou High-Tech Zone Modern Energy Group Co., Ltd to the Group for nil consideration.

Taisheng Acquisition

In August 2021, Guangzhou GET Investment Holdings Co., Ltd ("**GET Investment**"), a wholly-owned subsidiary of the Company, as agreed to enter into a series of transactions (the "**Taisheng Acquisition**"), in which GET Investment will (1) acquire from existing controlling shareholders 36,033,927 shares of Shanghai Taisheng Wind Power Equipment Co., Ltd (the "**Taisheng Shares**") ("**Taisheng Wind**"), a company listed on Shenzhen Stock Exchange (SZSE: 300129), representing 5.011% of the total outstanding capital stock of Taisheng Wind, for consideration of approximately RMB540.5 million; and (2) subscribe for 215,745,976 Taisheng Shares to be issued by Taisheng Wind for consideration of RMB1,080.9 million. The total consideration of the Taisheng Acquisition amounted to approximately RMB1,621.4 million. Upon consummation of the Taisheng Acquisition, GET Investment will hold 26.9% of the total Taisheng Shares and become a controlling shareholder of Taisheng Wind.

Taisheng Wind primarily engages in the manufacture, sale and installation of equipment, accessories and parts for generating wind power, such as wind towers. For the year ended 31 December 2020, the total assets, revenue and net profit of Taisheng Wind were approximately RMB4,853.3 million, RMB3,604.0 million and RMB356.0 million respectively, which was equivalent to 5.1%, 56.8% and 42.2% of the total assets, revenue and net profit of the Group respectively. The Group expects a positive market outlook for wind power as an energy source in the electricity market. The Taisheng Acquisition enables the Group to tap into the renewable energy market which complements its coal-based power supplies business and diversifies its income sources. The Taisheng Acquisition is subject to regulatory approval of the China Securities Regulatory Commission, State Administration for Market Regulation and the Shenzhen Stock Exchange and has not reached completion as of the date of the Offering Circular.

Other Material Indebtedness

The Group also borrowed certain loans from various financial institutions in the ordinary course of business. For more information, please see "*Capitalisation and Indebtedness of the Issuer*".

Financial results of the Company as at and for the nine months ended 30 September 2021

On 29 October 2021, the Company published its consolidated financial information as at and for the nine months ended 30 September 2021 (the "**Third Quarter Financial Information**"), which was prepared in accordance with PRC GAAP and was not reviewed or audited by the Company's independent auditors. The Third Quarter Financial Information is not included in and does not form part of this Offering Circular and has not been reviewed or audited. Consequently, none of the Joint Lead Managers, the Trustee, any Agent (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or their sufficiency for an assessment of the Company's or the Group's financial condition and results of operations. Potential investors must exercise caution when using such trends to evaluate the Company's or the Group's financial condition and results of operations. Such information should not be taken as an indication of the expected financial condition or results of operations of the Company or the Group for the full financial year ending 31 December 2021.

For the nine months ended 30 September 2021, the Company recorded a substantial decrease in a profit before tax as compared to the same period in 2020. The decrease was primarily due to (1) increase in commodity price of coal, which drove up the operating costs of the Company's heat and supplies business; (2) decrease in investment income as the Company disposed its shareholding Guangzhou Securities Co., Ltd in 2020, which generated substantial non-recurring investment income in 2020; and (3) the Company incurred investment loss in relation to certain organic light-emitting diode (OLED) project in the nine months ended 30 September 2021.

AWARDS AND RECOGNITIONS

The Group has received numerous awards and recognitions as set forth in the table below:

Year	Awards	Organisers
2013	Top 500 Service Enterprises of China	China Enterprise Confederation and China Enterprise Directors Association
2013	Member Unit of China Financial Guarantee Industry Association	China Financial Guarantee Industry Association
2015	Creditable Enterprise (A-class)	Guangzhou Development District Labor and Social Security Bureau
2015	2013-2014 Annual Xiangxue Charitable Prize Five-star Enterprise	Charity Society of Guangzhou Luogang District
2016	Vice President Unit of Guangdong Financing Guarantee Industry Association	Guangdong Financing Guarantee Industry Association
2017-2021	Secretary-General Enterprise	Association of Guangzhou National Equities Exchange and Quotations ("**NEEQ**") Corporations
2017-2021	Vice President Enterprise	Association of Guangzhou NEEQ Corporations
2018	2017 Annual Charitable Prize of Huangpu District	Charity Society of Guangzhou Huangpu District
2018	President Unit of Guangzhou Entrepreneurship and Venture Capital Association	Guangzhou Entrepreneurship and Venture Capital Association
2018	Vice President Unit of Guangzhou Science and Technology Innovation Association	Guangzhou Science and Technology Innovation Association
2019	Outstanding Investor Education Award	Shanghai Stock Exchange
2019	Junding Award for Emerging Securities Brokers in China	Securities Times
2019	Key Research Topic by the Chief Economics on "The Impacts of Foreign Capital Inflows and Financial Opening Trends in China's Capital Market"	Securities Association of China
2019	2019 Securities App Digital Wealth Management Award and 2019 Securities Business App Liked by Young Users	Securities Companies in China
2019	STAR Market Investor Education Graphics Special Award	Shanghai Stock Exchange
2019	Most Popular Strategic Analyst by Online Investors	Shanghai Securities News
2020	The 2019 (Fifth) Brokerage App Billboard has three major awards: "Best User Service App", "Most Favorite App" and "Best Operation Team"	Brokers Wealth Management Innovation Summit
2020	2020 Junding award for Emerging Securities Brokers in China and 2020 Junding Award for Investor Education Team in China	Securities Times
2020	Top 500 Service Enterprises of China	China Enterprise Confederation and China Enterprise Directors Association
2021	The Time Weekly Brand Value Award	The Time Weekly

BUSINESS

The Group's operations primarily focus on four business segments, including (i) heat and power supplies; (ii) science park construction and management; (iii) real estate development and (iv) other businesses.

The following table sets forth a breakdown of the operating revenue from each business segment of the Group for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
	Amount	% of total operating revenue	Amount	% of total operating revenue	Amount	% of total operating revenue	Amount	% of total operating revenue	Amount	% of total operating revenue
	(RMB in millions, except percentages)									
Business segment										
Heat and power supplies	2,799.5	75.6	2,919.7	45.3	2,651.7	41.8	1,232.2	46.0	1,620.1	43.5
Science park construction and management	477.0	12.9	549.9	8.5	628.0	9.9	255.2	9.5	353.1	9.5
Real estate development	175.1	4.7	1,595.7	24.8	624.5	9.8	320.3	12.0	198.2	5.3
Other businesses	251.9	6.8	1,375.9	21.4	2,444.7	38.5	873.5	32.6	1,554.1	41.7
Total operating revenue	3,703.5	100.0	6,441.2	100.0	6,348.9	100.0	2,681.2	100.0	3,725.5	100.0

Note:

Income generated by fund investment business is not included in the chart above as it is categorised as investment income.

The following table sets forth a breakdown of the Group's cost of sales from each business segment for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
	Amount	% of total cost of sales	Amount	% of total cost of sales	Amount	% of total cost of sales	Amount	% of total cost of sales	Amount	% of total cost of sales
	(RMB in millions, except percentages)									
Business segment										
Heat and power supplies	2,389.2	80.2	2,385.6	62.0	2,309.2	56.1	1,049.1	61.5	1,497.9	56.4
Science park construction and management	354.9	11.9	448.3	11.6	573.1	13.9	244.1	14.3	262.2	9.9
Real estate development	77.1	2.6	435.2	11.3	106.5	2.6	92.3	5.4	55.0	2.1
Other businesses	15.5	5.2	580.5	15.1	1,126.9	27.4	320.9	18.8	840.1	31.6
Total cost of sales	2,977.7	100.0	3,849.5	100.0	4,115.7	100.0	1,706.4	100.0	2,655.2	100.0

HEAT AND POWER SUPPLIES

Overview

The Group conducts its heat and power supplies business mainly through its subsidiary, Guangzhou Hengyun (SZSE: 000531), which is a state-owned power and heat generator located in Guangzhou listed on the Shenzhen Stock Exchange. It is the only franchised heat supplier in Guangzhou Development District and provides stable revenue for the Group. As at 30 June 2021, the Group held 26.12% of issued and outstanding shares of Guangzhou Hengyun. The Group generates electricity and heat concurrently with a state-of-art cogeneration system, fuelled by coal. As at 30 June 2021, the Group owned and operated four cogeneration units with installed capacity of 1,122 MW.

The following table sets forth a breakdown of the Group's revenue from heat and power supplies for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
Type of business	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in millions, except percentages)									
Power supplies	2,115.0	75.6	2,246.1	76.9	1,969.5	74.3	913.6	74.2	1,170.5	72.2
Heat supplies	684.4	24.5	673.6	23.1	682.2	25.7	318.6	25.9	449.6	27.8
Total	2,799.5	100.0	2,919.7	100.0	2,651.7	100.0	1,232.2	100.0	1,620.1	100.0

The following table sets forth a breakdown of the Group's cost of sales from heat and power supplies for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
Type of business	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in millions, except percentages)									
Power supplies	1,838.9	77.0	1,840.8	77.2	1,724.9	74.7	786.4	75.0	1,153.1	77.0
Heat supplies	550.3	23.0	544.7	22.8	584.4	25.3	262.8	25.0	344.8	23.0
Total	2,389.2	100.0	2,385.6	100.0	2,309.2	100.0	1,049.1	100.0	1,497.9	100.0

The following table sets forth a breakdown of the Group's gross profit from heat and power supplies for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
Type of business	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in millions, except percentages)									
Power supplies	276.2	67.3	405.3	75.9	244.6	71.4	127.3	69.5	17.4	14.2
Heat supplies	134.1	32.7	128.8	24.1	97.9	28.6	55.8	30.5	104.8	85.8
Total	410.3	100.0	534.1	100.0	342.5	100.0	183.1	100.0	122.2	100.0

Power Generation

Guangzhou Hengyun develops, invests, constructs, manages and operates power plants, and sells the power generated by such power plants to power grid companies and large power end-users. As at 30 June 2021, Guangzhou Hengyun is the second largest local power generation company in Guangzhou in terms of installed capacity, one of the top 500 energy groups in the PRC, one of the top 500 Guangdong enterprises, and is the first power generation company in Guangdong Province to achieve "ultra-low emission" for all power generating units.

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, total power generated from Guangzhou Hengyun's power plants amounted to 5.9 billion kWh, 6.2 billion kWh, 5.5 billion kWh, 2.6 billion kWh and 3.1 billion kWh, respectively, of which on-grid power accounted for 5.4 billion kWh, 5.7 billion kWh, 5.1 billion kWh, 2.4 billion kWh and 2.8 billion kWh, respectively.

The following table sets forth certain operational data of the power plants for the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021:

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
Net coal consumption rate (g/kWh)	320.4	320.4	315.3	320.2	326.5
Utilisation hours	5,434.0	5,585	4,929	2,500.4	2,855

Power Plants

All of Guangzhou Hengyun's power plants are located in Guangzhou Development District. As 30 June 2021, the total installed capacity of Guangzhou Hengyun's power plants was 1,122 MW.

The following table sets forth certain information relating to the Group's cogeneration power plants in operation as at 30 June 2021:

Power plant	Installed capacity (MW)	Year of operation commencement	Location
#6 Plant	210	1998	No. 8, Xiji Road, Guangzhou Development District
#7 Plant	210	2002	No. 8, Xiji Road, Guangzhou Development District
#8 Plant	330	2007	No. 8, Xiji Road, Guangzhou Development District
#9 Plant	330	2008	No. 8, Xiji Road, Guangzhou Development District

Development and Maintenance of Power Plants

The development of the Group's power plant projects consists of the following stages:

Opportunity Identification and Feasibility Study

Guangzhou Hengyun first identify a region with potential for economic growth and increasing power demand. Guangzhou Hengyun actively seek development opportunities and also participate in government tenders for projects that it believes will provide a suitable return on investment. For each new project, Guangzhou Hengyun first assess a number of factors, such as geographical and geological conditions, land use requirements, access to power grid, fuel supply conditions, local permit and license requirements. Guangzhou Hengyun also evaluate the existing installed capacity, projected power demand and expected power supply in the region. The initial assessment of the proposed power project is formalized in a preliminary feasibility study, which is reviewed by Guangzhou Hengyun's strategy and development department. The initial review is followed by an evaluation by its internal expert committee and formal approval is thereafter obtained from its board of directors.

Approvals and Permits

Power plant projects are subject to approvals by national or local governmental authorities. Guangzhou Hengyun and its third-party service providers are also required to obtain permits, such as operating licenses and permits for site selection, land use right, environment protection and construction. Guangzhou Hengyun cannot commence construction of power plants without obtaining relevant approvals and permits from government authorities. For a detailed discussion of the PRC regulations and policies in connection with government approvals, please see "*Regulation*".

Power Plant Construction

The construction of Guangzhou Hengyun's power plants, including equipment procurement and installation, site preparation and civil works are generally subcontracted to subcontractors through a competitive bidding process. The majority of its power plants are completed on or ahead of schedule, enabling certain units to enter service and begin generating income earlier than the estimated in-service date.

Plant Start-up and Operation

Upon completion of construction and after having obtained government approvals, Guangzhou Hengyun will conduct trial operation of the Group's new power plants. Guangzhou Hengyun's power plants will commence commercial operation only after they successfully pass the trial operation stage. Once its power plants commence commercial operation, Guangzhou Hengyun's operation management department will undertake supervision over their operation. In addition, Guangzhou Hengyun also maintains internal monitoring systems to ensure the stable performance of these power plants.

Repair and Maintenance

Each of the Group's power plants schedules regular inspections and repairs for each of its generation units. Timetables and procedures for the repair and maintenance of generation units are set up by each project company in accordance with what the Group believes to be typical practices in the power generation industry. The Group staggers its overhaul schedules so as to minimize any effects of the planned shutdowns for overhaul purposes.

Electricity Sale

Guangzhou Hengyun primarily sells the power it generates to power grid companies at the fixed on-grid tariff, and a small quantity of power is sold by way of competitive bidding to large power end-users, which generally results in prices that are below the on-grid tariff.

Pricing and On-grid Tariffs

The PRC Electric Power Law (中華人民共和國電力法), which came into effect in 1996 and lastly amended on 29 December 2018, sets out the general principles for determining on-grid tariffs in the PRC. On-grid tariff refers to the tariff that grid companies pay to power generators. Under the PRC Electric Power Law, the on-grid tariffs are formulated to provide reasonable compensation for costs as well as a reasonable return on investment.

On-grid tariffs for coal-fired power plants are set by the NDRC with reference to the plant's operating terms and the average costs of comparable plants. These tariffs generally reflect production costs plus a reasonable investment return. Other factors that the NDRC considers when determining on-grid tariffs include fuel type, cost structure, economic life of the facility and applicable tax rates and the tariff may be further adjusted in light of material changes such as significant fluctuation in the market price of fuel. In 2004, the NDRC started to set benchmark on-grid tariffs for coal-fired generating units on a province-by-province basis by reference to the costs of typical coal-fired units located in the same province. For example, the NDRC decreased the benchmark on-grid tariff for coal-fired generating units in Guangdong province at RMB0.4735/kWh in April 2015. Subsequently, in July 2017, the NDRC increased RMB0.025/kWh of the benchmark on-grid tariff for coal-fired generating units with up-to-standard desulfurization and denitrification installations to RMB0.4539/kWh. In October 2019, the NDRC issued the Guiding Opinions on Deepening the Reform of the On-grid Tariffs Formation Mechanism for Coal-fired Power (Fa Gai Jia Ge Gui [2019] No. 1658) (關於深化燃煤發電上網電價形成機制改革的指導意見)(發改價格規[2019]1658號), according to which, the mechanism of benchmark on-grid tariffs for coal-fired power plants shall be changed to a market-oriented pricing mechanism featuring "benchmark price + fluctuation" ("基準價+上下浮動") from 1 January 2020, the benchmark price shall be determined according to the current local benchmark on-grid tariffs for coal-fired power plants with the fluctuation range ranging from 10% upward to 15% downward in principle, and the on-grid tariffs shall not increase in 2020. On 8 October 2021, the State Council announced new measures to ensure a stable supply of energy given the significant increase in energy price in the international market and tight supply of fuel in China. The fluctuation range of the benchmark on-grid tariffs for coal-fired power plants shall be adjusted to 20% in both ways. For industries with high energy consumption, the on-grid tariff shall be determined by market mechanism and not be subjected to the prescribed fluctuation range.

According to the Measures for the Administration on the Cogeneration (熱電聯產管理辦法) jointly issued by the NDRC, the National Energy Administration, the MOF, the Ministry of Housing and Urban-Rural Development and the Ministry of Environmental Protection in 2016, grid companies are required to prioritize purchasing power generated by a cogeneration power plant. As a result, all the power generated by Guangzhou Hengyun was generally sold at competitive prices.

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2020 and 2021, the average on-grid tariffs (not including tax) for the power generated by Guangzhou Hengyun were RMB0.3891/kWh, RMB0.3887/kWh, RMB0.3701/kWh and RMB0.3509/kWh, RMB0.3900/kWh respectively.

Guangzhou Hengyun primarily sells all the electricity generated from its cogeneration power plants to Guangzhou Electric Power Co., Ltd. ("**Guangzhou Electric**"), a wholly owned subsidiary of China Southern Power Grid Co., Ltd. Guangzhou Hengyun's power purchase agreement with Guangzhou Electric generally follows the model contract jointly published by the State Electricity Regulatory Commission and the State Administration of Commerce and Industry. The agreement has a fixed term of five years. For thermal power, the agreement provides that the annual utilisation hours of the power plant will be determined with reference to the average annual utilisation hours of the similar generating units connected to the same grid.

Electricity Sale Reform

Electricity sale through competitive bidding is one of the objectives of power market reform. The PRC government started in 1999 to experiment with a program to effect electricity sale through competitive bidding in some provinces, and has been gradually expanding the program with a view towards creating a market-oriented electric power industry. Pursuant to the opinions regarding promotion of electric power system reform in the period of "The 11th Five-Year Plan" adopted by the State Council in November 2006, the State Electricity Regulatory Commission will accelerate the reform to establish an electric power market suitable to China's circumstances. Although there have been small, experimental power sales through a bidding process in the power markets in the Northeastern region and Eastern region, the use of the bidding method in power sales had not yet been substantively implemented during the two years ended 31 December 2011 and 2012. Furthermore, the PRC government started in 2009 to experiment with a program for direct power purchase by large power end-users, and has promulgated rules governing the price and method of direct power purchase transactions, as well as market entrance and exit mechanisms. In accordance with the above policies, the Group is conducting research on the program for direct power purchase by large power end-users.

However, since the detailed implementation rules governing the program at the local level varies among the regions in terms of market entrance conditions, scope of experiment, and price and method of direct power purchase, these rules are subject to approval by relevant central governmental authorities.

Heat Supplies

Guangzhou Hengyun produces heat while generating electricity with its state-of-art cogeneration system. It is one of the five heat suppliers authorised by Guangzhou Municipal Government to operate in the municipality, and is the only authorised supplier in Guangzhou Development District. Guangzhou Hengyun's cogeneration units employ the coal-steam combined cycle cogeneration systems to generate heat energy and supply heat power, and the heat energy will be distributed to industrial end users within the coverage of its network. Guangzhou Hengyun mainly supplies heat and steam for industrial usage within Guangzhou Development District and Machong Town in Dongguan Municipality through its subsidiaries, Guangzhou Hengyun Eastern District Heat Co., Ltd. ("**Eastern Heat**"), Guangzhou Hengyun Heat Co., Ltd. ("**Hengyun Heat**") and Dongguan Hengyun New Energy Co., Ltd. ("**Dongguan Hengyun**").

The following table sets forth certain operational data of the heat supplies business for the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2021:

	Year ended 31 December			Six months ended 30 June	
	2018	**2019**	**2020**	**2020**	**2021**
Steam supply capacity (tonne/hour)	1,161.0	1,202.0	1,202.0	1,202.0	1,202.0
Eastern Heat	255.0	255.0	255.0	255.0	255.0
Hengyun Heat	400.0	400.0	400.0	400.0	400.0
Dongguan Hengyun	506.0	506.0	506.0	506.0	506.0
Distribution Company	–	26.0	26.0	26.0	26.0
Huaiji Hengyun	–	15.0	15.0	15.0	15.0
Heat supply (thousand tonnes)	3,483.7	3,436.4	3,433.6	1,202.0	1,106.6
Eastern Heat	1,006.9	946.9	968.2	42.96	608.9
Hengyun Heat	769.1	744.8	730.0	35.47	364.0
Dongguan Hengyun	1,707.7	1,711.8	1,676.8	80.56	99.3
Distribution Company	–	24.2	38.6	1.69	30.1
Huaiji Hengyun	–	8.7	20.0	0.76	4.3
Average Sale Price (RMB/tonne)	196.5	196.0	199.1	201.9	224.8

Guangzhou Hengyun enters into heat energy supply agreement with its industrial clients, and the agreement includes standard terms including the heat supply technical terms, purchase price of heat energy, the heat energy supply period, metering and payment. The price for heat energy is generally government fixed price or government guided price and the prices adjusts and ratifies once a month.

Guangzhou Hengyun is the primary heat supplier to industrial heat power users within Guangzhou Development District, including Guangzhou Dingjin Food Co., Ltd, Procter & Gamble (China) Ltd. and Amway (China) Co., Ltd.

Fuel Procurement

Guangzhou Hengyun procures the majority of coal from large coal producing companies and has established long-term cooperative relationships with a diversified pool of coal suppliers, which helps to stabilize coal purchase price. Guangzhou Hengyun enters into purchase agreements with its coal suppliers on an annual basis and determine coal purchase price in accordance with the annual purchase plan and coal price trend. Guangzhou Hengyun mainly procures coal from three key coal suppliers, namely Shenhua Sales Group Co., Ltd Southern China Branch, Guangdong China Coal Import and Export Co., Ltd and Yitai Supply Chain Financial Service (Shenzhen) Co., Ltd. For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2020 and 2021, the Group procured 3.2 million tonnes, 3.0 million tonnes, 2.7 million tonnes, 1.3 million and 1.8 million tonnes of coal, respectively, with average purchase price of RMB776.6 per tonne, RMB734.3 per tonne, RMB578.69 per tonne, RMB762.3 per tonne and RMB673.1 per tonne, respectively.

Continual Improvement of Generating Efficiency

Guangzhou Hengyun continually improves the generating efficiency of its power plants. For example, in November 2009, Guangzhou Hengyun ceased the operations of two small power generation units with total installed capacity of 50 MW to improve its overall generation efficiency. Guangzhou Hengyun regularly upgrades the technology and equipment used in its power plants, including inverters, steam turbine shaft seals, air preheater seals and other energy-saving equipment.

SCIENCE PARK CONSTRUCTION AND MANAGEMENT

Overview

The Group's science park construction and management business includes the construction and management of Technologies Enterprises Accelerator of Guangzhou Development District ("**Accelerator**"), Headquarters' Economic Zone of Guangzhou Science City, Guangzhou Science City Plaza, Guangzhou Science City Chuangyi Building, Guangzhou Science City Innovation Base and other science parks with gross floor area, or GFA, of approximately 4 million square metres. The Group has adopted a model combining innovation centres, incubators and accelerators, providing services through resident enterprises' development cycle to support the growth of the enterprises in the science parks. Science park residents comprise high technology companies specialised in blockchain, artificial intelligence, information technology, biotechnology, new energy and new materials. Through incubation, innovative investment, technology services and park management, the Group created a technology ecosystem encompassing a value investment chain of services. The Group has mainly conducted its park construction and management business by certain subsidiaries, including Guangzhou Development District Investment Holdings Co., Ltd. and Guangzhou Kyin Development Co., Ltd. The Group constructs science parks in Guangzhou Development District, Guangzhou Kyin Development Co., Ltd. manages the Accelerator, while Guangzhou Runpu Investment Co., Ltd. engages in the property leasing and property management service business.

The Group conducts its science park construction business under two models. Under the first model, the Group directly invests in the projects to be constructed, and upon completion of the projects, the Group, as the owner or co-owner of the projects, operates and manages the projects and derive management fees and leasing revenue from the properties. Projects that were constructed under this model include Sikai Buildings and Headquarters' Economic Zone First Phase. The second model mainly applies to Accelerator projects, the construction of which are commissioned by the GDDAC. The GDDAC and the Group enter into a construction agreement under which the GDDAC makes payment to the Group in instalments based on the construction progress, and the Group does not invest its own funds in the projects. The Accelerator built by Guangzhou Development District Investment Holdings Co., Ltd. is one of the key projects in the Science City of the Guangzhou Development District. The Accelerator comprises of five phases, with a total investment of RMB2.3 billion, all of which is to be funded by the government. Guangzhou Development District Investment Holdings Co., Ltd. charges a construction fee of 1.5% of the total investment amount for the construction of the Accelerator.

The Group derives management fees from properties of which the Groups possess management right. The Group obtains right of property management mainly through purchase, cooperative development and allocation. As at 30 June 2021, the properties managed by the Group include Guangzhou Science City Commercial Plaza, Headquarters' Economic Zone of Guangzhou Science City, Guangzhou Science City Chuangyi Building, etc. As at 30 June 2021, more than 700 enterprises are based in the properties managed by the Group.

The revenue of the Group's science park construction and management business is primarily derived from property leasing and property management services. The following table sets forth a breakdown of the Group's revenue from science park construction and management for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
Type of business	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	(RMB in millions, except percentages)									
Property leasing	368.2	77.2	417.4	78.3	358.4	58.3	136.9	53.7	206.7	59.6
Property management	108.6	22.8	115.7	21.7	256.0	41.7	118.2	46.3	140.0	40.4
Total.	476.8	100.0	533.1	100.0	614.4	100.0	255.2	100.0	346.7	100.0

The following table sets forth a breakdown of the Group's cost of sales from science park construction and management for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
Type of business	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	(RMB in millions, except percentages)									
Property leasing	266.3	75.0	353.3	82.2	343.9	62.4	136.1	55.7	133.6	53.0
Property management	88.6	25.0	76.4	17.8	206.9	37.6	108.1	44.3	118.5	47.0
Total.	354.9	100.0	429.7	100.0	550.8	100.0	244.2	100.0	252.1	100.0

The following table sets forth a breakdown of the Group's gross profit from science park construction and management for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2018		2019		2020		2020		2021	
Type of business	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	(RMB in millions, except percentages)									
Property leasing	102.1	83.6	64.1	62.0	14.5	22.8	0.9	0.9	73.1	77.2
Property management	20.0	16.4	39.3	38.0	49.1	77.2	10.2	99.1	21.6	22.8
Total.	122.0	100.0	103.4	100.0	63.6	100.0	11.1	100.0	94.7	100.0

Science Parks in Operation

The following table sets forth certain operating information in relation to the Group's major science parks in operation as at 30 June 2021:

Name of science park	**Source of Property**	**GFA (thousand m^2)**	**Number of the resident enterprises**	**Average rent (RMB/m^2/month)**	**Leased rate**	**Type**
Business Plaza A1-A4 (商業廣場 A1-A4)	Purchased	104	46	65.0 – 67.0	70.7%	High-end office
Business Plaza A5-A6 (商業廣場 A5-A6)	Purchased	82	1	26.6	100.0%	Retail
Headquarters' Economic Zone A9-A10 (總部經濟區A9-A10)	Constructed	37	18	60.0 – 61.0	91.3%	Office
Chuangyi Building (創意大廈)	Purchased	120	113	40.0 – 47.0	93.8%	Office, Laboratory
Chuangxin Building (創新大廈)	Purchased	118	103	40.0 – 47.0	91.7%	Office, Laboratory
Chuangxin Base Building (創新基地) . .	Purchased	79	84	40.0 – 47.0	90.7%	Office, Factory
Guangzhou Science City Plaza (科學會廣場).	Purchased	37	2	25.0 – 40.0	100.0%	Hotel, Research office
Accelerator Phase I, Phase II and Phase III (加速器一、二、三期) . . .	Constructed	572	125	31.5	90.0%	Factory
Accelerator Phase IV (加速器四期) . . .	Constructed	75	139	26.8	80.8%	Apartment
Accelerator Phase V (加速器五期) . . .	Constructed	85	111	29.9	96.1%	Dormitory
Former Office Building of Western District Administrative Committee (西區管委會原辦公大樓)	Transferred	35	5	50.0	50.9%	Governmental use

Name of science park	Source of Property	GFA (thousand m^2)	Number of the resident enterprises	Average rent ($RMB/m^2/month$)	Leased rate	Type
Sikai Buildings (四凱樓)	Constructed	111	1	0	100.0%	Governmental use
Development District Financial Holdings Centre (開發區金控中心)	Purchased	60	38	121.8	49.6%	High-end office
Baoli Zhongjun Plaza (保利中珺廣場)	Purchased	63	1	44.5 – 64.9	100.0%	Apartment
Ganghang Centre (港航中心)	Purchased	14	11	80.0	67.9%	High-end office
Greenland Central Plaza S8 Block (綠地中央廣場S8棟)	Purchased	2	1	193.1	100.0%	Retail
Greenland Carpark (綠地停車位)	Purchased	4	1	25.7	100.0%	Carpark
Total	–	1,598	800	–	–	–

Science Parks under Construction or Planned to be Constructed

The following table sets forth certain operating information in relation to the Group's major science parks under construction or planned to be constructed as at 30 June 2021:

Science Park Name	GFA (thousand m^2)
Headquarters' Economic Zone Phase II (總部經濟區二期)	86
Guangzhou Times Science and Culture Centre (廣州日報科技文化中心)	74
Knowledge City International Innovation Drive Centre (知識城國際創新驅動中心)	726
Main Building of Foreign Investment Activity Centre (外商活動中心主樓)	62
Guangdong-Hong Kong-Macao Greater Bay Area Financial Technology Center (粵港澳大灣區(廣州)金融科技中心)	407
CapitaLand (凱德星貿中心)	223
Guangdong-Hong Kong-Macao Greater Bay Area Academician Exchange Activity Centre (粵港澳大灣區院士交流活動中心)	10
Guangdong-Hong Kong-Macao Greater Bay Area Biosafety Harbour (粵港澳大灣區生物安全創新港)	44
Total	1,632

Resident Enterprises

The Group aims to attract market leaders and technology enterprises to reside in the science parks with its quality property management services and strategic focus on providing investment to foster the growth of technology firms. Paired with its technology investment business, the Group has created a dynamic business environment in Guangzhou Development District through its science park construction and management business, in which the Group carefully cultivates future star technology firms while generating rent revenue from these firms.

As at 30 June 2021, approximately 700 enterprises resided in the science parks managed by the Group, which mostly consist of industry-leading information technology and biomedical enterprises, including notable names like Xiaopeng Automobile and Medprin Regenerative Medical Technologies Co., Ltd. (廣州邁普再生醫學科技股份有限公司). The following table set forth the representative enterprises of the Group's science parks:

Science park name	Representative resident enterprises
Technologies Enterprises Accelerator of Guangzhou Development District	Guangzhou Hexin Instrument Co., Ltd. (廣州禾信儀器股份有限公司), Huanan Industrial Technology Research Institute of Zhejiang University (浙江大學華南工業技術研究院), Research Institute of Tsinghua, Pearl River Delta (清華大學珠三角研究院)
Business Plaza A1-A4	Guangzhou Baosteel South Trade Co., Ltd. (廣州寶鋼南方貿易有限公司), Guangzhou Samsung Mobile R&D Center Co., Ltd. (廣州三星通信技術研究有限公司)
Business Plaza A5-A6	Guangzhou Gaodehui Property Co., Ltd. (廣州高德匯置業有限公司)
Chuangyi Building	Rihai Communication Service Co., Ltd. (日海通訊服務有限公司)
Chuangxin Building	Ankai (Guangzhou) Microelectronics Technology Co., Ltd. (安凱(廣州)微電子技術有限公司)
Chuangxin Base Building	Medprin Regenerative Medical Technologies Co., Ltd. (廣州邁普再生醫學科技股份有限公司)
Headquarters' Economic Zone Phase I	Guangdong Equity Trading Centre Co., Ltd. (廣州股權交易中心有限公司), Guangzhou Alibaba Cloud Computing Co., Ltd. (廣州阿裡雲計算應用技術有限公司)

Science park name	Representative resident enterprises
Ganghang Centre	Guangzhou Electronic Port Management Co., Ltd. (廣州電子口岸管理有限公司)
Guangzhou Science City Plaza	Guangzhou Intelligent Equipment Research Institute Co., Ltd. (廣州智慧裝備研究院有限公司)

REAL ESTATE DEVELOPMENT

Overview

The Group has been conducting real estate development since 2010 through the Group's subsidiaries, Guangzhou Development District Investment Holdings Co., Ltd., Guangzhou Jinze Real Estate Development Co., Ltd. and its subsidiary, Guangzhou Yilong Real Estate Development Co., Ltd. Guangzhou Development District Investment Holdings Co., Ltd. holds the Qualification for Real Estate Development Enterprise (房地產開發企業資質), and Guangzhou Jinze Real Estate Development Co., Ltd. and Guangzhou Yilong Real Estate Development Co., Ltd. hold the Temporary Real Estate Development Qualification (房地產開發暫定資質). All the Group's properties are located within the Guangzhou Development District. The following table sets forth the breakdown of the financials of real estate development:

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
	(RMB in millions, except percentages)				
Operating revenue	175.1	1,595.7	624.5	320.3	198.2
Cost of sales	77.1	435.2	106.5	92.3	55.0
Gross profit	98.1	1,160.5	518.0	228.1	143.2

The revenue from the real estate development decreased from RMB320.3 million for the six months ended 30 June 2020 to RMB198.2 million for the same period in 2021 because the Company's real estate business has been affected by the tightening of the national real estate policy this year.

Developed Projects

The properties the Group owns include Jinzeyuan Phase I (錦澤園一期) and Jinzeyuan Phase II (錦澤園二期). As at 30 June 2021, Jinzeyuan Phase I and II had been completed, the Group had sold most of the units of Jinzeyuan Phase I and II, the corresponding sales have been recognised.

The following table sets forth information regarding the real estate projects that are under construction or under sales as at 30 June 2021:

Project Name	Headquarters' Economic Zone Second Phase	Guangzhou Daily Science and Culture Centre	Jinzeyuan Phase I	Jinzeyuan Phase II	Greater Bay Area (Guangzhou) Technology Financial Centre	Changling
Property Type	Commercial	Commercial	Residence	Residence	Commercial	Commercial
Total investment amount (RMB in million)	1,002	1,239	1,894	399	6,294	2,647
Amount invested (RMB in million)	905	822	1,832	253	3,525	1,474
GFA (thousand m^2)	86.4	74.3	301.3	47.9	407	209
Construction cycle	3 years	3 years	5 years	3 years	5 years	3 years
Project Status	Under construction	Under construction	For sale	For sale	Under construction	Under construction
Time of Pre-sale	2021	2021	2011	2019	2022	2022
Area qualified for sale (thousand m^2)	–	–	233.8	22.3	–	–
Sold area (thousand m^2)	–	–	228.9	22.5	–	–

Project Name	Headquarters' Economic Zone Second Phase	Guangzhou Daily Science and Culture Centre	Jinzeyuan Phase I	Jinzeyuan Phase II	Greater Bay Area (Guangzhou) Technology Financial Centre	Changling
Income recognized (contracted sales) (RMB in million)	–	–	3,120	877	–	–
Accumulated funds recovered (RMB in million)	–	–	3,127	877	–	–

OTHER BUSINESSES

Overview

The Group's other businesses include fund investment, securities business, financing guarantee, information technology services, bio-medicine, financial services and ancillary business. For the years ended 31 December 2018, 2019, 2020 and the six months ended 30 June 2020 and 2021, the Group generated from its other businesses operating revenues of RMB251.9 million, RMB1,375.9 million, RMB2,444.7, RMB873.5 million and RMB1,554.1 million, respectively, representing 6.80%, 21.36%, 38.51%, 32.58% and 41.7%, respectively, of the Group's total operating revenue for the corresponding period.

Fund Investment

The Group's fund investment business includes equity investment in innovative, technology companies, directly or indirectly through various funds managed by the Group. It is an important financing platform that supports the development of technology, bio-medicine and financial services companies in Guangzhou Development District. The Group conducts its fund investment business on its own and through its subsidiaries, Guangzhou GET Finance Holdings Co., Ltd. ("**GET Finance Holdings**"), Guangzhou High-Tech Zone Technology Holding Group Co., Ltd. and Guangzhou GET Investment Holdings Co., Ltd ("**GET Investment Holding**"). As at 30 June 2021, the Group invested in more than 100 companies, including Guangzhou Leader Biological Technology Co. Ltd., Surexam Biotechnology Co. Ltd., Guangzhou Hexin Instrument Co., Ltd., Smartspyeye Technologies, Inc., Shenzhen HuiHao Information Technology Co., Ltd., and Xiangxue Pharmaceutical Co., Ltd. Among the Group's investees, 12 companies, including Guangzhou Tech-Long Packing Machinery Co., Ltd., Hunan Boyun New Materials Co., Ltd., Guangzhou Improve Medical Instruments Co., Ltd., Vtron Group Co., Ltd., Guangzhou Goaland Energy Conservation Tech Co., Ltd., Xiangxue Pharmaceutical Co., Ltd., Huizhou Speed Wireless Technology Co., Ltd. and Top Resource Conservation & Environment Corp. have successfully went public, and seven companies, including Surexam Biotechnology Co. Ltd. and Guangzhou Jinghua Optics & Electronic Instrument Co., Ltd., are listed on the NEEQ. The Group continues to invest in a wide range of innovative, technology industries, including new material, artificial intelligence, smart manufacturing, information technology, environmental and biotech industries.

The Group achieves synergy from its funding investment with the other business segments. For example, the Group routinely invites prominent technological firms to become resident enterprises in its science parks, bolstering the profile of its parks and generating rent revenue. The Group also combines its services under science park management, fund investment and financial services to provide comprehensive, multi-facet, full cycle support for SMEs at different stages. It also learns key financial information from the due diligence it conducts for making investments in technological firms, and is able to make sound credit decisions before extending financial guarantee services to any small or medium sized enterprise as part of its financial services business.

The Group is constantly developing innovative financing methods. It issued the highest amount of public bonds among all the state-owned enterprises in Guangzhou Development District, and its financing cost is lower than the average market level,enabling the Group to compete effectively for investment projects.

The Group will play a crucial role in Huangpu District of Guangzhou and Guangzhou Development Zone's deepened collaboration with the NEEQ and the Beijing Stock Exchange, cultivating suitable companies on a path of "reorganization—NEEQ listing—elevated innovation—Beijing Stock Exchange listing". The Group understands the different mechanisms, preferences and target investors in Shanghai, Shenzhen and Beijing stock exchanges and how they complement each other, and will cultivate and prepare SMEs for public listing based on the characteristics of the SMEs and the stock exchanges.

Policy-Guided Fund Investment

Established in 2008, GET Finance Holdings mainly invests and manages the policy-guided and seed funds in Guangzhou Development District with a focus on establishing a strong portfolio of small- and medium-sized technology firms. As at 30 June 2021, GET Finance Holdings invested in 17 funds including Guangdong Zhongkebaiyun Fund, Guangzhou Liding Fund, Guangzhou Lidinghengyi Fund, Guangzhou Detong Kaide Fund and Lingkang Biology Fund, etc. As at 30 June 2021, GET Finance Holdings managed funds of an overall size of RMB7,098 million, of which approximately RMB405 million has been invested in cutting-edge technology and biomedical firms.

GET Finance Holdings receives dividends from its portfolio companies and realizes returns at exiting the investment in proportion to its ownership stake. GET Finance Holdings also invests in fund management companies of certain sub-funds, enabling GET Finance Holdings to derive income from the management fees that such fund management companies receive. Each of the fund managed by GET Finance Holdings employs complex metrics to carefully select their portfolio companies, which metrics complement each other. As at 30 June 2021, the overall return rate of GET Finance Holdings' fund investments exceeded 136.33%.

The following table sets forth the listed enterprises which GET Finance Holdings has invested through funds prior to their initial public offerings:

Enterprise Name	Date	Investment Cost (RMB in million)	Share Ownership	Listing Venue
Guangzhou Xiangxue Pharmaceutical Co., Ltd (SZSE: 300147)	2009.12	50	5.11%	SZSE
LONCIN MOTOR CO., LTD. (SSE: 603766)	2010.12	100	2.22%	SSE
Huizhou SPEED Wireless Technology Co., Ltd. (SZSE: 300322)	2010.09	27	11.79%	SZSE
NetPosa Technologies Ltd. (SZSE: 300367)	2009.12	20	8.36%	SZSE
Guangdong Yantang Dairy Co., Ltd. (SZSE: 002732)	2010.06	36	9.79%	SZSE
Zhejiang Meili High Technology Co., Ltd. (SZSE: 300611)	2015.02	50	7.69%	SZSE
Shanghai Laiyifen Co., Ltd. (SSE: 603777)	2010.01	28	0.89%	SSE
Guangzhou Xiangxue Pharmaceutical Co., Ltd (SZSE: 300147)	2009.12	50	5.11%	SZSE
Shenzhen HEKEDA Precision Cleaning Equipment Co., Ltd. (SZSE: 002816)	2011.08	8	1.67%	SZSE
Shenzhen Chipscreen Biosciences Co., Ltd. (SSE: 688321)	2014.09	17	1.19%	SSE
Beijing Tianyishangjia New Material Corp, Ltd (SSE: 688033)	2018.04	100	1.98%	SSE
Shenzhen Mindray Bio-Medical Electronics (SZSE: 300760)	2016.10	40	0.07%	SZSE
Brightgene Bio-medical Technology Co., Ltd (SSE: 668166)	2015.09	20	1.57%	SSE

Direct Equity Investment

The Group directly invests in technology firms on behalf of the GDDAC through GET Finance Holdings. For the Group's invested capital, it realises capital gain from the returns at exit in proportion to its ownership stake and is entitled to the dividends distributed by the portfolio companies in proportion to its ownership stake.

GET Finance Holdings directly invests in technology seed projects within the Guangzhou Development District as part of the GDDAC's industry upgrade policy initiative. As at 30 June 2021, GET Finance Holdings had directly invested in 53 projects with a total investment amount of RMB510 million and a total profit amount of RMB31.56 million. The average annual return rate of seed project investment and follow-up investment were 19.2% and 41.6%, respectively. It primarily invested in technology industries and focused on identifying future star firms at seed investment stage.

GET Finance Holdings' subsidiary, Guangzhou Technology Venture Capital Co., Ltd., engages in venture capital investments in technology enterprises, and as at 30 June 2021, it had invested in 34 projects with a total investment of RMB542 million. It employs a market-driven approach in identifying prominent investment targets and negotiating investment terms to achieve optimal exit return.

Investment Project Selection Process

The Group generally conducts business, financial, legal and other due diligence that it deems reasonable and appropriate based on the relevant facts and circumstances before making fund and equity investment decisions. Every investment project is required to pass through case establishment, due diligence and risk control department, board of directors' and shareholders' approvals as well as agreement signing. The Group is entrusted to conduct due diligence in respect of the recommended projects and negotiate with the relevant entities in relation to equity investments in the recommended projects for equity investment projects. In addition, the Group regulates and monitors its investment projects through regular risk assessment and monitoring as well as reporting management.

Financing Guarantee

With the support of the GDDAC, the Group conducts its financing guarantee business to assist small- and medium-sized enterprises in Guangzhou in obtaining financing. Generally, small- and medium-sized enterprises have difficulties accessing bank financing if they do not have a guarantor of considerable credit repute. The Group help these enterprises access with much-needed financing in exchange for a fee, usually around 3% of the loan, by acting as a guarantor of their debt obligations. As result, the Group has become an irreplaceable player in fostering growth of small-and medium-sized private enterprises in Guangzhou.

The Group conducts its financing guarantee business mainly through its subsidiary, Guangzhou GET Financing & Guarantee Co., Ltd ("**GET Financing Guarantee**"). GET Financing Guarantee is one of three state-owned guarantee enterprises in Guangzhou and maintains close relationships with reputable financial institutions, including 16 banks. As at 30 June 2021, GET Financing Guarantee had a total credit line of RMB4.8 billion and a total outstanding financial guarantee amount of RMB1,495 million for enterprise debt obligations.

The following table sets forth certain information of the Group's financing guarantee business for the periods indicated:

	Year ended 31 December			**Six months ended 30 June**	
	2018	**2019**	**2020**	**2020**	**2021**
Operating revenue of guarantee business (RMB in millions)	37.6	9.3	24.2	8.39	1,662.63
Number of enterprises receiving guarantee services	126	65	95	95	91
Outstanding guarantee amount (RMB in millions)	2,250.0	552.9	979.1	318.0	572.1
Payments made on behalf of debtors (RMB in millions)	–	7.0	–	–	0
Government subsidy amount (RMB in millions)	1.9	3.8	1.5	0.0	221.6

For the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2021, the guarantee services provided for top five clients accounted for 31.0%, 60.2%, 25% and 51% of the total amount of guaranteed services provided for the corresponding periods, respectively. The enterprise clients of the Group's guarantee business consist of companies in both conventional and high technology industries, including manufacturers, network infrastructure providers, software and information technology enterprises, and business service providers. As at 31 December 2018, 2019 and 2020 and 30 June 2021, the Group had 126, 65, 95 and 91 clients, respectively, for its guarantee business.

GET Financing Guarantee conducts comprehensive due diligence before providing financing guarantee services to any enterprise. It only provides financing guarantee services to small- and medium-sized enterprises with high-growth potential and stable cash generation capabilities. GET Financing Guarantee has implemented comprehensive protocol to manage risks associated with provision of guarantee, such as making appropriate provisions for guarantees of different level of risks. As at 31 December 2018, 2019 and 2020 and 30 June 2021, payment on behalf of the debtors accounted for nil, 1.28%, nil and nil of the guarantee provided by GET Financing Guarantee, respectively.

Information Technology Services

Information technology services are mainly provided by Guangzhou Broadband Backbone Network Co., Ltd. (hereinafter referred to as "**Guangzhou Broadband Backbone Network**"). Guangzhou Broadband Backbone Network was established in June 2000 with a registered capital of RMB457.8 million. After more than ten years of development, the Guangzhou Broadband Backbone Network has expanded from a single metropolitan area fiber-optic transmission network to a comprehensive information service field, now designed to cover cloud computing, IT operation and maintenance service outsourcing, system integration and information security. Guangzhou Broadband Backbone Network is also the only state-owned enterprise in Guangzhou specializing in the operation of metropolitan fiber-optic transmission network.

For the years ended 31 December 2018, 2019 and 2020 and six months ended 30 June 2020 and 2021, the Group generated from its information technology services revenues of RMB41.5 million, RMB36.5 million, RMB1.4 million and RMB0.346 million, respectively.

Bio-Medicine Business

Bio-medicine assumes an increasing importance as a key area of the Group's future business development. The Group conducts its bio-medicine business mainly through its subsidiary, Guangzhou High-Tech Holding. Guangzhou High-Tech Holding has invested in BeiGene, Ltd., which is listed on The Nasdaq Stock Market and InnoCare Pharma Limited.

Guangzhou High-Tech Holding holds 29.91% of total issued shares of Beijing Leadman Biochemistry Co. Ltd. ("**Beijing Leadman**") and is its controlling shareholder. Beijing Leadman is a nationally recognised High and New Technology Enterprise specialising in the research and development, production, and sale of in vitro diagnostic products, diagnostic equipment and biochemicals. Responding to market demand, it develops its production plans based on confirmed downstream sales contracts, historical sales performance, and existing inventory level. Its sales revenue is derived from a combination of direct sales to end customers and sales through third-party distributors. It has developed long-term and stable business cooperation with over 500 distributors forming a nationwide sales network. With a highly dispersed base of customers, the top five customers accounted for 9.0% of total sales revenue for the year ended 31 December 2020. Beijing Leadman sources high-quality raw materials to produce in vitro diagnostic products and purchases main parts and components from suppliers to manufacture diagnostic equipment. For the year ended 31 December 2020, its top five suppliers accounted for 36.8% of its total purchases for the corresponding periods respectively.

Moreover, Guangzhou High-Tech Holding is partnering with Guangzhou Maipu Regenerative Medical Technology Co., Ltd. to build the Guangdong-Hong Kong-Macao Greater Bay Area High-Performance Medical Device Innovation Centre under the philosophy of "industry + innovation + finance" to promote the development of bio-medical business in Guangzhou in order to establish Guangzhou as a world-class city with leading life and health industries. In addition, the Group signed a strategic investment agreement with Luye pharma Group to fully cooperate in the vaccine health industry. The Group also participated as a strategic investor in the strategic placement of Beigene Co., Ltd. on the Shanghai Stock Exchange in December 2021.

For the year ended 31 December 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group generated from its bio-medicine business operating revenue of RMB497.9 million, RMB449.6 million, RMB172.8 million and RMB235.8 million, respectively, which was mainly derived from Beijing Leadman Biochemistry Co. Ltd.

Financial Services

The Group's financial services business is dedicated to serving the economic development of the Guangzhou Development District and building a leading state-owned financial holding company focusing on industry investment, operation of Development District and licensed financial services. The Group carries out its financial services business mainly through its wholly-owned subsidiary, GET Financial Leasing Co., Ltd. ("**GET Financial Leasing**") and Yuekai Securities (formerly known as Lianxun Securities), of which the Group owns 47.24%. As one of the first securities companies in the Chinese securities market, Yuekai Securities was established in 1988. Yuekai Securities provides comprehensive financial services in the Hong Kong-Macau Greater Bay Area to innovative small and medium-sized enterprises and stimulates the regional economy. Yuekai Securities' business includes securities services asset management, investment and investment banking. In its securities services arm, Yuekai Securities engages in securities brokerage, credit trading and sales of financial products and other businesses. In the asset management arm, it actively expands its business in single asset management and mutual funds, and offers both equity and fixed income products. It also provides consulting services related to asset management to institutional clients. In the investment arm, Yuekai Securities engages in proprietary trading, including fixed income investment, equity investments and NEEQ market making. Its portfolio primarily consists of fixed income products and the equity investments take the form of fund of funds ("FOF") and manager of managers ("MOM"). The investment banking arm offers a comprehensive range of services, including financial advisory, initial public offerings (including listings on the NEEQ), mergers and acquisitions, in addition to bond issuances by local government financing vehicles, state-owned enterprises, central state-owned enterprises and private enterprises. For the year ended 31 December 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group generated from its securities business operating revenue of RMB559.5 million, RMB1,166.7 million, RMB178.9 million and RMB566.2 million, respectively.

The Group conducts its financial leasing business mainly through its subsidiary, GET Financial Leasing. For the year ended 31 December 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group generated from its financial leasing business operating revenue of RMB51.7 million,RMB123.3 million, RMB26.8 million and RMB54.3 million, respectively.

Ancillary Business

The Group's ancillary business includes sales of environmentally protective products, operation of parking lots, leasing of advertising spaces, project management, providing contractor workers, etc. Sales of environmentally protective products, including desulfurizer and filling bricks, are carried out by the Group's subsidiary Guangzhou Hengyun. It has also formed business relationship with leading players of blockchain technology, such as Bubi Company and Blockchain Research Institute. Furthermore, it funded projects of Guangzhou Xiaopeng Motors Technology Company Ltd, which engaged in the development of vehicles powered by electricity and supported by data technology. It also invested in new energy industries such as Taisheng Wind Energy and Honeycomb Energy. For the years ended 31 December 2018, 2019 and 2020 and for the six months ended 30 June 2020 and 2021, the Group generated from its ancillary business operating revenue of RMB173.0 million, RMB208.0 million, RMB228.4 million, RMB104.6 million and RMB692.4 million, respectively.

RISK MANAGEMENT

Risk management is part and parcel of the business management in the Group. It permeates different levels of the Group's organizing structure. The functional departments and operating subsidiaries undertake the direct risk control responsibilities for the business and management. The risk management department is the functional department responsible for organizing and coordinating the day-to-day risk management activities. The General Manager Office organizes and implements risk management activities according to the established risk strategy and is responsible to the board of directors on the effectiveness of the risk management system. The board of directors formulates and supervises the overall risk management system of the Group and is assisted by the risk management committee which provides input to assist the board's decision making.

INTERNAL CONTROL

The Group has a sound internal control system which covers accounting, risk management, significant decision-making, investment and human resources. It ensures its accounting and financial management system is sound and in compliance with relevant laws and regulations, including the company law, accounting law, rules and standards of the PRC and articles of association of the Group. Designated bodies for financial management are set up and their respective responsibilities are determined. It stipulates the requirements for the raising and disposal of funds, accounting and management of assets, financial and equity investments, accounting of government subsidies and costs, income and profit distribution management, as well as financial reporting and disclosure requirements.

Major decisions must be properly authorized and significant decisions must be approved by SASAC of Guangzhou Development District. 'Major decisions', 'Major Personnel appointment and removal', 'Major project arrangement' and 'Great amount of capital operation' should be reported and put on record in accordance with the requirements of the GDDAC. The meeting minutes of these "three major and one great" collective decision-making shall be issued by the execution department, and copied to the business departments, disciplinary inspection committee, supervisory committee, and discipline inspection team involved and other relevant units required by SASAC.

On day-to-day management, there are clear rules as to the type of matters that require prior approval and record, the source of proper authority, the supporting evidence required, the correct sponsoring and co-organizing department, and whether they need to be recorded by or submitted to SASAC.

In respect of investment activities, after initial decision by the investment department, the decision must be subsequently approved by the deputy general manager, general manager and chairman of the board respectively.

The Group's human resources department is people-oriented and adheres to the scientific development principle. Other aspects of internal control system include internal audit and proper record management.

GOVERNMENT REGULATIONS

The operations of the Group are subject to various laws and regulations relating to the industries in which it operates. The Group believes that it is in compliance in all material respects with applicable government regulations currently in effect. The Group is not aware of significant problems experienced by any member of the Group with respect to compliance with government regulations in relation to its operations which could materially adversely affect its properties or operations, nor is it aware of any pending government legislation that might have a material adverse effect on its properties or operations.

ENVIRONMENTAL MATTERS

The Group is subject to various PRC national environmental laws and regulations and also environmental regulations promulgated by the local governments in whose jurisdictions the Group has operations. According to the PRC national environmental laws, the Ministry of Environmental Protection of the PRC sets national environmental protection standards and the local environmental protection department may set stricter local standards. Enterprises are required to comply with the stricter of the two standards.

China has adopted extensive environmental laws and regulations that affect the operation of the power generation industry. There are national and local standards applicable to emissions control, discharges to surface and subsurface water and disposal, and the generation, handling, storage, transportation, treatment and disposal of solid waste materials. The Group has installed desulphurisation facilities and denitrification facilities with all of the newly constructed generating units. The Group also renovates the existing generating units to enhance the efficiency of desulphurisation systems and equip such units with denitrification facilities.

For the years ended 31 December 2018, 2019 and 2020, and as at 30 June 2021, the Group had not received any material administrative penalties due to any activities that cause pollution to the environment.

INSURANCE

The Group has insurance coverage for fire, flood, other material damage to property and public liability. The Group believes that it has adequate insurance coverage provided by reputable independent insurance companies and with commercially reasonable deductibles and limits on coverage, which are normal for the type and location of the properties to which they relate to.

Notwithstanding such insurance coverage, damage to the vehicles, buildings, facilities, equipment or other properties as a result of occurrences such as fire, flood, water damage, explosion, power loss, typhoons and other natural disasters or terrorism, or any decline in the Group's business as a result of any threat of war, outbreak of disease or epidemic, may potentially have a material adverse effect on the Group's financial condition and results of operations. Please see "*Risk Factors – The insurance coverage of the Group may not adequately protect it against all operational risks*".

EMPLOYEES

As at 30 June 2021, the Group had a total of approximately 4,600 employees.

The Group's ability to attract, retain and motivate qualified personnel is critical to its success. The Group believes that it offers its employees competitive compensation and it is able to attract and retain qualified personnel. Remuneration to employees is based on their performance, working experience, duties and the prevailing market rates.

The Group provides trainings to new employees and existing employees in order to develop their technical and industry knowledge, awareness of workplace safety standards and knowledge of the Group's corporate standards and culture.

All of the Group's management and key executives, and substantially all of the Group's other employees, have entered into employment agreements with the Group, which contain confidentiality provisions.

The Group's directors believe that the Group maintains a good working relationship with its employees. As at the date of this Offering Circular, the Group has not experienced any labour disputes that could cause material adverse effect to the Group's operation and performance.

HEALTH AND SAFETY

The Group has adopted various policies and taken measures to prevent health and safety risks and hazards. As at the date of this Offering Circular, the Group has complied in all material respects with the PRC laws and regulations on workplace safety that are applicable to its operations and projects. The Group has not been subject to any fines or administrative action by any PRC governmental authorities due to non-compliance with any relevant regulations that could cause material adverse effect to the Group's operation and performance.

LEGAL AND REGULATORY PROCEEDINGS

The Group is involved in, from time to time, legal proceedings arising in the ordinary course of its operations.

The Fuzhou branch of Yuekai Securities entered into a share buyback financing agreement with Wang Yuhui, and such transaction was guaranteed by Zhu Ye. In 2019, Yuekai Securities determined that Mr. Wang had defaulted under the agreement and Mr. Zhu failed to perform under the guarantee. Yuekai Securities filed a claim against Mr. Wang and Mr. Zhu to recover approximately RMB82.8 million in losses. In January 2020, the court ruled in favour of Yuekai Securities. Yuekai Securities had applied for compulsory enforcement procedure. The enforcement of the court judgment is ongoing as of the date of the Offering Circular.

Daren Investment Management Group. Co., Ltd. ("Daren Investment Management") brought a tort claim against Luo Xianzhi (former vice chairman of Daren Asset Management), Li Xiaoyan (general manager and investment director of Shanghai Daren centralized trading department) and Yuekai Securities. Daren Investment Management claimed that the defendants colluded to manipulate the price of certain securities, and caused Daren Investment Management to purchase such securities from Yuekai Securities at a price substantially higher than the market price, which resulted in abnormal investment losses to the plaintiff and constituted tunneling and misappropriation. The Futian District People's Court of Shenzhen ruled against the plaintiff on procedural ground, and the Shenzhen Intermediate People's Court upheld the ruling. The plaintiff has filed a petition for a retrial to the Guangdong Higher People's Court. The petition was rejected in March 2021.

Yuekai Securities entered into repo transactions with Lu Jian in 2017 in which Lu Jian sold approximately 448 million shares of Zhejiang Hanye Co., Ltd, a company listed on the Shanghai Stock Exchange (Stock Code: 600226) (the "**Shares**") to Yuekai as collateral in exchange for an advancement of funds from Yuekai Securities in the amount of approximately RMB921.6 million. At the maturity date in April 2020, Lu Jian failed to fulfil his contractual obligations to repurchase the Shares. In January 2021, the Shanghai Pudong New Area People's Court (the "**Court**") granted Yuekai Securities' application to enforce the collateral by auctioning and selling the Shares to satisfy the principal and interests of the debt owed by Lu Jian to Yuekai. The auction took place in May 2021 and the auction price was approximately RMB1,352.2 million. Yuekai Securities also applied to the Court in April 2021 to recover the damages from Lu Jian flowing from the breach of contract under the repo transactions by auctioning and selling the Shares. Yuekai Securities obtained approximately RMB1,336 million in total from the Court from the enforcement proceedings in June 2021.

In October 2020, Hangzhou Bank Co., Ltd. filed a lawsuit against Yuekai Securities in the Guangzhou Intermediate People's Court in relation to a bond repurchase transaction in an asset management scheme operated by Yuekai Securities. Hangzhou Bank Co., Ltd as the custodian, lodged a court action against Yuekai Securities as the asset manager after Yuekai Securities lacked funds to complete the bond repurchase transaction and Hangzhou Bank Co., Ltd advanced funds to Yuekai Securities. Pre-litigation property preservation measures were taken against RMB173 million in the bank account of Yuekai Securities. In April 2021, the court held that Yuekai Securities should pay RMB173 million with interests to Hangzhou Bank Co., Ltd. Yuekai Securities lodged an appeal to the Guangdong Province High People's Court in May 2021. The appeal is ongoing as of the date of this Offering Circular. In June 2021, Hangzhou

Bank Co., Ltd started a court action against Yuekai Securities in the Guangzhou City Intermediate People's Court in relation to a contractual dispute and freezed the bank account balance of Yuekai Securities in the amount of approximately RMB320.0 million. The court held that approximately RMB320.0 million or assets of equivalent amount of Yuekai Securities were freezed and seized.

To the Group's best knowledge, and except for the litigations disclosed above, neither the Group nor any of its senior management team members has involved in any litigation or arbitration proceedings as at the date of this Offering Circular that could have a material adverse effect on its business, financial condition and results of operations.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

DIRECTORS

The board of directors of the Group consists of seven members, including the chairman and six other directors. The following table sets forth the Group's directors as at the date of this Offering Circular:

Name	Position/Title	Year of Birth
Yan Yibin (嚴亦斌)	Chairman	1973
Jian Xiaofang (簡小方)	Director	1963
Feng Mengjue (馮夢覺)	Employee Director	1963
Yu Qun (于群)	External Director	1968
Sun Zhenping (孫振萍)	External Director	1966
Chen Fuhua (陳福華)	Full-time Director	1964
Yang Shunxian (楊舜賢)	Full-time External Director	1966

Mr. Yan Yibin is currently the Chairman and Party Secretary of the Group and the Chairman of Yuekai Securities. Mr. Yan has served as the deputy general manager and general manager since 2008. Prior to joining us, Mr. Yan had served as section chief of Shanghai Pudong Development Bank Guangzhou Branch and general manager of human resources department, chief of audit and supervision department (a Discipline Inspection Committee Member) and deputy Party Secretary of Wanlian Securities. Mr. Yan is a senior economist with a doctor degree (postgraduate).

Mr. Jian Xiaofang joined us in September 2017 and is currently the Director, General Manager of the Group. Prior to joining us, Mr. Jian has served as the deputy general manager of Guangzhou Development District State-owned Assets Investment Company (廣州開發區國有資產投資公司). Mr. Jian is an engineer and holds a master degree.

Mr. Feng Mengjue joined us in March 2018 and is currently the Employee Director and Chief Park Operating Officer of the Group. Prior to joining us, Mr. Feng had served as the General Secretary of Association of Guangzhou NEEQ (National Equities Exchange and Quotations) Corporations (廣州新三板協會) and the assistant of the general manager of the Group. Mr. Feng is an engineer and holds a bachelor degree.

Ms. Yu Qun joined us in November 2021 and is currently the external director of the Group. Prior to joining us, she had served as director of Guangzhou Industrial Development Group Corp. Ltd. Ms. Yu had attained a doctoral degree and currently teaches jurisprudence at South China Normal University as a professor and the Director of the Research Office.

Ms. Sun Zhenping joined us in November 2021 and is currently the external director of the Group. She is a senior auditor, certified public accountant, certified tax agent and international internal accountant. Ms. Sun holds a Bachelor's degree. She is currently the general manager, chief accountant and director of Guangdong Yuanrui Certified Public Accountants Co., Ltd.

Mr. Chen Fuhua joined us in November 2019 and is currently the full-time director of the Group. Prior to joining us, Mr. Chen had served as a member of the Party committee and deputy general manager of the Industrial Development Corporation of Guangzhou Development Zone (廣州開發區工業發展總公司), deputy Party secretary, general manager, Party Secretary and chairman of Guangzhou Kaide Holding Co., Ltd. (廣州凱得控股有限公司), and Party secretary and chairman of Knowledge City (Guangzhou) Group (知識城(廣州)集團). Mr. Chen is a senior economist and holds a master degree.

Mr. Yang Shunxian joined us in January 2021 and is currently a full-time external director of the Group. Prior to joining us, Mr. Yang had served as a chief of the personnel secretary department of Guangzhou Development Zone International Trust and Investment Company (廣州開發區國際信託投資公司), a deputy general manager and director of Guangzhou Kaide Holding Co., Ltd. (廣州凱得控股有限公司), a director and deputy general manager of Guangzhou Hengyun Enterprise Group Co., Ltd. (廣州恒運企業集團股份有限公司) and a member and full-time deputy secretary of the party committee of Guangzhou Development Zone Industrial Investment Fund Co., Ltd. (廣州開發區產業投資基金有限公司). Mr. Yang is a senior economist and senior political engineer with a doctor degree.

SUPERVISORS

The following table sets forth the Group's supervisors as at the date of this Offering Circular:

Name	Position/Title	Year of Birth
Yi Wu (易武)	Chairman of the board of supervisors	1963
Xu Xiao (徐曉)	Supervisor	1979
Yang Xin (楊新)	Supervisor	1982
Lin Weishan (林偉珊)	Supervisor	1981
Qiu Fengzhen (丘鳳珍)	Supervisor	1988

Mr. Yi Wu is currently the chairman of the board of supervisors of the Group and an officer of the Audit Bureau of Guangzhou Development Zone. Prior to joining us, Mr. Yi served as section chief and chief accountant of Hainan Institute of Hydrogeology and Engineering Geological Survey (海南水文地質工程地質勘察院), financial director and director of Guangzhou Development Zone, deputy director of the Standing Committee of Luogang District People's Congress (蘿崗區人大常委會), deputy director of the Finance and Economics Committee, deputy director of the State-owned Assets Office (Bureau) of Guangzhou Development Zone (廣州開發區國資辦(局)), deputy general manager of Guangzhou Development Zone Financial Holding Group Co., Ltd. (廣州開發區金融控股集團有限公司). Mr. Yi is a senior accountant with a bachelor degree.

Mr. Xuxiao is currently the supervisor and chief of staff of the Group. Mr. Zeng joined the Group in 2017. Prior to joining us, Mr. Zeng worked at Guangzhou Yonghe Construction Development Company Limited (廣州永和建設發展有限公司) as manager of the operations department and chief of staff. Mr. Zeng is an engineer and economist.

Mr. Yangxin is currently the supervisor and general manager of the human resources department of the Group. Prior to this, Mr. Yang worked in the resources planning department within the Evergrande Group. He also served as a director of Guangzhou GET Financing and Guarantee Company Limited (廣州凱得融資擔保有限公司). Mr. Zeng is a senior economist and senior credit management analyst.

Ms. Lin Weishan is currently the supervisor and chief of disciplinary inspection and supervision office (紀檢監察審計室) of the Group. She joined the Group in 2017. Prior to joining us, Ms. Lin worked in the Ministry of Emergency Management in the Huangpu District of Guangzhou city and the disciplinary unit of the Guangzhou Development Zone.

Ms. Qiu Fengzhen is currently the supervisor of the Group and works at board of directors and supervisors office of State-owned Assets Supervision and Administration Commission of Guangzhou Development District since 2018. Prior to that, Ms. Qiu had served as department manager of Guangdong Textiles Import and Export Co., Ltd. (廣東省紡織品進出口股份有限公司) and general manager assistant of Guangzhou Zhuye Information Technology Co., Ltd. (廣州市築業資訊科技有限公司). Ms. Qiu is a mid-level economist with a bachelor degree.

SENIOR MANAGEMENT

The following table sets forth the Issuer's senior management as at the date of this Offering Circular:

Name	Position/Title	Year of Birth
Wang Yibiao (王毅鑣)	Deputy General Manager and Chief Accountant	1973
Guo Chuanzhou (郭川舟)	Deputy General Manager	1986

Mr. Wang Yibiao joined us in 1999 and is currently the chief accountant of the Group. Mr. Wang has served as the accountant in Guangzhou Development District Business Service Company (廣州開發區商業服務總公司), accountant and manager of financial department of Issuer. Mr. Wang is a certified public accountant with a bachelor degree.

Mr. Guo Chuanzhou joined us in August 2019 and is currently the deputy general manager. Prior to joining us, Mr. Guo had served as deputy chief member of Economic Development Bureau of Guangzhou Development Zone, director of Investment Promotion Department of development reform and financial work bureau of Guangzhou Development Zone, director of Investment Promotion Department of Investment Promotion Bureau of Guangzhou Development Zone, deputy general manager of Huafa Investment Operation Management Co., Ltd. (華髮招商運營管理有限公司), and President Assistant of Huafa city operation Holding Co., Ltd. (華髮城市運營控股有限公司). Mr. Guo holds a master degree.

PRC REGULATIONS

This section summarises the principal PRC laws and regulations which are relevant to the provision by the Issuer of the Bonds. As this is a summary, it does not contain a detailed analysis of the PRC laws and regulations which are relevant to the Bonds.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the PRC Constitution and is made up of written laws, regulations, directives and local laws and laws resulting from international treaties entered into by the PRC government. In general, court judgments do not constitute binding precedents. However, they are used for the purposes of judicial reference and guidance.

The National People's Congress of the PRC ("**NPC**") and the Standing Committee of the NPC are empowered by the PRC Constitution to exercise the legislative power of the State. The NPC has the power to amend the PRC Constitution and enact and amend basic laws governing State agencies and civil, criminal and other matters. The Standing Committee of the NPC is empowered to enact and amend all laws except for the laws that are required to be enacted and amended by the NPC.

The State Council is the highest organ of the State administration and has the power to enact administrative rules and regulations. The ministries and commissions under the State Council are also vested with the power to issue orders, directives and regulations within the jurisdiction of their respective departments. All administrative rules, regulations, directives and orders promulgated by the State Council and its ministries and commissions must be consistent with the PRC Constitution and the national laws enacted by the NPC and the Standing Committee of the NPC. In the event that a conflict arises, the Standing Committee of the NPC has the power to annul administrative rules, regulations, directives and orders. The People's Congresses or their standing committees of the comparatively larger cities may, in light of the specific local conditions and actual needs, formulate local regulations, provided that they do not contradict the PRC Constitution, the national laws, the administrative regulations and the local regulations of their respective provinces or autonomous regions, and they shall submit the regulations to the standing committees of the people's congresses of the provinces or autonomous regions for approval before implementation.

At the regional level, the provincial and municipal congresses and their respective standing committees may enact local rules and regulations and the people's governments may promulgate administrative rules and directives applicable to their own administrative areas. These local rules and regulations must be consistent with the PRC Constitution, the national laws and the administrative rules and regulations promulgated by the State Council.

The State Council, provincial and municipal governments may also enact or issue rules, regulations or directives in new areas of the law for experimental purposes or in order to enforce the law.

After gaining sufficient experience with experimental measures, the State Council may submit legislative proposals to be considered by the NPC or the Standing Committee of the NPC for enactment at the national level.

A party seeking to enforce a judgement or order of a court against a party who is not located within the PRC and does not own any property in the PRC may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgement or order. A foreign judgement or ruling may also be recognised and enforced by a court in accordance with the PRC enforcement procedures if the PRC has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgement or ruling satisfies the court's examination in accordance with the principal of reciprocity, unless the court finds that the recognition or enforcement of such judgement or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security, or for reasons of social and public interests.

PRC CURRENCY CONTROLS

Current Account Items

Under PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Following progressive reforms, Renminbi settlement of imports and exports of goods and of services and other current account items became permissible nationwide in 2012, except that the key enterprises on a Supervision List determined by the PBOC and five other relevant authorities would be subject to enhanced scrutiny when banks process current account cross-border repatriations.

On 5 July 2013, the PBOC promulgated the *Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures* (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the "**2013 PBOC Circular**"), which, in particular, simplifies the procedures for cross border Renminbi trade settlement under current account items. On 1 November 2014, PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (關於進一步便利跨國企業集團開展跨境雙向人民幣資金池業務的通知) (the "**2015 PBOC Circular**"), which, among others, have lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow.

The regulations referred to above are subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying these regulations and impose conditions for settlement of current account items.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of, and/or registration or filing with, the relevant PRC authorities.

Until recently, settlement of capital account items, for example, the capital contribution of foreign investors to foreign invested enterprises in the PRC, were generally required to be made in foreign currencies. Under progressive reforms by PBOC, the Ministry of Commerce of the PRC ("**MOFCOM**") and the State Administration of Foreign Exchange of the PRC ("**SAFE**"), foreign investors are now permitted to make capital contribution, share transfer, profit allocation and liquidation and certain other transactions in Renminbi for their foreign direct investment within the PRC. Cross-border Renminbi payment infrastructure and trading facilities are being improved. Approval, registration and filing requirements for capital account payments in Renminbi are being removed gradually. In addition, the Circular on Reforming Foreign Exchange Capital Settlement for Foreign Invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知) which became effective on 1 June 2015, allows foreign-invested enterprises to settle 100 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE's equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE's system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs. A negative list with respect to the usage of the capital and the Renminbi proceeds through the aforementioned settlement procedure is set forth under the Circular. In particular, a foreign invested enterprise with investment as its main business is permitted to use such Renminbi proceeds to make equity contribution to its invested enterprises directly, without further fillings with SAFE.

PRC entities are also permitted to borrow Renminbi-denominated loans from foreign lenders (which are referred to as "foreign debt") and lend Renminbi-denominated loans to foreign borrowers (which are referred to as "outbound loans"), as long as such PRC entities have the necessary quota, approval or registration. PRC entities may also denominate security or guarantee arrangements in denominated and make payments thereunder to parties in the PRC as well as other jurisdictions (which is referred to as "cross-border security"). Under current rules promulgated by SAFE, foreign debts borrowed, outbound loans extended, and the cross-border security provided by a PRC onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt, outbound loan and cross-border security regimes applicable to foreign currencies. However, there remain potential inconsistencies between the provisions of the SAFE rules and the provisions of the 2013 PBOC Circular. It is not clear how regulators will deal with such inconsistencies in practice.

According to the 2015 PBOC Circular, qualified multinational enterprise groups can extend Renminbi-denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stocks, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group.

Recent reforms introduced were aimed at controlling the remittance of Renminbi for payment of transactions categorised as capital account items. There is no assurance that the PRC government will continue to gradually liberalise the control over Renminbi payments of capital account item transactions in the future. The relevant regulations are relatively new and will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

The consolidated financial statements of the Issuer included in this Offering Circular were prepared and presented in accordance with PRC GAAP. PRC GAAP is substantially in line with IFRS, except for certain modifications between PRC GAAP and IFRS. The following is a general summary of certain differences between PRC GAAP and IFRS on recognition and presentation as applicable to the Issuer. The Issuer is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there is no assurance regarding the completeness of the financial information and related footnote disclosure between PRC GAAP and IFRS and no attempt has been made to quantify such differences. Had any such quantification or reconciliation been undertaken by the Issuer, other potentially significant accounting and disclosure differences may have been required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate PRC GAAP and IFRS have significant ongoing projects that could affect future comparisons or events that may occur in the future.

GOVERNMENT GRANT

Under PRC GAAP, the relocation compensation for public interests is required to be recognised as special payables. The income from compensation attributable to losses of fixed assets and intangible assets, related expenses, losses from production suspension incurred during the relocation and reconstruction period and purchases of assets after the relocation shall be transferred from special payables to deferred income and accounted for in accordance with the government grants standard. The surplus reached after deducting the amount transferred to deferred income shall be recognised in capital reserve.

Under IFRS, if an entity relocates for reasons of public interests, the compensation received shall be recognised in profit or loss.

REVERSAL OF AN IMPAIRMENT LOSS

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including investment property valued under cost model, long-term equity investments, fixed assets, intangible assets and goodwill, etc.), it shall not be reversed in any subsequent period.

Under IFRS, an impairment loss recognised in prior periods for an asset other than goodwill could be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognised.

FIXED ASSETS AND INTANGIBLE ASSETS

Under PRC GAAP, only the cost model is allowed.

Under IFRS, an entity can choose either the cost model or the revaluation model as its accounting policy.

RELATED PARTY DISCLOSURES

Under PRC GAAP, only state-controlled without other related party relationship companies are not treated as related parties. Under IFRS, state-controlled companies are not treated as related parties.

TAXATION

The following summary of certain Hong Kong, PRC and United Kingdom tax consequences of the purchase, ownership and disposition of the Bonds is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Bonds or any persons acquiring, selling or otherwise dealing in the Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Bonds. Persons considering the purchase of the Bonds should consult their own tax advisers concerning the possible tax consequences of buying, holding or selling any Bonds under the laws of their country of citizenship, residence or domicile.

HONG KONG

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or distribution on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Distribution on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

(i) distribution on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;

(ii) distribution on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;

(iii) distribution on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

(iv) distribution on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of the Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of the Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of the Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of the Bonds.

PRC

The following summary accurately describes the principal PRC tax consequences of ownership of the Bonds by beneficial owners who, or which, are not residents of mainland China for PRC tax purposes.

These beneficial owners are referred to as non-PRC Holders in this "PRC" section. In considering whether to invest in the Bonds, investors should consult their individual tax advisors with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction. Reference is made to PRC taxes from the taxable year beginning on or after 1 January 2018.

Pursuant to the EIT Law and its implementation regulations, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose "de facto management organisation" are within the territory of the PRC shall be PRC tax resident enterprises for the purpose of the EIT Law and they shall pay enterprise income tax at the rate of 25% in respect of their income sourced from both within and outside the PRC. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the Issuer's "de facto management organisation" is within the territory of the PRC, it may be held to be a PRC tax resident enterprise for the purpose of the EIT Law and be subject to enterprise income tax at the rate of 25% for its income sourced from both within and outside the PRC. As at the date of this Offering Circular, the Issuer confirms that it has not received notice or has been informed by the PRC tax authorities that it is considered as a PRC tax resident enterprise for the purpose of the EIT Law. However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future. Pursuant to the EIT Law and its implementation regulations, any non-resident enterprise without an establishment within the PRC or whose income has no actual connection to its establishment within the PRC, shall be required to pay an income tax at the rate of 10% on the income sourced inside the PRC. Such income tax shall be withheld by the PRC payer that is acting as the obligatory withholder and such PRC payer shall withhold the tax amount from each payment or payment due. Although as confirmed by the Issuer, as at the date of this Offering Circular, the Issuer has not been notified or informed by the PRC tax authorities that it is considered as a PRC tax resident enterprise for the purpose of the EIT Law, in the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, it will be required to withhold income tax from the payments of Distribution in respect of the Bonds for any non-PRC Holder. However, despite the potential withholding of the PRC tax by the Issuer, the Issuer has agreed to pay additional amounts to holders of the Bonds so that holders of the Bonds would receive the full amount of the scheduled payment, as further set out in the "*Terms and Conditions of the Bonds*".

According to the double taxation arrangement between China and Hong Kong and relevant PRC tax regulations, residents of Hong Kong will not be subject to PRC tax on any capital gains from a sale or exchange of the Bonds. Other non-PRC Holders will also not be subject to the PRC tax on any capital gains derived from a sale or exchange of Bonds consummated outside the PRC between non-PRC Holders, except however, if the Issuer is treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future, any gain realised by the non-PRC Holders from the transfer of the Bonds may be regarded as being derived from sources within the PRC and accordingly would be subject to up to 10% of PRC withholding tax. No PRC stamp duty will be imposed on non-PRC Holders either upon issuance of the Bonds or upon a subsequent transfer of Bonds.

Value Added Tax

On 23 March 2016, the MOF and the SAT jointly issued the Circular 36 which confirms that business tax will be completely replaced by VAT from 1 May 2016. Since then, the income derived from the provision of financial services which previously attracted business tax has been entirely replaced by, and is subject to, VAT.

According to Circular 36, the entities and individuals providing the services within PRC shall be subject to VAT. The services are treated as being provided within PRC where either the service provider or the service recipient is located in PRC. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the "loans" refers to the activity of lending capital for another's use and receiving the interest income thereon. Based on the interpretation of "loans" under the Circular 36, the issuance of Bonds may be treated as the holders of the Bonds providing loans to the Issuer, which thus shall be regarded as the provision of financial services that could be subject to VAT. Further, given that the Issuer is located in the PRC or if the Issuer is treated as a PRC tax resident, the holders of the Bonds could be regarded as providing financial services within PRC and consequently, the holders of the Bonds shall be subject to VAT at the rate of 6 per cent. when receiving the interest payments under the Bonds. In addition, the holders of the Bonds shall be subject to the local levies at approximately 12 per cent. of the VAT payment and consequently, the combined rate of VAT and local levies would be around 6.7 per cent.. Given that the Issuer pays interest income to Holders who are located outside of the PRC, the Issuer, acting as the obligatory withholder in accordance with applicable law, shall withhold VAT and local levies from the payment of interest income to Holders who are located outside of the PRC.

Where a holder of the Bonds who is an entity or individual located outside of the PRC resells the Bonds to an entity or individual located outside of the PRC and derives any gain, since neither the service provider nor the service recipient is located in the PRC, theoretically Circular 36 does not apply and the Issuer does not have the obligation to withhold the VAT or the local levies. However, there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located within the PRC.

Circular 36 has been issued quite recently and the above disclosure may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of the Circular 36.

Pursuant to the EIT Law, the Business Tax Laws and the VAT reform detailed above, the Issuer may need to withhold EIT, (should such tax apply) from the payments of interest in respect of the Bonds for any non-PRC-resident Holder and the Issuer may need to withhold VAT (should such tax apply) from the payments of interest in respect of the Bonds for any Holders located outside of the PRC. However, in the event that the Issuer is required to make such a deduction or withholding (whether by way of EIT or VAT or otherwise), the Issuer has agreed to pay such additional amounts as will result in receipt by the Holders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

For more information, see "*Terms and Conditions of the Bonds – Condition 7 (Taxation)*".

Stamp Duty

No PRC stamp duty will be imposed on non-PRC Holders either upon issuance of the Bonds or a subsequent transfer of Bonds to the extent that the register of Holders is maintained outside the PRC and the issuance and sale of Bonds is outside the PRC.

PROPOSED FINANCIAL TRANSACTIONS TAX ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "**foreign financial institution**" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the jurisdiction of the issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, such withholding would not apply prior to January 2019 and Bonds issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Bonds (as described under "*Terms and Conditions of the Bonds – Further Issues*") that are not distinguishable from previously issued Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Bonds, including the Bonds offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Bonds. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Bonds, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Issuer has entered into a subscription agreement with Guotai Junan Securities (Hong Kong) Limited and Bank of China Limited, Singapore Branch as joint global coordinators, joint bookrunners and joint lead managers, and ABCI Capital Limited, Bank of Communications Co., Ltd. Hong Kong Branch, China Everbright Bank Co., Ltd., Hong Kong Branch, China International Capital Corporation Hong Kong Securities Limited, CLSA Limited, CNCB (Hong Kong) Capital Limited, Haitong International Securities Company Limited, Industrial and Commercial Bank of China (Asia) Limited, Industrial Bank Co., Ltd. Hong Kong Branch and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch as joint bookrunners and joint lead managers (the "**Managers**") dated 11 January 2022 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to sell to the Managers, which have severally agreed to subscribe for, or to procure subscribers to subscribe for, the Bonds at an issue price of 100.00 per cent. of their principal amount (the "**Issue Price**") in the amount set forth below. Any subsequent offering of the Bonds to investors may be at a price different from such Issue Price:

	Principal amount of Bonds
	(U.S.$)
Guotai Junan Securities (Hong Kong) Limited	100,000,000
Bank of China Limited, Singapore Branch	100,000,000
ABCI Capital Limited	29,000,000
Bank of Communications Co., Ltd. Hong Kong Branch	29,000,000
China Everbright Bank Co., Ltd., Hong Kong Branch	29,000,000
China International Capital Corporation Hong Kong Securities Limited	29,000,000
CLSA Limited	29,000,000
CNCB (Hong Kong) Capital Limited	29,000,000
Haitong International Securities Company Limited	29,000,000
Industrial and Commercial Bank of China (Asia) Limited	29,000,000
Industrial Bank Co., Ltd. Hong Kong Branch	29,000,000
Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch	29,000,000
Total	**490,000,000**

The Subscription Agreement provides that the obligations of the Managers are subject to certain conditions precedent and entitles the Managers to terminate the Subscription Agreement in certain circumstances at any time prior to the payment of the net proceeds of the issue of the Bonds to the Issuer on the Issue Date.

OTHER RELATIONSHIPS

The Issuer has agreed with the Managers that it will pay a commission to the Managers in connection with the issue of the Bonds, which commission shall be deducted from the issue price for the Bonds.

The Issuer has agreed with the Managers in the Subscription Agreement that from the date of the Subscription Agreement to (and including) the date falling 30 days after the Issue Date, none of the Issuer nor any of its Subsidiaries shall make any announcements of, or any issue or offering of debt securities outside the PRC (other than the Bonds) to the public or through a private placement in connection with which the Issuer or any member of the Group is the borrower, debtor, provider of any credit-enhancement, issuer, directly or on their behalf, unless the Issuer have obtained the prior written consent of the Managers. The Issuer has represented and warranted that, as at the date of the Subscription Agreement and during the 30-day period referred to above, it has not mandated and will not mandate any other party to arrange any issue or offering of debt securities outside the PRC (other than the Bonds) in connection with which it is the borrower, debtor, issuer or provider of any credit-enhancement.

The Subscription Agreement provides that the Issuer will indemnify the Managers against certain liabilities in connection with the offer and sale of the Bonds.

The Managers and certain of their subsidiaries or affiliates may have performed certain investment banking and advisory services for, and entered into certain commercial banking transactions with the Issuer or any member of the Group and/or their respective subsidiaries and affiliates, from time to time, for which they have received customary fees and expenses. The Managers and their subsidiaries or affiliates may, from time to time, engage in transactions with and perform services for the Issuer or any member of the Group and/or their respective subsidiaries and affiliates in the ordinary course of their business.

The Managers or their respective affiliates may purchase the Bonds for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of the Issuer or its subsidiaries or associates at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds).

No action has been or will be taken that would, or is intended to, permit a public offering of the Bonds, or the possession or distribution of this Offering Circular or any amendment or supplement thereto or any offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required.

The distribution of this Offering Circular, or any offering material, and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular, or any offering material, are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

GENERAL

Each Manager has represented, warranted and undertaken to the Issuer that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Bonds or has in its possession or distributes this Offering Circular or any related offering material.

UNITED STATES

Each Manager has acknowledged that the Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Manager has represented, warranted and undertaken to the Issuer that it has not offered or sold, and will not offer or sell, any Bonds constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act and, accordingly, that neither it nor any of its affiliates (including any person acting on behalf of such Manager or any of its affiliates) has engaged or will engage in any directed selling efforts with respect to the Bonds.

Terms used in the paragraph above have the meanings given to them by Regulation S under the Securities Act.

UNITED KINGDOM

Each Manager has represented, warranted and undertaken that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Prohibition of sales to UK Retail Investors

Each Manager has represented, warranted and agreed that it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Offering Circular to the public in the United Kingdom except that it may make an offer of such Bonds to the public in the United Kingdom:

(a) if the final terms in relation to the Bonds specify that an offer of those Bonds may be made other than pursuant to section 86 of the FSMA (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Bonds which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;

(b) at any time to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**");

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Bonds referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression "**an offer of Bonds to the public**" in relation to any Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other Regulatory Restrictions

Each Manager has represented and agreed, that:

(a) It has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer.

(b) It has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented, warranted and undertaken that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or

(b) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

HONG KONG

Each Manager has represented, warranted and undertaken that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WMP)O**") or which do not constitute an offer to the public within the meaning of the C(WMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

PRC

Each of the Managers has represented, warranted and undertaken that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by laws or regulations of the PRC.

SINGAPORE

Each of the Managers has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Managers has represented, warranted and undertaken that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore), as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the Bonds and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

JAPAN

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Manager has represented, warranted and undertaken that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

GENERAL INFORMATION

1. **Clearing Systems:** The Bonds have been accepted for clearance through Euroclear and Clearstream. The codes for the Bonds are as follows:

   Common Code: XS2405718466

   ISIN: 240571846

   The Legal Entity Identifier (LEI) code of the Issuer is 300300QQG6PN8Y25MV22.

2. **Authorisations:** The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Bonds, the Trust Deed and the Agency Agreement. The issue of the Bonds was authorised by board resolutions of the Issuer dated March 24, 2021 and was approved by State-owned Assets Supervision and Administration Bureau of Guangzhou Development District (廣州開發區國有資產監督管理局) on 5 August 2021.

3. **No Material and Adverse Change:** As at the date of this Offering Circular, there has been no material adverse change, or any development or event likely to involve a prospective change, in the condition (financial or other), prospects, properties, results of operations, business or general affairs of the Issuer, or the Group, which is material and adverse in the context of the issue and offering of the Bonds, since 30 June 2021.

4. **Available Documents:** Copies of the Issuer's Consolidated Financial Statements, the Trust Deed and the Agency Agreement will be available for inspection from the Issue Date, following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the Principal Paying Agent, at the specified office of the Principal Paying Agent, or at the principal place of business of the Trustee (being at the date of this Offering Circular at 20/F, CCB Tower, 3 Connaught Road Central, Hong Kong) at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m.), so long as any Bond is outstanding.

5. **Financial Statements:** The Issuer's Consolidated Financial Statements as at and for the years ended 31 December 2018, 2019 and 2020 have been audited by ShineWing as stated in its reports dated 28 April 2020 and 29 April 2021. The Issuer's Consolidated Interim Financial Statements as at and for the six months ended 30 June 2020 and 2021 have been reviewed by Zhongxi as stated in its reports dated 30 August 2021.

   The Issuer's Consolidated Financial Statements have only been prepared in Chinese and an English translation of which (the "**Financial Statements Translation**") has been prepared by ShineWing and Zhongxi, and included in this Offering Circular for reference only. Should there be any inconsistency between the Issuer's Consolidated Financial Statements and the Financial Statements Translation, the Issuer's Consolidated Financial Statements shall prevail.

   The Financial Statements Translation does not itself constitute audited financial statements, and is qualified in its entirety by, and is subject to the Group's published Issuer's Consolidated Financial Statements. None of the Joint Lead Managers, the Trustee, the Agents nor their respective affiliates, directors, officers, employees, agents and advisers has independently verified or checked the accuracy of the Financial Statements Translation and can give no assurance that the information contained in the Financial Statements Translation is accurate, truthful or complete.

6. **Listing of Bonds on the Hong Kong Stock Exchange:** An application has been made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only. It is expected that dealing in, and listing of, the Bonds on the Hong Kong Stock Exchange will commence on or around 20 January 2022.

7. **Listing of Bonds on the MOX:** Application has been made to the MOX for the listing of by way of debt issues to MOX Professional Investors only before or after the issue of the Bonds, and such listing will be subject to the MOX's approval. Admission to the listing of the Bonds on the MOX shall not be taken as an indication of the merits of the Issuer or the Bonds.

8. **Listing of Bonds on the Singapore Exchange Securities Trading Limited:** Approval in-principle has been received from the SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Bonds to the Official List of the SGX-ST or approval in-principle granted by the SGX-ST for the listing and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Bonds, the Issuer or its subsidiaries or associated companies. The Bonds will be traded on the SGX-ST in a minimum trading board lot size of US$200,000 for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require. For so long as any Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption, in the event that the Global Certificate (as defined herein) is exchanged for Individual Certificates. In addition, in the event that the Global Certificate is exchanged for Individual Certificates, an announcement of such exchange shall be made by the Company through the SGX-ST and such announcement will include all material information with respect to the delivery of Individual Certificates, including details of the paying agent in Singapore.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Unaudited but reviewed consolidated interim financial statements of the Issuer for the six months ended 30 June 2021

Audited consolidated financial statements of the Issuer for the year ended 31 December 2020

Audited consolidated financial statements of the Issuer for the year ended 31 December 2019

1 Investors should note that the consolidated financial statements of the Issuer attached to this Offering Circular were an English translation only. The original Chinese version of all such consolidated financial statements has been incorporated by reference. See "Presentation of Financial Information".

Guangzhou Development District Holdings Group Co., Ltd.

Interim Review Report 2021

Z.X.Z.S.Zi [2021] No. 01805

Zhongxi Certified Public Accountant Firm (Special general partnership)

Address: 11th floor, Block A, Xincheng Culture Building, no. 11

Chongwenmen Street, Beijing City

Postal Code: 100062

Tel.: 010-67085873

Fax: 010-67084147

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CONTENTS **PAGE**

2021 Interim Review Report

Z.X.Z.S.Zi [2021] No. 01805

Reference Number: 11000168202110014326277

All shareholders of Guangzhou Development District Holdings Group Co., Ltd.:

We have reviewed the appended financial statements of Guangzhou Development District Holdings Group Co., Ltd. (hereinafter referred to as your company), both the ones of the consolidated and the parent company's, including balance sheets of June 30th, 2021, profit & loss sheets from January 1st to June 30th, 2021, cash flow sheets, statements of changes in owner's equity and relevant notes to financial statements. It is the responsibility of your company's Management that financial statements are well prepared, and it is ours that review report shall be issued on those financial statements according to our working on the implemented review procedures.

We performed the review business in accordance with the Chinese Certified Public Accountant Review Standards No.2101 - Review of Financial Statements. And The standard requires us to plan and implement the review in order to obtain limited assurance on whether the financial statements are free of material misstatement. The review is mainly limited to asking relevant persons from your company and, implementing analysis procedures for financial data, and the degree of assurance provided is lower than that of audit. We have not implemented an audit and therefore do not express an audit opinion.

Based on our review, we have not noticed any advantages nor disadvantages that lead us to believe that the financial statements have NOT been prepared with the Accounting Standards for Business Enterprises and failed to fairly reflect the financial position, results of operations and cash flows in all material respects.

地址：北京市崇文门外大街11号新成文化大厦A座11层
电话：010-67085873　　传真：010-67084147　　邮政编码：100062

(No text on this page, only for Review Report of Z.X.Z.S.ZI [2021] No. 01805 as signature page)

ZHONGXI CPAs（SPECIAL GENERAL PARTNERSHIP）

Chinese CPA:

关健成

Chinese CPA:

August 30th 2021

地址：北京市崇文门外大街11号新成文化大厦A座11层
电话：010-67085873 传真：010-67084147 邮政编码：100062

Guangzhou Development District Holdings Group Co., Ltd.

Consolidated Balance Sheet

Currency: RMB Yuan

Item	Line	June 30th, 2021	December 31st, 2020	January 1st, 2021
Current assets:	1			
Cash and cash equivalents	2	23,955,553,523.47	20,190,110,559.74	20,190,110,559.74
△ Settlement reserves	3	640,931,982.45	697,911,634.82	697,911,634.82
△ Lending funds	4			
☆ Trading financial assets	5	9,014,641,921.41	1,813,068,625.75	6,255,802,804.08
Financial assets at fair value through profit or loss	6		1,819,604,805.67	
Derivative financial assets	7	102,918,056.88	97,073,515.32	97,073,515.32
Notes receivable	8	21,370,594.67	11,407,858.84	11,407,858.84
Accounts receivable	9	1,356,495,977.83	1,265,466,499.27	1,265,466,499.27
☆ Receivables financing	10	1,300,536.31	3,000,000.00	3,000,000.00
Prepayments	11	110,386,040.20	125,752,258.73	118,654,295.83
△ Premium receivable	12			
△ Reinsurance accounts receivable	13			
△ Provision of cession receivable	14			
Other receivables	15	9,078,821,887.09	8,543,070,312.11	8,499,289,490.10
Including: Dividends receivable	16	81,546,809.50	23,200,000.00	23,200,000.00
△ Buyback of the financial assets sold	17	410,814,759.00	613,138,992.43	613,138,992.48
Inventories	18	7,321,503,939.67	6,632,381,985.18	6,632,381,985.18
Including: Raw materials	19	227,542,409.70	116,944,456.13	116,944,456.13
Goods in stock (finished goods)	20	60,400,853.44	51,198,670.64	51,198,670.64
☆ Contract assets	21	3,600,590.39	3,600,590.39	3,600,590.39
Held-for-sale assets	22		92,576,700.00	92,576,700.00
Non-current assets due within 1 year	23	734,315,661.78	689,254,234.59	689,254,234.59
Other current assets	24	5,608,469,661.25	4,658,469,202.71	4,566,519,202.71
Total current assets	25	58,469,647,155.81	47,255,887,575.60	49,751,198,363.44
Non-current assets:	26			
△ Loans and advances	27			
☆ Debt instruments	28			47,940,000.00
Available-for-sale financial assets	29		8,670,723,562.34	
☆ Other debt instruments	30	4,645,906,012.25	3,081,615,065.00	3,081,615,065.00
Held-to-maturity investments	31			
Long-term receivables	32	2,027,831,013.72	2,174,787,412.78	2,174,787,412.78
Long-term equity investments	33	11,858,243,825.32	12,275,004,811.06	12,275,004,811.06
☆ Other equity instrument investments	34	1,706,442,171.35	577,046,519.73	1,650,442,773.03
☆ Other non-current financial assets	35	7,610,433,553.71	1,905,757,92	5,755,408,457.84
Investment properties	36	9,173,758,546.97	8,626,089,744.40	8,626,089,744.40
Fixed assets	37	4,349,406,638.35	4,063,125,975.19	4,053,125,175.19
Including: Original value of fixed assets	38	8,645,607,967.54	8,147,176,190.97	8,147,176,190.97
Accumulated depreciation	39	4,292,368,957.66	4,090,218,443.30	4,090,218,443.30
Provision for impairment of fixed assets	40	3,832,371.53	3,832,371.53	3,832,371.53
Construction in progress	41	1,737,314,423.03	1,287,102,956.85	1,256,162,956.93
Productive biological assets	42			
Oil and gas assets	43			
☆ Right-of-use assets	44	195,304,021.74		234,618,899.99
Intangible assets	45	1,368,354,045.75	767,766,287.15	767,766,287.15
Development costs	46			
Goodwill	47	2,618,699,554.76	2,538,941,044.01	2,538,941,044.01
Long-term prepayment	48	154,417,788.87	125,544,348.83	125,177,470.43
Deferred tax assets	49	727,231,601.84	773,633,751.87	730,647,915.45
Other non-current assets	50	1,695,292,109.54	1,354,235,057.04	3,348,633,278.04
Including: special reserve materials	51			
Total non-current assets	52	50,868,915,204.20	48,652,643,689.55	46,668,410,987.80
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Total assets	74	109,338,567,360.01	95,908,531,265.15	96,419,609,351.24

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.

Consolidated Balance Sheet(Continued)

Currency: RMB Yuan

ITEM	Line	June 30th, 2021	December 31st, 2020	January 1st, 2021
Current liabilities:	75			
Short-term borrowings	76	10,326,218,645.45	7,534,427,324.53	7,534,427,324.53
Δ Loans from the central bank	77			
Δ Borrowing funds	78			
☆ Financial liabilities held for trading	79	417,991,156.69		221,702,112.00
Financial liabilities at fair value through profit or loss	80		221,702,112.00	
Derivative financial liabilities	81	4,262,160.00		
Notes payable	82	513,481.10	14,034,789.45	14,034,789.45
Accounts payable	83	1,080,193,101.27	839,845,096.65	838,584,830.76
Advances from customers	84	120,601,700.74	243,399,773.84	217,333,994.93
☆ Contract liabilities	85	95,842,665.39	278,517,528.94	298,972,929.01
Δ Sale of the financial liabilities bought back	86	3,849,312,205.77	2,555,159,402.68	2,555,159,402.68
Δ Deposits from customers and the interbank	87			
Δ Funds for securities trading	88	4,755,967,850.14	4,582,565,231.13	4,582,705,233.13
Δ Securities underwriting brokerage deposits	89			
Employee benefits payable	90	237,449,520.34	354,444,976.39	354,444,976.39
Including: Wage payable	91	235,751,277.36	342,338,747.65	342,338,747.65
Welfare payable	92	878,304.92	1,041,108.92	1,041,108.92
Excluding: employee bonus and welfare fund	93			
Taxes payable	94	491,046,810.99	881,420,005.08	881,420,005.08
Including: Taxes payable	95	491,134,544.74	878,297,746.08	878,297,746.08
Other payables	96	2,363,587,678.75	1,121,373,851.85	1,121,373,851.85
Including: Dividends payable	97	45,586,684.51	71,554,034.31	71,554,034.31
Δ Handling charges and commissions payable	98			
Δ Dividend payable for reinsurance	99			
Liabilities held for sale	100			
Non-current liabilities due within 1 year	101	1,388,767,528.24	1,035,569,630.79	1,032,042,147.33
Other current liabilities	102	4,065,537,955.80	1,050,102,055.84	1,051,773,414.68
Total current liabilities	103	28,349,323,060.67	20,729,591,771.16	20,721,791,031.83
Non-current liabilities:	104			
Δ Provision for insurance contracts	105			
Long-term borrowings	106	17,052,592,748.86	16,662,592,381.38	16,662,592,381.38
Bonds payable	107	22,212,850,349.70	21,208,250,696.02	21,208,250,696.02
Including: Preferred shares	108			
Perpetual bonds	109			
☆ Lease liabilities	110	154,898,057.15		188,087,762.24
Long-term payables	111	856,807,065.09	1,139,605,585.55	1,139,605,585.55
Long-term payroll payable	112			
Provisions	113	1,450,741.17	1,450,741.17	1,450,741.17
Deferred income	114	260,488,167.87	253,516,782.94	253,516,782.94
Deferred tax liabilities	115	766,445,601.63	489,046,125.74	574,270,825.74
Other non-current liabilities	116	71,821,765.51	70,085,194.44	70,085,194.44
Including: special reserve funds	117	99,833,054.69		0.00
Total non-current liabilities	118	41,381,344,707.08	39,824,533,507.24	40,097,799,968.98
Total liabilities	119	69,730,667,767.75	60,544,113,278.42	60,819,593,000.81
Shareholders' equity:	120			
Paid-in capital	121	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
State capital	122	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
State-owned legal capital	123			
Collective capital	124			
Private capital	125			
Foreign capital	126			
#Less: Returned investment	127			
Net amount of paid-in capital	128	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
Other equity instruments	129	5,405,671,698.11	5,405,541,962.26	5,405,541,962.26
Including: Preference shares	130			
Perpetual bonds	131	5,405,671,698.11	5,405,541,962.26	5,405,541,962.26
Capital reserves	132	6,215,135,491.93	5,451,575,107.40	5,451,578,137.40
Less: Treasury shares	133			
Other comprehensive income	134	-7,701,087.63	252,937,098.13	3,849,006.80
Including: Translation difference of foreign currency statements	135			
Special reserves	136			
Surplus reserves	137			
Including: Statutory provident fund	138			
Arbitrary provident fund	139			
Reserve fund	140			
#Enterprise development fund	141			
#Profit return investment	142			
Δ General risk provisions	143	47,955,706.56	47,955,706.56	47,955,706.56
Retained earnings	144	1,682,785,471.96	1,070,833,662.23	1,570,575,417.53
Total equities attributable to owners of parent company	145	23,707,179,095.41	22,594,081,344.14	27,834,537,001.51
*Minority interest	146	15,901,115,406.85	12,771,336,642.59	11,765,479,348.92
Total shareholders' equities	147	39,608,294,502.26	35,364,417,986.73	35,600,016,350.43
Total liabilities and shareholders' equity	148	109,338,962,360.01	95,908,531,265.15	96,419,609,351.24

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.

Consolidated Income Statement

2

Currency: RMB Yuan

ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)	ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)
I. Total operating income	1	3,725,500,854.14	2,682,154,968.01	Less: Non-operating expenses	37	4,296,341.05	24,516,651.82
Including: Operating revenue	2	3,159,341,251.02	2,316,751,398.18	IV. Profit before tax (Total losses marked with "-")	38	561,533,645.29	527,532,450.42
△ Interest income	3	286,911,460.65	257,403,811.44	Less: Income tax expenses	39	179,787,585.45	121,803,579.33
△ Insurance premium earned	4			V. Profit after tax (Net losses marked with "-")	40	381,746,059.84	405,728,871.09
△ Handling charge and commission income	5	279,248,142.47	287,019,818.79	(I) Classified by the attribution of ownership	41		—
II. Total operating cost	6	3,503,180,469.37	3,136,701,379.34	Net profits attributable to the owner of parent company	42	165,824,737.58	-89,916,061.79
Including: Operating cost	7	2,532,877,686.27	1,517,322,155.30	*Minority interests income	43	215,921,322.31	495,644,932.88
△ Interest expenses	8	60,770,721.18	109,424,280.79	(II) Classified by continuity of operations	44		—
△ Handling charge and commission expenses	9	62,151,034.20	60,467,604.01	Net profits from continuing operations	45	381,746,059.84	405,728,871.09
△ Insurance termination refund	10	—		Net profits of discontinuing operations	46		
△ Net compensation expenses	11			VI. Net after-tax amount of other comprehensive income	47	-6,991,038.26	72,639,635.49
△ Net withdrawal of insurance liability reserve	12			The net after-tax value of other comprehensive income attributable to the owner of parent company	48	-3,852,065.83	72,651,367.93
△ Policy dividend payments	13			(I) Other comprehensive income that cannot be reclassified into profit or loss	49		
△ Reinsurance costs	14			1.Remeasurement of changes in defined benefit plans	50		
Taxes and surcharges	15	114,148,784.17	105,527,175.63	2.Other comprehensive income not converted into profit or loss under equity method	51		
Selling expenses	16	70,987,539.74	40,636,640.55	☆3. Fair value changes of other equity instrument investments	52		
General and administrative expenses	17	565,462,848.19	558,999,336.26	☆4.Profit and loss from fair value changes of enterprise's own credit risks	53		
Research & development expenses	18	15,782,838.81	97,544,678.87	5.Others	54		
Finance expenses	19	641,478,972.80	721,580,556.53	(II) Other comprehensive income reclassified into profit and loss	55	-3,852,065.83	71,651,367.85
Including: Interest expenses	20	889,283,341.70	852,591,906.62	1.Other comprehensive income converted into profit or loss under the equity method	56	-6,117,793.14	-3,373,326.68
Interest income	21	284,607,476.46	190,276,313.48	☆2.Fair value changes of other debt instruments	57	1,981,218.91	-3,996,345.08
Net exchange loss (Loss marked with "-")	22	-66,364,605.54	48,383,781.65	3.Profit and loss from fair value changes of available-for-sale financial assets	58		75,330,142.01
Others	23			☆4.Amount reclassified from financial assets to other comprehensive income	59		
Add: Other incomes	24	15,668,894.22	16,631,583.11	5.Gains and losses for Held-to-maturity investments that are reclassified into available-for-sale financial assets	60		
Investment incomes (Loss marked with "-")	25	176,897,895.74	811,372,417.28	☆6.Provision for credit impairment on other debt instruments	61	284,489.30	4,689,876.78
Including: Investment income from associates and joint ventures	26	27,544,824.40	588,744,369.29	7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)	62		
☆ Derecognition of gains on financial assets at amortized cost	27			8.Translation difference of foreign currency statements	63		
△ Exchange earnings (Loss marked with "-")	28			9.Others	64		
☆ Net exposure hedging gains (Loss marked with "-")	29			*Net other comprehensive income attributable to minority shareholders after tax	65	-3,138,972.43	-11,732.44
Income from changes in fair value (Loss marked with "-")	30	558,745,756.41	152,693,406.52	VII. Total comprehensive income	66	372,755,021.58	478,368,506.58
☆ Impairment loss of credit (Loss marked with "-")	31	21,870,025.52	-10,938,511.81	Total comprehensive income attributable to owners of the parent company	67	161,972,671.75	-17,264,693.86
Impairment loss of assets (Loss marked with "-")	32	-107,090.44	-15,048.27	*Total comprehensive income attributable to minority interest	68	212,782,349.88	495,633,200.44
Income from disposal of assets (Loss marked with "-")	33	2,143,906.79	-490,329.52	VIII. Earnings per share:	69		—
III. Operating profit (Loss marked with "-")	34	546,583,093.06	514,752,107.69	(I) Basic earnings per share	70		
Add: Non-operating revenue	35	19,244,893.57	37,306,584.55	(II) Diluted earnings per share	71		
Including: Government grants	36	4,968,577.46	3,946,312.79		72		

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.
Consolidated Cash Flow Statement

As at June 30th, 2021

Currency: RMB Yuan

ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)
I. Cash flow arising from operating activities:	1	——	--
Cash received from sales of goods or rendering services	2	3,332,329,848.88	2,428,984,319.88
△Net increase in customer deposits and interbank deposits	3		
△Net increase in borrowing from the central bank	4		
△Net increase in borrowing from other financial institutions	5		
△Cash received from the original insurance contract premium	6		
△Cash received from reinsurance	7		
△Net increase in the Fund's reserves and investments	8		
△Net increase in the disposal of financial assets at fair value through profit or loss for the current period	9	246,418,220.12	-6,548,361.75
△ Cash received from interest, fees and commissions	10	473,692,964.92	458,245,575.89
△Net increase in borrowed funds	11	-567,905.57	
△ Repurchase business funds net increase	12	495,269,904.21	1,474,741,444.45
△ Net cash received from dealers in securities	13	163,567,278.78	1,104,026,009.94
Received tax refunds	14	705,074.60	1,377,156.47
Cash received related to other operating activities	15	1,706,754,025.77	831,778,203.55
Subtotal of cash inflow from operating activities	16	5,905,704,361.89	5,942,606,340.09
Cash paid for the purchase of goods and services	17	2,856,841,473.94	2,833,715,383.07
△ Net increase in loans and advances to customer	18		
△Net increase of deposits in central bank and interbank	19		
△Cash paid for the original insurance contract	20		
△Net increase in lending funds	21	547,482,786.71	325,225,364.71
△Cash for paid for interest, fees and commissions	22	75,079,382.24	76,828,166.73
△Paid policy dividends in cash	23		
Cash paid to and for employees	24	627,591,576.66	457,724,888.78
Taxes paid	25	545,845,541.65	340,656,039.07
Cash paid related to other operating activities	26	621,504,775.65	2,065,677,142.77
Subtotal of cash outflows from operating activities	27	5,267,535,086.88	6,709,627,964.74
Net cash flow from operating activities	28	641,668,274.81	-767,021,624.65
II. Cash flow from investment activities:	29	——	——

ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)
Cash received from disinvestment	30	1,671,248,304.05	146,200,000.00
Cash received from the return of investment	31	753,930,574.80	250,265,288.11
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets	32	5,113,064.33	50,558,525.92
Net cash received from dispose of subsidiaries and other business units	33		70,001.00
Cash received related to other investing activities	34	3,360,532,092.87	167,125,790.49
Subtotal of cash inflow from investing activities	35	5,294,754,636.71	654,219,605.62
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets	36	1,221,862,522.38	770,419,242.77
Cash paid for investment	37	7,109,814,049.82	3,057,873,933.53
△Net increase in pledge loans	38		
Net cash paid by subsidiaries and other business units	39	38,864,394.88	
Cash paid related to other investing activities	40	1,070,798,026.71	355,944,329.60
Subtotal of cash outflows from investing activities	41	9,491,338,993.79	4,184,237,535.50
Net cash flow from investing activities	42	-4,196,544,357.08	-3,530,017,990.28
III. Cash flow from financing activities:	43	--	--
Cash received from external investment	44	4,805,229,500.30	166,350,000.00
Including: The subsidiary received cash from minority shareholders' investment	45	1,249,500.00	226,350,000.00
Cash received from loans granted	46	14,303,160,053.24	20,567,050,959.88
△Cash received from bonds issued	47	2,670,402,097.11	775,566,693.18
Subtotal cash inflow from financing activities	48	21,778,791,650.35	21,507,013,653.06
Payment of debt in cash	49	8,240,534,600.21	7,769,574,404.94
Cash used to pay dividends, profits, or interest payments	50	1,533,649,720.08	778,793,935.17
Including: Dividends and profits paid to minority interests by subsidiaries	51	97,363,694.25	27,757,135.39
Cash paid related to other financing activities	52	4,663,931,652.39	1,342,622,550.73
Subtotal cash outflow from financing activities	53	14,438,115,978.60	9,851,390,891.43
Net cash flow from financing activities	54	7,340,675,671.75	11,615,622,761.17
IV. Impact of exchange rate fluctuations on cash and cash equivalents	55	7,735,459.85	677,626.57
V. Net increase in cash and cash equivalents	56	3,788,095,049.31	7,319,260,852.77
Add: Balance of cash and cash equivalents at the beginning of the period	57	20,482,726,760.45	16,103,015,782.09
VI. Balance of cash and cash equivalents at the end of the period	58	24,270,821,909.76	23,422,276,634.86

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.

Consolidated Statement of Changes in Shareholders's Equity

As at June 30th, 2023

Currency: RMB Yuan

Item	Line	Current period amount: Equity attributable to shareholders of the parent company: Paid-in capital	Other equity instruments: Preference shares	Other equity instruments: Perpetual bond	Other equity instruments: Others	Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Undistributed earnings	Subtotal	Non-controlling interests	Total shareholders' equity
Column	—	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Closing balance of last year	1	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Add: Impact from changes in accounting policies	2							[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
Impact from corrections of errors in prior period	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Opening balance of current year	5	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3. Movement for current year ("-" for decrease)	6	0.00	0.00	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(1) Total comprehensive income	7	—	—	—	—	—	—	[illegible]	—	—	—	[illegible]	[illegible]	[illegible]	[illegible]
(2) Shareholder's contributions and withdrawals of capital	8	0.00	0.00	[illegible]	0.00	[illegible]	0.00	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]
1) Common stock contributed by shareholders	9	0.00	—	—	—	[illegible]	—	—	—	—	—	—	[illegible]	[illegible]	[illegible]
2) Capital contributed by other equity instruments holders	10	0.00		[illegible]	0.00	0.00	—	—	—	—	—	—	[illegible]	0.00	[illegible]
3) Share-based payment recorded in shareholder's equity	11	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	0.00	0.00
4) Others	12	0.00	—	—	—	[illegible]	0.00	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]	[illegible]
(3) Withdrawal and use of special reserve	13	0.00	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawal of special reserve	14	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
2. Use of special reserve	15	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
(4) Profit distribution	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	[illegible]	0.00	[illegible]	[illegible]
1) Appropriation of surplus reserve	17	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Including: Statutory reserve fund	18	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Discretionary reserve	19	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
#Reserve fund	20	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
#Enterprise development fund	21	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
#Return on investment	22	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
△2 Extraction of general risk reserves	23	—	—	—	—	—	—	—	—	—	0.00	0.00	0.00	—	0.00
3 Distribution to shareholders	24	—	—	—	—	—	—	—	—	—	—	[illegible]	[illegible]	[illegible]	[illegible]
4 Others	25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(5) Internal transfer within shareholder's equity	26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1) Conversion of capital reserve into share capital	27	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	—	0.00
2) Conversion of surplus reserve into share capital	28	0.00	—	—	—	—	—	—	—	0.00	—	—	0.00	—	0.00
3) Recover of loss by surplus reserve	29	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
4) Benefit plans are capital forward to retained earnings	30	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	—	0.00
5) Other comprehensive earnings are carried forward to retained earnings	31	—	—	—	—	—	—	0.00	—	0.00	—	0.00	0.00	—	0.00
(6) Others	32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance of current year	33	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	[illegible]	0.00	0.00	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Legal Representative: Accounting Principal: Head of the accounting department:

7

Guangzhou Development District Holdings Group Co., Ltd.
Consolidated Statement of Changes in Shareholders's Equity

As at June 30th, 202[illegible]

Currency: RMB Yuan

Item	LINE	Current period amount													
		Equity attributable to shareholders of the parent company												Non-controlling interests	Total shareholders' equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal		
			Preference share	Perpetual bond	Other										
Column	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28
1. Closing balance of last year	1	10,363,233,609.64	0.00	0.00	0.00	7,243,211,913.06	0.00	383,311,567.84	0.00	0.00	33,579,875.86	3,008,056,493.47	19,035,353,262.87	11,765,032,285.55	30,798,xxx,548.42
Add: Impact from changes in accounting policies	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Impact from correction of errors in prior period	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Opening balance of current year	5	10,363,233,609.64	0.00	0.00	0.00	7,243,211,913.06	0.00	383,311,567.84	0.00	0.00	33,579,875.86	3,008,056,493.43	19,035,353,262.87	26,913,050,580.42	45,948,403,843.29
3. Movement for current year ("-" for decrease)	6	0.00	0.00	5,405,541,962.26	0.00	-1,791,692,809.65	0.00	-129,374,671.71	0.00	0.00	14,415,830.64	62,777,188.74	3,562,718,081.27	1,012,055,857.04	4,574,773,938.31
(1) Total comprehensive income	7	—	—	—	—	—	—	-129,374,671.71	—	—	—	174,910,074.48	45,536,068.04	660,863,355.79	706,399,363.29
(2) Shareholder's contribution and withdrawal of capital	8	0.00	0.00	5,405,541,962.26	0.00	1,791,632,809.86	0.00	0.00	0.00	0.00	0.00	-60,702,626.89	7,153,306,590.51	541,706,463.50	[illegible]
1) Common stock contributed by shareholders	9	0.00	—	—	—	50,000,000.00	—	—	—	—			50,000,000.00	394,239,500.00	444,239,500.00
2) Capital contributed by other equity instruments' holders	10	0.00	0.00	5,405,541,962.26	0.00	0.00	—	—	—	—	—	—	5,405,541,962.26	0.00	5,405,541,962.26
3) Share-based payment recorded in shareholders's equity	11	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	0.00	0.00
4) Others	12	0.00	—	—	—	-1,841,632,809.64	0.00	0.00	0.00	0.00	0.00	60,702,626.89	-1,902,335,436.75	147,466,961.30	-1,654,869,475.45
(3) Withdrawal and use of special reserve	13	0.00	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawal of special reserve	14	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
2. Use of special reserve	15	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
(4) Profit distribution	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,415,830.64	-51,430,287.99	-37,014,457.35	-290,365,964.15	-327,380,421.50
1) Appropriation of surplus reserve	17	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Including: Statutory reserve fund	18	—	—	—	—	—		—	—	0.00	—	0.00	0.00	—	0.00
Discretionary reserve	19	—	—	—	—	—		—	—	0.00	—	0.00	0.00	—	0.00
#Reserve fund	20	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
#Enterprise development fund	21	—	—	—	—	—	—		—	0.00	—	0.00	0.00	—	0.00
#Return on investment	22	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00		0.00
2) Appropriation of general risk reserves	23	—	—	—		—	—	—	—	—	14,415,830.64	-14,415,830.64	0.00	—	0.00
3) Distribution to shareholders	24	—	—	—		—	—	—	—	—	—	-37,014,457.35	-37,014,457.35	-290,365,964.15	-327,380,421.50
4) Others	25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(5) Internal transfer within shareholder's equity	26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1) Conversion of capital reserve into share capital	27	0.00	—	—	—	0.00	—	—	—	—	—		0.00	—	0.00
2) Conversion of surplus reserve into share capital	28	0.00	—	—	—	—	—	—	—	0.00	—		0.00	—	0.00
3) Recover of loss by surplus reserve	29	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
4) Benefit plans are carried forward to retained earnings	30	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	—	0.00
(6) Other comprehensive earnings are carried forward to retained earnings	31	—	—	—	—	—	—	0.00	—	0.00	—	0.00	0.00	—	0.00
(6) Others	32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance of current year	33	10,363,233,609.64	0.00	5,405,541,962.26	0.00	5,451,579,107.40	0.00	253,937,896.13	0.00	0.00	47,995,706.50	3,070,833,682.21	22,598,071,344.14	12,771,316,642.59	35,369,387,986.73

Legal Representative   Accounting Principal   Head of the accounting department

8

Guangzhou Development District Holdings Group Co., Ltd.
Parent Company's Balance Sheet

Currency: RMB Yuan

ITEM	Line	June 30th, 2021	December 31st, 2020	January 1st, 2021
Current assets:	1			
Cash and cash equivalents	2	9,302,704,884.41	5,167,257,554.94	5,167,257,554.94
△ Settlement reserves	3			
△ Lending funds	4			
☆ Trading financial assets	5	447,337,903.98		408,378,100.50
Financial assets at fair value through profit or loss	6			
Derivative financial assets	7			
Notes receivable	8			
Accounts receivable	9	17,373,080.67	4,258,614.02	4,258,614.02
☆ Receivables financing	10			
Prepayments	11	709,349.77	670,947.50	670,947.50
△ Premium receivable	12			
△ Reinsurance accounts receivable	13			
△ Provision of cession receivable	14			
Other receivables	15	24,201,975,621.19	22,492,349,724.53	22,492,349,724.53
Including: Dividends receivable	16	1,500,000.00	167,491,235.18	167,491,235.18
△ Buyback of the financial assets sold	17			
Inventories	18			
Including: Raw materials	19			
Goods in stock (finished goods)	20			
☆ Contract assets	21			
Held-for-sale assets	22			
Non-current assets due within 1 year	23			
Other current assets	24		17,605.67	17,605.67
Total current assets	25	34,460,187,837.09	27,764,402,446.66	28,232,730,547.16
Non-current assets:	26			
△ Loans and advances	27			
☆ Debt investments	28			
Available-for-sale financial assets	29		1,806,589,439.79	
☆ Other debt investments	30			
Held-to-maturity investments	31			
Long-term receivables	32			
Long-term equity investments	33	26,519,546,283.58	24,530,844,706.59	24,530,844,706.59
☆ Other equity instruments investments	34	489,907,368.43		469,907,368.43
☆ Other non-current financial assets	35	819,941,215.87		819,941,215.87
Investment properties	36	2,069,957,458.94	2,098,172,849.78	2,098,172,849.78
Fixed assets	37	21,546,579.78	21,894,384.94	21,894,384.94
Including: Original value of fixed assets	38	29,495,575.42	29,180,250.33	29,180,250.33
Accumulated depreciation	39	7,948,995.64	7,285,865.39	7,285,865.39
Provision for impairment of fixed assets	40			
Construction in progress	41	22,100,203.10	3,963,662.97	3,963,662.97
Productive biological assets	42			
Oil and gas assets	43			
☆ Right-of-use assets	44	28,737,535.79		33,271,858.43
Intangible assets	45	657,209.20	746,531.71	746,531.71
Development costs	46			
Goodwill	47			
Long-term prepayments	48			
Deferred tax assets	49	2,375,501.91	3,373,871.27	3,373,871.27
Other non-current assets	50	470,521,765.21	470,527,765.21	470,527,765.21
Including: special reserve materials	51			
Total non-current assets	52	30,461,376,609.85	28,934,908,207.35	28,472,439,210.20
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Total assets	74	64,921,564,536.84	56,699,310,654.01	56,705,169,757.36

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.
Parent Company's Balance Sheet(Continued)

Currency: RMB Yuan

ITEM	Line	June 30th, 2021	December 31st, 2020	January 1st, 2021
Current liabilities:	75			
Short-term borrowings	76	5,467,906,500.00	2,414,598,916.66	2,414,598,916.66
△ Loans from the central bank	77			
△ Borrowing funds	78			
☆ Financial liabilities held for trading	79	292,520,930.30		221,702,132.00
Financial liabilities at fair value through profit or loss	80		221,702,132.00	
Derivative financial liabilities	81			
Notes payable	82			
Accounts payable	83	24,642,909.19	58,374,480.30	58,374,480.30
Advances from customers	84		20,329.20	
☆ Contract liabilities	85	122,920.57		20,393.96
△ Sale of the financial liabilities bought back	86			
△ Deposits from customers and the interbank	87			
△ Funds for securities trading	88			
△ Securities underwriting brokerage deposits	89			
Employee benefits payable	90	28,271,087.59	37,948,036.95	37,948,036.95
Including: Wage payable	91	28,227,571.50	36,600,157.06	36,600,157.06
Welfare payable	92			
Including: employee bonus and welfare fund	93			
Taxes payable	94	19,045,240.49	30,949,527.51	30,949,527.51
Including: Taxes payable	95	18,179,302.59	29,696,357.24	29,696,357.24
Other payables	96	4,736,345,406.32	4,750,889,010.57	4,750,889,010.57
Including: Dividends payable	97			
△ Handling charges and commissions payable	98			
△ Dividend payable for reinsurance	99			
Liabilities held for sale	100			
Non-current liabilities due within 1 year	101	277,686,248.38	500,000,000.00	508,546,602.17
Other current liabilities	102	1,099,933,007.68	0.00	535.74
Total current liabilities	103	12,354,455,156.72	8,029,482,432.79	8,038,029,324.96
Non-current liabilities:	104			
△ Provision for insurance contracts	105	0.00		0.00
Long-term borrowings	106	14,562,078,218.46	11,427,278,218.46	11,427,278,218.46
Bonds payable	107	17,707,333,598.32	17,742,128,578.86	17,742,128,578.86
Including: Preferred shares	108			
Perpetual bonds	109			
☆ Lease liabilities	110	20,298,075.69		24,725,106.26
Long-term payables	111	1,900,414.10		
Long-term payroll payable	112			
Provisions	113			
Deferred income	114	3,722,107.71	3,722,107.71	3,722,107.71
Deferred tax liabilities	115	62,802,847.01	63,054,389.91	56,200,001.14
Other non-current liabilities	116			
Including: special reserve funds	117			
Total non-current liabilities	118	32,459,533,681.49	29,236,282,094.94	29,254,154,072.43
Total liabilities	119	44,812,988,838.21	37,265,764,527.73	37,292,183,397.39
Shareholders' equity:	120			
Paid-in capital	121	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
State capital	122	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
State-owned legal capital	123			
Collective capital	124			
Private capital	125			
Foreign capital	126			
#Less: Returned investment	127			
Net amount of paid-in capital	128	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
Other equity instruments	129	5,404,249,056.60	5,404,119,320.75	5,404,119,320.75
Including: Preference shares	130			
Perpetual bonds	131	5,404,249,056.60	5,404,119,320.75	5,404,119,320.75
Capital reserves	132	4,407,788,980.61	3,612,808,980.61	3,612,808,980.61
Less: Treasury shares	133			
Other comprehensive income	134	-3,406,263.23	189,159,569.71	
Including: Translation difference of foreign currency statements	135			
Special reserves	136			
Surplus reserves	137			
Including: Statutory provident fund	138			
Arbitrary provident fund	139			
#Reserve fund	140			
#Enterprise development fund	141			
#Profit return investment	142			
△ General risk provisions	143			
Retained earnings	144	-63,289,884.09	-135,775,554.43	32,824,448.97
Total equities attributable to owners of parent company	145	20,108,575,698.63	19,433,546,126.28	19,412,986,559.97
*Minority interest	146			
Total shareholders' equities	147	20,108,575,698.63	19,433,546,126.28	19,412,986,559.97
Total liabilities and shareholders' equity	148	64,921,564,536.84	56,699,310,654.01	56,705,169,957.36

Legal Representative: Accounting Principal: Head of the accounting department:

10

Guangzhou Development District Holdings Group Co., Ltd.
Parent Company's Income Statement
As at June 30th, 2021

Currency: RMB Yuan

ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)	ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)
I. Total operating income	1	107,565,067.70	53,783,750.10	Less: Non-operating expenses	37	28,225.47	1,873,217.17
Including: Operating revenue	2	107,565,067.70	53,783,750.10	IV. Profit before tax (Total losses marked with "-")	38	-34,461,085.47	-241,972,950.41
△Interest income	3			Less: Income tax expenses	39	8,536,546.31	
△Insurance premium earned	4			V. Profit after tax (Net losses marked with "-")	40	-42,997,635.78	-241,972,950.41
△Handling charge and commission incomes	5			(I) Classified by the attribution of ownership	41		——
II. Total operating cost	6	185,770,562.51	434,667,458.67	Net profits attributable to the owner of parent company	42	-42,997,635.78	-241,972,950.41
Including: Operating cost	7	51,101,256.31	53,314,081.54	*Minority interest income	43		
△Interest expenses	8			(II) Classified by continuity of operations	44		——
△Handling charge and commission expenses	9			Net profits from continuing operations	45	-42,997,635.78	-241,972,950.41
△Insurance termination refund	10			Net profits of discontinuing operations	46		
△Net compensation expenses	11			VI. Net after-tax amount of other comprehensive income	47	-3,406,263.23	50,402,142.28
△Net withdrawal of insurance liability reserve	12			The net after-tax value of other comprehensive incomes attributable to the owner of parent company	48	-3,406,263.23	50,402,142.28
△Policy dividend payments	13			(I) Other comprehensive income that cannot be reclassified into profit or loss	49		
△Reinsurance costs	14			1.Remeasurement of changes in defined benefit plans	50		
Taxes and surcharges	15	16,259,159.08	5,383,888.02	2.Other comprehensive income not converted into profit or loss under equity method	51		
Selling expenses	16			☆3. Fair value changes of other equity instrument investments	52		
General and administrative expenses	17	38,549,789.15	28,673,493.22	☆4.Profit and loss from fair value changes of enterprise's own credit risks	53		
Research & development expenses	18			5.Others	54		
Finance expenses	19	83,770,766.97	147,435,354.09	(II) Other comprehensive income reclassified into profit and loss	55	-3,406,263.23	50,402,142.28
Including: Interest expenses	20	886,708,311.95	482,843,040.34	1.Other comprehensive income converted into profit or loss under the equity method	56	-3,406,263.23	
Interest income	21	738,341,487.84	336,863,587.84	☆2.Fair value changes of other debt instruments	57		
Net exchange loss (Loss marked with "-")	22	-65,006,320.94	51,224,389.94	3.Profit and loss from fair value changes of available-for-sale financial assets	58		50,402,142.28
Others	23			☆4.Amount reclassified from financial assets to other comprehensive income	59		
Add: Other incomes	24	56,458.15	490,060.00	5.Gains and losses for held-to-maturity investments that are reclassified into available-for-sale financial assets	60		
Investment incomes (Loss marked with "-")	25	90,208,508.26	74,121,156.23	☆6.Provision for credit impairment on other debt instruments	61		
Including: Investment income from associates and joint ventures	26	13,635,957.72	36,078,054.96	7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)	62		
☆Derecognition of gains on financial assets at amortized cost	27			8.Translation difference of foreign currency statements	63		
△Exchange earnings (Loss marked with "-")	28			9.Others	64		
☆Net exposure hedging gains (Loss marked with "-")	29			*Net other comprehensive income attributable to minority shareholders after tax	65		
Income from changes in fair value (Loss marked with "-")	30	-42,407,414.52	65,132,836.00	VII. Total comprehensive income	66	-46,403,899.01	-191,570,808.13
☆Impairment loss of credit (Loss marked with "-")	31	-1,554,523.16		Total comprehensive income attributable to owners of the parent company	67	-46,403,899.01	-191,570,808.13
Impairment loss of assets (Loss marked with "-")	32			*Total comprehensive income attributable to non-controlling interest	68		
Income from disposal of assets (Loss marked with "-")	33			VIII. Earnings per share:	69		——
III. Operating profit (Loss marked with "-")	34	-35,907,846.98	240,065,616.24	(I) Basic earnings per share	70		——
Add: Non-operating revenue	35	1,470,002.08	-31,117.50	(II) Diluted earnings per share	71		——
Including: Government grants	36				72		

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.

Parent Company's Cash Flow Statement

As at June 30th, 2021

Currency: RMB Yuan

ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)	ITEM	Line	2021 (JAN-JUN)	2020 (JAN-JUN)
I. Cash flow arising from operating activities:	1	——	——	Cash received from disinvestment	30	960,000,000.00	0.00
Cash received from sales of goods or rendering services	2	102,289,799.73	46,964,305.35	Cash received from the return of investment	31	252,111,239.82	132,706,886.44
△Net increase in customer deposits and interbank deposits	3	0.00	0.00	Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets	32	258,420.00	1,980.00
△Net increase in borrowing from the central bank	4	0.00	0.00	Net cash received from dispose of subsidiaries and other business units	33	0.00	0.00
△Net increase in borrowing from other financial institutions	5	0.00	0.00	Cash received related to other investing activities	34	10,286,547,078.38	2,422,342,445.99
△Cash received from the original insurance contract premium	6	0.00	0.00	Subtotal of cash inflow from investing activities	35	11,498,916,738.20	2,555,050,318.43
△Cash received from reinsurance	7	0.00	0.00	Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets	36	32,073,251.21	26,674,758.28
△Net increase in the Fund's reserves and investments	8	0.00	0.00	Cash paid for investment	37	3,416,558,420.00	3,203,525,690.00
△Net increase in the disposal of financial assets at fair value through profit or loss for the current period	9	0.00	0.00	△Net increase in pledge loans	38	0.00	0.00
△Cash received from interest, fees and commissions	10	0.00	0.00	Net cash paid by subsidiaries and other business units	39	0.00	0.00
△Net increase in borrowed funds	11	0.00	0.00	Cash paid related to other investing activities	40	13,194,197,059.42	6,921,112,842.26
△Repurchase business funds net increase	12	0.00	0.00	Subtotal of cash outflows from investing activities	41	16,642,828,730.63	10,151,313,290.54
△Net cash received from dealers in securities	13	0.00	0.00	Net cash flow from investing activities	42	-5,143,951,992.43	-7,596,262,972.11
Received tax refunds	14	0.00	0.00	III. Cash flow from financing activities:	43	——	——
Cash received related to other operating activities	15	86,057,398.65	91,788,682.53	Cash received from external investment	44	1,793,980,000.00	40,000,000.00
Subtotal of cash inflow from operating activities	16	188,347,198.38	138,752,687.98	Including: The subsidiary received cash from minority shareholders' investment	45	0.00	0.00
Cash paid for the purchase of goods and services	17	34,042,130.65	40,567,317.65	Cash received from loans granted	46	12,302,578,983.26	17,336,848,916.66
△Net increase in loans and advances to customer	18	0.00	0.00	△Cash received from bonds issued	47	1,526,713,121.37	620,317,714.01
△Net increase of deposits in central bank and interbank	19	0.00	0.00	Subtotal cash inflow from financing activities	48	15,623,272,104.63	17,997,166,630.67
△Cash paid for the original insurance contract	20	0.00	0.00	Payment of debt in cash	49	3,967,798,916.66	4,193,669,446.38
△Net increase in lending funds	21	0.00	0.00	Cash used to pay dividends, profits, or interest payments	50	1,044,310,579.69	403,963,060.36
△Cash for paid for interest, fees and commissions	22	0.00	0.00	Including: Dividends and profits paid to minority interests by subsidiaries	51	0.00	0.00
△Paid policy dividends in cash	23	0.00	0.00	Cash paid related to other financing activities	52	1,491,645,642.41	2,720,446,485.38
Cash paid to and for employees	24	28,826,222.23	22,395,651.17	Subtotal cash outflow from financing activities	53	6,503,755,138.76	7,318,078,992.12
Taxes paid	25	52,464,745.07	25,397,968.13	Net cash flow from financing activities	54	9,119,516,965.87	10,679,087,638.55
Cash paid related to other operating activities	26	15,826,594.92	14,021,184.52	IV. Impact of exchange rate fluctuations on cash and cash equivalents	55	2,677,073.55	63,567.36
Subtotal of cash outflows from operating activities	27	131,159,692.87	102,382,121.47	V. Net increase in cash and cash equivalents	56	4,035,429,552.50	3,119,258,800.31
Net cash flow from operating activities	28	57,187,505.51	36,370,566.51	Add: Balance of cash and cash equivalents at the beginning of the period	57	5,199,153,244.82	6,058,342,022.14
II. Cash flow from investment activities:	29	——	——	VI. Balance of cash and cash equivalents at the end of the period	58	9,234,582,797.32	9,177,600,822.45

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.

Parent Company's Statement of Changes in Shareholders's Equity

As at June 30th, 2021

Currency: RMB Yuan

Item	Line	Current period amount: Equity attributable to shareholders of the parent company: Paid-in capital	Other equity instruments: Preferred shares	Other equity instruments: Perpetual bond	Other equity instruments: Others	Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
Column	—	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Closing balance of last year	1	[illegible]	0.00	5,454,119,320.75	0.00	[illegible]	0.00	189,158,548.71	0.00	0.00	0.00	-128,775,554.41	[illegible]	0.00	[illegible]
Add: Impact from changes in accounting policies	2							-189,158,548.71				[illegible]	[illegible]		[illegible]
Impact from corrections of errors in prior period	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Opening balance of current year	5	[illegible]	0.00	5,454,119,320.75	0.00	[illegible]	0.00	0.00	0.00	0.00	0.00	[illegible]	[illegible]		[illegible]
3. Movement for current year ("-" for decrease)	6	0.00	0.00	129,735.85	0.00	[illegible]	0.00	[illegible]	0.00	0.00	[illegible]	[illegible]	[illegible]	0.00	[illegible]
(1) Total comprehensive income	7	—	—	—	—	—	—	[illegible]	—	—	—	[illegible]	[illegible]		[illegible]
(2) Shareholder's contributions and withdrawals of capital	8	0.00	0.00	129,735.85	0.00	[illegible]	0.00	0.00	0.00	0.00	0.00	0.00	[illegible]	0.00	[illegible]
1) Common stock contributed by shareholders	9	0.00	—	—	—	[illegible]	—	—	—	—	—	—	[illegible]	0.00	[illegible]
2) Capital contributed by other equity instruments holders	10	0.00		129,735.85	0.00	0.00	—	—	—	—	—	—	129,735.85	0.00	129,735.85
3) Share-based payment recorded in shareholder's equity	11	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	0.00	0.00
4) Others	12	0.00	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(3) Withdrawal and use of special reserve	13	0.00	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawal of special reserve	14	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
2. Use of special reserve	15	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
(4) Profits distribution	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	[illegible]	0.00	0.00	0.00
1) Appropriation of surplus reserve	17	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Including: statutory reserve fund	18	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Discretionary reserve	19	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Reserve fund	20	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Enterprise development fund	21	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Return on investment	22	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
2. Extraction of general risk reserves	23	—	—	—	—	—	—	—	—	—	0.00	0.00	0.00	—	0.00
3. Distribution to shareholders	24	—	—	—	—	—	—	—	—	—	—	[illegible]	[illegible]	0.00	[illegible]
4. Others	25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(5) Internal transfer within shareholder's equity	26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1) Conversion of capital reserve into share capital	27	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	—	0.00
2) Conversion of surplus reserve into share capital	28	0.00	—	—	—	—	—	—	—	0.00	—	—	0.00	—	0.00
3) Recover of loss by surplus reserve	29	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
4) Benefit plans are carried forward to retained earnings	30	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	—	0.00
5) Other comprehensive income carried forward to retained earnings	31	—	—	—	—	—	—	0.00	—	0.00	—	0.00	0.00	—	0.00
(6) Others	32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance of current year	33	[illegible]	0.00	5,454,249,056.60	0.00	[illegible]	0.00	[illegible]	0.00	0.00	0.00	[illegible]	[illegible]	0.00	[illegible]

Legal Representative: Accounting Principal: Head of the accounting department:

Guangzhou Development District Holdings Group Co., Ltd.

Parent Company's Statement of Changes in Shareholders's Equity

As of June 30th, 2021

Currency: RMB Yuan

Item	Line	Prior period amount last year													
		Equity attributable to shareholders of the parent company												Non-controlling Interests	Total shareholders' equity
		Paid-in capital	Other equity instruments			Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal		
			Preference shares	Perpetual bond	Others										
Column	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28
1. Closing balance of last year	1	10,363,233,809.64	0.00	0.00	0.00	5,467,637,546.48	0.00	302,149,501.81	0.00	0.00	0.00	-130,271,113.33	15,997,798,547.40	0.00	15,997,798,547.40
Add: Impact from changes in accounting policies	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Impact from correction of errors in prior period	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Others	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Opening balance of current year	5	10,363,233,809.64	0.00	0.00	0.00	5,467,637,546.48	0.00	302,149,501.81	0.00	0.00	0.00	-130,271,113.33	15,997,798,547.40		15,997,798,547.40
3. Movement for current year ("-" for decrease)	6	0.00	0.00	5,404,118,320.75	0.00	-1,849,876,168.87	0.00	-112,988,971.90	0.00	0.00	0	-5,504,441.10	3,435,752,778.88	0.00	3,435,752,778.88
(1) Total comprehensive income	7	—	—	—	—	—	—	-112,988,971.86	—	—	—	71,510,061.19	-41,478,910.67		-41,478,910.67
(2) Shareholders's contributions and withdrawals of capital	8	0.00	0.00	5,404,118,320.75	0.00	-1,849,876,168.87	0.00	0.00	0.00	0.00	0.00	0.00	3,554,241,151.88	0.00	3,554,241,151.88
1) Common stock contributed by shareholders	9	0.00	—	—	—	50,000,000.00	—	—	—	—	—	—	50,000,000.00	0.00	50,000,000.00
2) Capital contributed by other equity instruments holders	10	0.00	0.00	5,404,118,320.75	0.00	0.00	—	—	—	—	—	—	5,404,118,320.75	0.00	5,404,118,320.75
3) Share-based payment recorded in shareholder's equity	11	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	0.00	0.00
4) Others	12	0.00	—	—	—	-1,899,876,168.87	0.00	0.00	0.00	0.00	0.00	0.00	-1,899,876,168.87	0.00	-1,899,876,168.87
(3) Withdrawal and use of special reserve	13	0.00	—	—	—	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Withdrawal of special reserve	14	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
2. Use of special reserve	15	—	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	0.00
(4) Profits distribution	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-37,014,452.33	0.00	0.00	0.00
1) Appropriation of surplus reserve	17	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Including: Statutory reserve fund	18	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Discretionary reserve	19	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Reserve fund	20	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Enterprise development fund	21	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
Return on investment	22	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
2) Allocation of general risk reserves	23	—	—	—	—	—	—	—	—	—	0.00	0.00	0.00	—	0.00
3) Distribution to shareholders	24	—	—	—	—	—	—	—	—	—	—	-37,014,452.33	-37,014,452.33	0.00	-37,014,452.33
4) Others	25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(5) Internal transfer within shareholder's equity	26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1) Conversion of capital reserve into share capital	27	0.00	—	—	—	0.00	—	—	—	—	—	—	0.00	—	0.00
2) Conversion of surplus reserve into share capital	28	0.00	—	—	—	—	—	—	—	0.00	—	—	0.00	—	0.00
3) Recover of loss by surplus reserve	29	—	—	—	—	—	—	—	—	0.00	—	0.00	0.00	—	0.00
4) Benefit plans are carried forward to retained earnings	30	—	—	—	—	—	—	0.00	—	—	—	0.00	0.00	—	0.00
(5) Other comprehensive earnings are carried forward to retained earnings	31	—	—	—	—	—	—	0.00	—	0.00	—	0.00	0.00	—	0.00
(6) Others	32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance of current year	33	10,363,233,809.64	0.00	5,404,118,320.75	0.00	3,612,808,592.41	0.00	189,159,549.71	0.00	0.00	0.00	-135,775,554.43	19,433,546,126.28	0.00	19,433,546,126.28

Legal Representative　　　　Accounting Principal　　　　Head of the accounting department

14

I. Background of The Group

1. History, registration place, organization form and headquarters address

Guangzhou Development District Holdings Group Co., Ltd. (hereinafter referred to as the Group), formerly known as Guangzhou GET Financial Holdings Co., Ltd., the Development District Financial Control Group Co., Ltd., was invested by Guangzhou Economic and Technological Development Zone Management Committee and registered with Guangzhou Administration for Industry and Commerce on November 6th, 1998 as a wholly state-owned company with limited liability. the business license registration number of the enterprise legal person obtained was 4401081100074, on April 12th, 2011, the business license number of the enterprise legal person was changed to 440108000039287; on April 15th, 2016, the unified social credit code was changed to 914401167124402906. The Group changed its name to Guangzhou Development District Holdings Group Co., Ltd. on January 6th, 2021, the registered capital of the Group is RMB 10,363,233,810 and the industry it belongs to: business services.

Registered address and headquarter address: 33/F, 34/F, Financial Control Center, No.60 Science Avenue, Guangzhou Economic and Technological Development Zone.

Legal representative: Yan Yibin.

2. Nature of business and principal activities of the enterprise

General business scope: Corporate headquarters management; information consulting services (excluding licensing information consulting services); corporate management consulting; Enterprise's own capital investment; financing consulting services; non-residential real estate leasing; industrial park management service; housing leasing.

Permitted business scope: Securities investment consultation.

3. Name of the parent company and group headquarters

The controlling shareholder of the Group is the Guangzhou Economic and Technological Development Zone Management Committee and the ultimate controller of the Group is the Guangzhou Economic and Technological Development Zone Management Committee, too.

The headquater of The Group consists of the Office, Party Group Work Department, Human Resources Department, Discipline Inspection and Audit Office, Finance and Capital Department, Risk Control Department, Capital Operations Department, Property Rights Management Department, Investment Development Department, Park Operations Department and Park Development Department, and also includes 15 subsidiaries.

The Group has a board of directors and a general manager responsible for the management and control of major decisions and daily work under the leadership of the board of directors.

4. Approval and Submission Date of financial reports

August 30th,2021

5. Period of business

From November 6th, 1998 to November 6th, 2048.

II. Basis for preparation of financial statement

1. Basis of preparation

The Group's financial statements are presented on a going concern basis, based on actual transactions and events, and were prepared in accordance with the "Accounting Standards for Business Enterprises" relevant rules, and based on accounting policies detailed in Note IV. "Significant accounting policies and accounting estimates".

2. Going concern

The Group has been capable of being a going concern for at least 12 months, since the end of this reporting period, with no major events affecting its ability of being a going concern.

III. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Accounting Standards for Business Enterprises and give a true and complete view of the financial position, results of operations and cash flows of the Group and other relevant information.

IV. Significant accounting policies and accounting estimates

1. Accounting period

The Group accounting period is from January 1st to December 31st of each calendar year.

2. Functional currency

The Group's functional currency is RMB.

3. Basis of bookkeeping and pricing principles

The Group's accounting is based on the accrual basis, which are valued at historical cost, with the exception of trading financial assets, other debt investments, other equity instruments and financial liabilities that are measured at fair value cost through profit or loss in the current period..

4. Business combination

Assets and liabilities acquired by The Group as a consolidated party in a business combination under the common control are measured at the consolidated date at the book value of the consolidated party in the consolidated statements of the ultimate control party. The difference between the book value of net assets acquired and the book value of the combined consideration paid is adjusted for capital reserves; if the capital reserves are not sufficient to offset the difference, the retained earnings are adjusted.

Identifiable assets, liabilities and contingent liabilities of the purchaser acquired in a business combination not under the common control are measured at fair value at the acquisition date. The cost of consolidation is the sum of the fair value of cash or non-cash assets, liabilities issued or assumed, equity securities issued, etc., paid by The Group at the date of purchase to acquire control over the purchaser, as well as the costs directly related to each of the expenses incurred in the business combination (where the business combination is achieved in stages through multiple transactions, the cost of consolidation is the sum of the costs of each individual transaction) .The excess of the cost of the consolidation over the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation is recognized as goodwill; If the consolidation costs is less than the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation, the fair value of the identifiable assets, liabilities and contingent liabilities acquired in the consolidation, as well as the fair value of the non-cash assets or equity securities issued in the consolidation consideration, are reviewed first; If, after review, the consolidation costs is still less than the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation, the difference is included in non-operating income in the current period of consolidation.

5. Methodology for the preparation of the consolidated financial statements

(1) Principles for determining the scope of consolidation

The Group includes all controlled subsidiaries and structured entities within the scope of the consolidated financial statements.

(2) Principles, procedures and methodology for the preparation of consolidated financial statements

When preparing consolidated financial statements, if the subsidiary is inconsistent with the accounting policies or accounting periods adopted by The Group, necessary adjustments shall be made to the financial statements of the subsidiary in accordance with the accounting policies or accounting periods of The Group

All significant internal transactions, balances and unrealized gains within the scope of the consolidation are eliminated in the preparation of the consolidated statements. The share of the subsidiary's shareholder's interest that is not attributable to the parent company and the share of net income, other comprehensive income and total comprehensive income attributable to minority shareholders in the current period are shown in the consolidated financial statements under 'Minority interest, minority income, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders".

For subsidiaries that are consolidated under the common control, the results of operations and cash flows are included in the consolidated financial statements from the beginning of the current period in which they are consolidated. In preparing the comparative consolidated financial statements, adjustments are made to the relevant items in the prior year's financial statements as if the consolidated reporting entity had existed from the point at which the ultimate controlling party commenced control.

For businesses not under the common control that merge to acquire subsidiaries, the results of operations and cash flows are included in the consolidated financial statements from the date The Group acquires control. In preparing the consolidated financial statements, adjustments are made to the financial statements of subsidiaries based on the fair value of each identifiable asset, liability and contingent liability as determined at the date of purchase.

When a step-by-step acquisition of an equity interest in an investee not under common control through multiple transactions eventually results in a business combination, the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying amount is recognized as investment income in the current period; the equity interest in the investee held prior to the date of purchase to which it relates is involved in the equity method of accounting Other comprehensive income under the equity method and changes in shareholders' equity other than net profit or loss, other comprehensive income and profit distribution are recognized as investment income or loss in the period to which they relate, except for other comprehensive income resulting from the remeasurement of the net liabilities or changes in net assets of the defined benefit plans of the investee.

The Group partially disposes of its long-term equity investments in subsidiaries without losing control, and adjusts the difference between the disposal price and the disposal price of the long-term equity investments corresponding to the share of the subsidiaries' net assets calculated continuously from the date of purchase or the date of consolidation, adjusted for capital premium or equity premium, and adjusted for retained earnings if the shortfall in capital reserves is eliminated in the consolidated financial statements.

If The Group loses control of an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of the consolidated Financial statements. The difference between the consideration received for the disposal of the equity and the fair value of the remaining equity, less the proportionate share of the original subsidiary's net assets calculated on a continuing basis from the date of purchase or consolidation, is included in the investment gain or loss in the period in which control is lost, offset by goodwill. Other comprehensive income, such as other comprehensive income related to equity investments in former subsidiaries, is transferred to current investment gains or losses upon loss of control.

6. Classification of joint venture arrangements and accounting treatment of joint operations

A joint arrangement is an arrangement under the common control of two or more participants, divided into joint operations and joint ventures.

When The Group is a joint venture, the following items are recognized in relation to the share of joint venture interests:

Recognition of assets held separately, as well as recognition of jointly held assets by share of holdings;

Recognition of separately assumed liabilities and recognition of jointly assumed liabilities on the basis of share held;

Recognition of income from the sale of The Group's share of the joint operating output;

Recognition of income from the sale of assets from joint operations on the basis of The Group's share of ownership;

Recognize expenses incurred separately, as well as expenses incurred in joint operations based on The Group's share.

7. Recognition criteria for cash and cash equivalent

Cash in The Group's statement of cash flows represents cash on hand and deposits readily available for payment, while cash equivalents in the statement of cash flows represent investments with a holding period of not more than three months, which are liquid, easily convertible into known amounts of cash and have little risk of changes in value.

8. Foreign currency operations and foreign currency translations

(1) Foreign currency operations

For non-functional currency economic operations, The Group records the accounts in local currency at the mid-point of the market exchange rate published by the People's Bank of China on the date of the operation; the month-end currency balances of foreign currency items are adjusted at the mid-point of the market exchange rate published by the People's Bank of China at period-end. The difference between the book amount in local currency translated at the period-end exchange rate and the book amount in local currency is recognized in profit or loss in the current period as "finance costs - exchange gains and losses"; exchange gains and losses arising from borrowings related to the purchase of fixed assets are treated in accordance with the principle of capitalization of borrowing costs.

(2) Translation of foreign currency financial statements

If a company's foreign operating subsidiaries, joint ventures, associates and branches use a different local currency from The Group's, The Group's foreign operating financial statements should be translated into The Group's local currency when The Group's foreign operations are included in The Group's financial statements through consolidated statements, equity method accounting, etc. Prior to translation, The Group adjusts its accounting period and accounting policies for foreign operations to conform to those of The Group, prepares financial statements in the corresponding currency based on the adjusted accounting policies and accounting period, and then translates the financial statements for foreign operations as follows:

Balance sheet assets and liabilities are translated using current exchange rates at the balance sheet date, with the exception of "retained earnings" items, which are translated using the current exchange rate at the time of occurrence for items of shareholder interest.

Income statement items are translated using the monthly average exchange rate for the financial period to which they relate.

The resulting foreign currency financial statement translation differences are shown separately as "other comprehensive income" in the consolidated balance sheet under the item of shareholders' equity in the preparation of the consolidated financial statements.

9. Client transaction settlement funds

The funds received by The Group for the settlement of customer transactions are deposited in the special account of the depository bank and managed separately from its own funds, and the funds for the settlement and settlement of securities transactions on behalf of customers are deposited into the clearing agency designated by the exchange and accounted for in the settlement reserve. The Group recognizes assets and liabilities at the same time when it receives payments for securities trading on behalf of its clients, and the handling fee, securities management fee, securities settlement risk fund and other related expenses paid by The Group on behalf of its clients are recognized as handling fee when it clears with the clearing agency, and the handling fee collected from the clients is recognized as handling fee income when it clears with the clients for securities trading.

10. Financial assets and financial liabilities (new financial instruments guidelines)

(1) Financial assets

1) Classification, basis of recognition and measurement of financial assets

The Group classifies financial assets into those measured at amortized cost, those measured at fair value through other comprehensive income and those measured at fair value through profit or loss in the current period based on the business model for managing financial assets and the contractual cash flow characteristics of financial assets.

The Group classifies financial assets that also meet the following criteria as financial assets measured at amortized cost: ① The business model for managing such financial assets is to collect contractual cash flows. ② The contractual terms of the financial asset state that the cash flow generated on a particular date is solely for the payment of the principal and interest based on the outstanding principal amount. Such financial assets are initially measured at fair value, with related transaction costs included in the initial recognition amount; they are subsequently measured at amortized cost. The difference between the initial amount and the amount due is amortized using the effective interest method, except for those designated as hedged items, and amortization, impairment, exchange gains or losses and gains or losses arising on derecognition are recognized in profit or loss in the current period.

The Group classifies financial assets that are measured at fair value and whose movements are included in other comprehensive income as follows: ① The business model for managing the financial asset is both to collect contractual cash flows and to sell the financial asset. ② The contractual terms of the financial asset state that the cash flow generated at a particular date is solely for the payment of the principal and interest based on the outstanding principal amount. Such financial assets are initially measured at fair value and the related transaction costs are included in the initial recognition amount. Except for financial assets designated as hedged items, gains or losses on such financial assets other than impairment losses or gains on credit, exchange gains or losses and interest on the financial asset calculated using the effective interest method are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income is removed from other comprehensive income and recognized in profit or loss in the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the carrying amount of the financial asset by the effective interest rate, except: ① In the case of financial assets acquired or derived from which credit impairment has occurred, interest income is determined from initial recognition based on the amortized cost of the financial asset and the effective interest rate adjusted for credit. ② Interest income is determined in subsequent periods on the amortized cost and effective interest rate of financial assets acquired or acquired without credit impairment but which become impaired in subsequent periods.

The Group designates investments in non-trading equity instruments as financial assets that are measured at fair value and whose movements are included in other comprehensive income. Once the designation has been made, it cannot be revoked. Investments in non-trading equity instruments designated by the Group that are measured at fair value and whose movements are included in other comprehensive income are initially measured at fair value and the related transaction costs are included in the initial recognition amount; with the exception of dividends received, which are part of the recovery of investment costs, which are included in current profit or loss, other related gains and losses, including foreign exchange gains and losses, are included in other comprehensive income and are not subsequently transferred to current profit or loss. When it is derecognized, the accumulated gain or loss previously included in other comprehensive income is transferred out of other comprehensive income and included in retained earnings.

Financial assets other than those classified above as financial assets carried at amortized cost and those classified as financial assets carried at fair value through other comprehensive income. The Group classifies them into two financial assets that are measured at fair value and the movements of which are recognized in profit or loss in the current period. These financial assets are initially measured at fair value and the related transaction costs are recognized directly in profit or loss in the current period. Gains or losses on such financial assets are recognized in profit or loss in the current period.

Contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, which is classified as a financial asset at fair value through profit or loss in the current period.

2) Basis for recognition and measurement of transfers of financial assets

The Group will derecognize a financial asset that meets one of the following conditions: ① the contractual right to receive cash flows from the financial asset is terminated; ② the financial asset is transferred and The Group transfers substantially all risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and The Group neither transfers nor retains ownership of substantially all risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

When a transfer of a financial asset as a whole meets the conditions for derecognition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of the change in fair value that would have been included directly in other comprehensive income corresponding to the derecognition portion (the terms of the contract relating to the transferred financial asset stipulate that the cash flows arising at a given date are only payments of principal and interest based on the outstanding principal amount) is recognized in profit or loss in the current period.

When a partial transfer of financial assets satisfies the conditions for derecognition, the carrying value of the transferred financial assets as a whole is apportioned between the derecognized and unterminated portions according to their respective relative fair values, and the difference between the consideration received for the transfer and the amount to be apportioned to the derecognized portion of the cumulative amount of the change in fair value that would have been included in other comprehensive income (under the terms of the contract relating to the transferred financial assets, the cash flows arising on a given date are only payments of principal and interest based on the outstanding principal amount) , and the apportionment of the difference between the carrying value of the aforementioned financial assets as a whole is recognized in profit or loss in the current period.

3) Expected credit losses

a) Application scope

The Group recognizes the following items for impairment and loss on the basis of expected credit losses: ①debt investment; ② lease receivables; ③ contract assets; ④ accounts receivable; ⑤ financial guarantee contracts.

b) Method of determining expected credit losses and accounting treatment (excluding receivables)

Expected credit losses are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses represent the difference between all contractual cash flows receivable under the contracts and all cash flows expected to be received by The Group, discounted at the original effective interest rate, which is the present value of the total cash shortfall.

The Group's provision for loss is always measured at an amount equal to the expected credit loss over the entire duration of the following items: ① Finance operating lease receivable; ② Operating lease receivable; ③Contract assets

In addition to the above items, for other items, The Group measures a provision for losses based on the following: ① for financial assets whose credit risk has not increased significantly since initial recognition, The Group measures a provision for losses based on the amount of expected credit losses in the next 12 months; ② for financial assets whose credit risk has increased significantly since initial recognition, The Group measures a provision for losses based on the amount of expected credit losses over the entire lifetime of the financial instrument; ③ for financial assets whose credit impairment has occurred, The Group measures a provision for losses based on the amount of expected credit losses over the entire lifetime.

A determination of whether credit risk has increased significantly since initial recognition. The Group determines whether a financial instrument's credit risk has increased significantly by comparing the amount of the probability of default over the expected life of the instrument as determined at initial recognition with the probability of default over the expected life of the instrument as determined at the balance sheet date. However, if The Group determines that a financial instrument has only low credit risk at the balance sheet date, it can be assumed that the credit risk of the financial instrument has not increased significantly since its initial recognition. In determining whether credit risk has increased significantly since initial recognition, The Group considers reasonable and informed information, including forward-looking information, that is available without undue additional cost or effort.

Portfolio-based assessment. The Group is unable to obtain sufficient evidence of a significant increase in credit risk at the level of a single instrument at a reasonable cost, and it is feasible to assess whether credit risk increases significantly on a portfolio basis, so The Group groups financial instruments by type of instrument, credit risk rating, type of collateral, initial confirmation date, remaining contractual term, industry in which the borrower is located, geographic location of the borrower and loan collateralization ratio as common risk characteristics and considers assessing whether credit risk increases significantly on a portfolio basis.

Expected credit loss measurement. ①Debt investments, where the credit loss is the present value of the difference between the contractual cash flows receivable by The group and the cash flows expected to be receivable. ②Lease receivables, credit losses are the present value of the difference between the contractual cash flows receivable by The Group and the cash flows expected to be received. Of these, the cash flows used to determine expected credit losses are consistent with those used by The Group to measure lease receivables in accordance with the leasing guidelines.

Financial instruments that assess expected credit risk by portfolio and measure expected credit losses

Item	Basis for determining the combination	Methodology for measuring expected credit losses
Other debt investments	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions
Financing	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions
Buyback of the financial assets sold	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions

(2) Financial liabilities

1) Classification, basis of recognition and measurement of financial liabilities

The Group classifies financial liabilities as financial liabilities measured at amortized cost, except for the following: ①Financial liabilities measured at fair value through profit or loss in the current period, including transactional financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as fair value through profit or loss in the current period. ② Financial liabilities arising from the transfer of financial assets that do not meet the conditions for derecognition or from continued involvement in the transferred financial assets. ③ A financial guarantee contract that does not fall under either ① or ② above, and a loan commitment at a below-market interest rate that does not fall under ① above.

Contingent consideration recognized by The Group as a purchaser in a business combination not under common control that results in a financial liability is accounted for at fair value through profit or loss in the current period.

2) Conditions for derecognition of financial liabilities

Recognition of a financial liability or the part of a financial obligation that has been discharged is terminated when the present obligation of the financial liability has been discharged in whole or in part. An agreement between The Group and a creditor to replace an existing financial liability with a new financial liability and to derecognize the existing financial liability and recognize the new financial liability at the same time if the contractual terms of the new financial liability and the existing financial liability differ materially. The Group derecognizes an existing financial liability or part of an existing financial liability when it makes a material change to the contractual terms of the existing financial liability, in whole or in part, and recognizes the modified financial liability as a new financial liability. The difference between the book value of the derecognized portion and the consideration paid is recognized in profit or loss in the current period.

(3) Fair value determination for financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the primary market and, where no primary market exists, at prices in the most favorable market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. The inputs used in fair value measurement are divided into three levels, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the underlying assets or liabilities; and level 3 inputs are unobservable inputs for the underlying assets or liabilities. The Group prioritizes the use of the first level of input values and finally the third level of input values. The level at which the fair value measurement result falls is determined by the lowest level at which the inputs that are significant to the fair value measurement as a whole fall.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances, if there is insufficient recent information to determine fair value, or if there is a wide range of possible estimates of fair value and the cost represents the best estimate of fair value within that range, the cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, the balance sheet is presented as a net set-off when the following conditions are also met: (1) The Group has a legal right to set off the amount recognized and such legal right is currently enforceable; and (2) The Group plans to settle the financial asset and settle the financial liability on a net basis, or both.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if The Group cannot unconditionally avoid the delivery of cash or other financial assets to meet the obligation. Some financial instruments, while not expressly containing terms and conditions for the obligation to deliver cash or other financial assets, may indirectly create contractual obligations through other terms and conditions. (2) If a financial instrument is to be settled with, or may be settled with, The Group's own equity instrument, consideration needs to be given to whether The Group's own equity instrument used to settle the instrument is a substitute for cash or other financial assets or is intended to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a contract for a financial instrument that requires The Group to settle that financial instrument with, or may be settled with, its own equity instrument, where the amount of the contractual right or contractual obligation is equal to the amount of the own equity instrument available or to be delivered multiplied by its fair value at settlement, whether the amount of the contractual right or obligation is fixed or is based wholly or partly on changes in variables other than the market price of The Group's own equity instrument (such as interest rates, the price of a commodity or the price of a financial instrument), is classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated statements, the Group takes into account all terms and conditions agreed between Group members and holders of financial instruments. An instrument should be classified as a financial liability if the Group as a whole has an obligation to deliver cash, other financial assets or settle them in another manner that causes the instrument to become a financial liability.

Where financial instruments or their components are financial liabilities, interest, dividends, gains or losses thereon, and gains or losses arising from redemption or refinancing, are recognized in profit or loss in the current period.

When a financial instrument or a component of an equity instrument is issued (including refinancing), repurchased, sold or written off, The Group treats it as a change in equity and does not recognize changes in the fair value of the equity instrument.

11. Provision for bad debts in Receivables

Receivables of The Groups consist of notes receivable, accounts receivable and other receivables.

For receivables arising from the sale of products or provision of services, The Group measures the loss provision based on the amount equivalent to the expected credit loss for the entire duration.

For the other receivables, on every balance sheet date The Group will assess whether or not the credit risks have increased significantly since the initial recognition. And once on balance sheet date the probability of breach to a certain receivable significantly increases than the initial recognition during the entire expected duration, it indicates that a significant increase in credit risks shall be added.

It is at the first stage that The Group measures the loss provision based on the amount equivalent to the expected credit loss for 12 months in the coming future, when credit risks increase after the initial recognition but NOT significantly. It is at the second stage that The Group measures the loss provision based on the amount equivalent to the expected credit loss for its entire duration, when credit risks significantly increase yet with no credit impairment. It is at the third stage that The Group measures bad debts based on the expected credit loss for its entire duration, when impairment of the finacial assets has incurred since the initial recognition. Receivables whose credit risks are assessed on an individual basis include those being in dispute, being in litigation, being in arbitration with counterparty, those with considerable indication that the debtor is very likely NOT able to perform payment obligations, those whose balance occupies one of the top 5 at current period end, or has a proportion over 10% (and reaching 10%) of the total receivables.

(1) Receivables with significant amount and a single provision for bad debt

Basis for determining the materiality of an individual amount or monetary criterion	Non-medical devices segment: top 5 period-end balances or other receivables that are not in the top 5, but at the end of the current period represent 10 per cent or more of receivables in a single amount;
Method of accruing a single significant amount and a single provision for bad debt	A separate impairment test is performed for receivables that are individually significant, and if an impairment test is performed, an impairment loss is determined and a provision for bad debt is made for the difference between the present value of future cash flows and their carrying value. Where no impairment is detected after separate testing, a provision for bad debts is included in the corresponding portfolio.

(2) Individual evaluation of credit risk for financial assets with significantly different credit risk

Basis or criteria for the individual evaluation of credit risk	In the medical devices section, credit risk is evaluated individually for financial assets with significantly different credit risks, such as: receivables from related parties; receivables that are in dispute with the other party or involved in litigation or arbitration; receivables for which there are clear indications that the debtor is likely to be unable to meet its repayment obligations; etc.
Methodology for credit risk accrual for individual evaluations	Individual evaluation of credit risk

(3) Provisions for bad debt receivables based on a portfolio of credit risk characteristics

Basis for determining the portfolio:

Portfolio name	Basis for determination
Portfolio 1	Aging portfolio
Portfolio 2	Reimbursements receivable, government arrears, staff reserves, deposits, bonds, related transactions, electrical bill receivables, etc. (non-medical devices only)
Portfolio 3	Portfolio of credit risk characteristics of the securities segment, other receivables excluding those within the scope of consolidation

Provisions for bad debt are made on a portfolio basis:

Portfolio name	Accrual method
Portfolio 1	Aging analysis
Portfolio 2	On an individual basis, if there is objective evidence of impairment in the portfolio, an impairment loss is recognized and a provision for bad debt is made based on the difference between the present value of its future cash flows and its carrying amount
Portfolio 3	Expected credit losses are calculated by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions, through default exposure and expected credit loss rates over the entire duration.

The proportion of the provision for bad debts on receivables using the ageing analysis method is as follows:

1) Non-electricity and real estate, medical devices and securities sectors: Except for Guangzhou Hengyun Enterprises Holding Ltd., Beijing Leadman Biochemistry Co., Ltd. and its subsidiaries, Yuekai Securities Co., Ltd.

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
Within 1 year	0.00	0.00
1-2 years	10.00	10.00
2-3 years	30.00	30.00
3-4 years	50.00	50.00
4-5 years	70.00	70.00
Over 5 years	100.00	100.00

2) Power and investment properties section: Guangzhou Hengyun Enterprises Holding Ltd. and its subsidiaries

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
Within 1 year	0.50	0.50
1-2 years	10.00	10.00
2-3 years	30.00	30.00
3-4 years	50.00	50.00
4-5 years	70.00	70.00
Over 5 years	100.00	100.00

3) Medical devices section: Beijing Leadman Biochemistry Co., Ltd. and its subsidiaries

Item	Basis for determining the combination	Method of calculation
Non-related party combinations	Aging of accounts receivable, other receivables and commercial promissory notes as credit risk characteristics	Prepare a table comparing the aging of accounts receivable, other receivables, commercial promissory notes and expected credit loss rates over the entire duration of the period, taking into account historical credit loss experience and taking into account current conditions and projections of future economic conditions, to calculate overdue credit losses

(4) Receivables for which a single amount is not material but for which a single provision for bad debts is made

Reasons for a separate provision for bad debts	There is objective evidence of impairment
Method of accrual of provision for bad debts	Separate impairment tests are performed on receivables for which there is objective evidence that the individual amounts are not significant, and impairment losses are determined and bad debt provisions are made

(5) Finance lease combination with provision for bad debt using the risk asset type approach

Risk asset type	Risk description	Percentage of provision for bad debts (%)
Normal	Lessee with reliable credit, strong repayment ability, normal operation in all aspects, no negative factors that affect the full repayment of principal and interest on time and in full.	
Interest	The lessee has good intentions to repay, and occasional delays and late payments do not ultimately affect the recovery of principal and interest. 1 to 3 months (inclusive) past due for normal principal or interest payments. There are a number of factors relating to the lessee, including repayment capacity, liquidity, security capacity, etc., that may adversely affect repayment, the continuation of which will affect the discharge of the claim and require special attention	1.00~3.00
Secondary	3-6 months (inclusive) overdue payment of principal or interest by the lessee. A clear problem of repayment capacity, which would not allow full repayment of the current principal and interest due solely on its normal operations, which may result in some loss even if the guarantee is enforced	10.00~20.00
Doubt	If the lessee is overdue for more than 6 months for payment of principal or interest, it will not be able to repay the current principal and interest in full and on time, even if the security is enforced, it will cause a large loss, but the amount of loss is not certain because of factors such as the existence of collateral (pledge) disposal	30.00~50.00
Loss	After all the measures or all the necessary legal procedures have been taken, the principal and interest will remain uncollectible, or only a very small part will be recovered.	80.00~100.00

(6) Notes and prepayments receivable and long-term receivables other than financial leases for which The Group performs a separate impairment test and for which there is

objective evidence of impairment are recognized as impairment losses based on the difference between the present value of future cash flows and their carrying amounts, with a provision for impairment.

(7) When a provision for bad debt is made for a receivable and there is objective evidence that the value of the financial asset has been restored and that it is objectively related to an event occurring after the recognition of the loss, the bad debt provision originally recognized should be reversed and recognized in profit or loss in the current period

(8) Provisions for collateral compensation are made for reimbursement of receivables in accordance with industry requirements and no provision for bad debts on accounts receivable is made.

12. Securities underwriting

The Group's securities are underwritten by means of balance underwriting and distribution. Under balance underwriting, unsold securities at the end of the issue period are converted into trading financial assets at the agreed issue price, etc.

The Group recognizes the costs associated with the issuance of projects prior to their establishment in profit or loss in the current period. After the project is established, separately identifiable issuance costs are charged to the account of pending underwriting costs, and gains and losses are carried forward when the project is successfully issued. All project costs that are confirmed to be unsuccessful in issuance are recorded in profit or loss in the current period.

13. Method of accounting for bond-denominated operations

The Group recognizes revenue when it accepts a mandate to honor the maturity of bonds issued by the principal and when the related services provided by the bond-delivery business are completed.

14. Buy-back and sell-back payments

A buy-sell transaction refers to the purchase of related assets (including bonds and notes) from a counterparty at a certain price in accordance with a contract or agreement, and the resale of the same financial products at an agreed price on the maturity date of the contract or agreement. Purchases and sales are accounted for as actual payments made at the time of purchase and sale of the underlying assets and are shown in the balance sheet under "Buyback of the financial assets sold".

A sale and repurchase transaction is the sale of an underlying asset (including bonds and notes) to a counterparty at a price in accordance with a contract or agreement, and the repurchase of the same financial product at the agreed price on the maturity date of the contract or agreement. Sales of repurchases are accounted for on the basis of the amounts actually received at the time of the sale of the repurchased assets and are shown in the balance sheet under the item "Amount of financial assets sold for repurchases". The financial products sold remain on The Group's balance sheet in accordance with their original classification and are accounted for in accordance with the relevant accounting policies.

Interest income and expenditure on buy-backs and sell-backs are recognized at the effective interest rate over the period of the buy-back or sale. Where the difference between the effective interest rate and the contractual rate is small, interest income and expenditure are calculated at the contractual rate.

15. Customer asset management

The Group's Customer asset management business is divided into targeted asset management business, pooled asset management business and special asset management business.

The Group accounts for the different asset management plans it manages, with each product as the accounting subject, with separate accounting and separate financial reporting. The different asset management plans are independent of each other in terms of registering, setting up accounts, transferring funds, keeping books, etc. The accounting for pooled asset management business products is performed on the basis of the accounting for portfolio investment funds and the pooled asset plan is valued at fair value at each valuation date.

16. Financing and financing of securities

The Group's securities financing business refers to the business activities in which The Group lends funds to customers to buy securities or lends securities to customers to sell, and the customers deposit the corresponding collateral. The Group's financing and securities financing business is divided into two categories: financing business and securities financing business.

Financing operations, which are accounted for in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*. The Group's financing, recognizes receivables and recognizes corresponding interest income.

In the securities business, the securities financed are not derecognized and the corresponding interest income is recognized, in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No. 23 - Transfers of Financial Assets.

The Group accounts for its securities brokerage business when it finances and finances securities on behalf of its clients.

The Group reasonably anticipates possible future losses based on the funds lent and the probability of default, fully reflecting the performance risk of the funds lent and securities to be assumed.

17. Inventories

The Group's inventories mainly include raw materials, working materials, consignment materials, packaging, low-value consumables, work-in-progress products, homemade semi-finished goods, finished goods (inventory products) , development products, etc.

Inventories are valued at actual cost when acquired; the non-medical equipment segment is accounted for using the weighted average method when inventories are issued and the medical equipment segment is accounted for using the first-in-first-out method; low-value consumables and packaged goods are accounted for using the one-time amortization method.

The inventory system adopts the perpetual inventory system, and a comprehensive inventory count is conducted at the balance sheet date, and if the results of the count do not match the bookkeeping records, the reasons are identified and processed before the period-end closing of the accounts with the approval of the Board of Directors or the shareholders' meeting, in accordance with The Group's management authority.

Inventories are valued at the lower of cost or net realizable value at the end of the current , and a provision is made for the depreciation of inventories to the extent that their cost is not expected to be recoverable because of destruction, total or partial obsolescence, or sale prices below cost. Provision is made for the difference between the cost of individual items of inventory over their net realizable value and the cost of other raw and auxiliary materials in large quantities and at lower unit cost, by category.

The net realizable value of inventories of goods, such as goods in stock, products in process and materials used for sale, which are used directly for sale, is determined by the estimated selling price of the inventory less estimated selling costs and related taxes; the net realizable value of inventories of materials held for production is determined by the estimated selling price of the finished product produced less estimated costs to be incurred at completion, estimated selling costs and related taxes and fees.

Method of accounting for land for development: pure land development projects, the cost of which constitutes a separate cost of land development. If the cost of the project, which is developed together with the property as a whole, can be borne separately, it is generally apportioned according to the actual area and credited to the cost of commercial housing.

Method of accounting for the cost of public facilities: For public facilities that cannot be transferred at a fee, the standard allocation is determined in proportion to the benefit and included in the cost of commercial housing. For public facilities that can be transferred in return for a fee, the costs incurred will be aggregated using each facility item as a costing object.

18. Cost of contract

The Group's cost of contract to related assets include the costs to obtain and to fulfil a contract.

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if The Group expects to recover those costs, unless the amortisation period of the asset is one year or less, then directly included in the current profit and loss when occured.

Other than the costs which are capitalised as inventories, fixed assets and intangible assets, etc., costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(1) the costs relate directly to a contract or to an anticipated contract, including direct labour, directmaterials, overheads (or similar expenses), costs that are explicitly chargeable to the customer and other costs that are incurred only because an entity entered into the contract;

(2) the costs generate or enhance resources of The Group that will be used in satisfying performance obligations in the future; and

(3) the costs are expected to be recovered.

The aforesaid assets are amortized as costs into the current profit or loss, whose method follows the same basis as the recognition of income from goods or services related to the assets.

For assets related to contract costs whose carrying value is higher than the difference between the remaining amount of consideration that The Group expects to receive as a results of transfer of goods or services to which the asset relates, and the estimated costs to be incurred in connection with the transfer of relevant goods or services, The Group makes provision for impairment for the excess to be recognized as asset impairment losses.After the provision for impairment, if the difference is higher than the carrying amount of the asset due to changes in the factors of impairment in previous periods, the original provision for impairment of the asset is reversed and included in the current profit or loss, but the carrying amount of the asset after the reversal shall not exceed the carrying amount of the asset on the reversal date assuming no provision for impairment is made.

19. Contract assets

Contract assets refer to The Group's right to consideration in exchange for goods or services that The Group has transferred to a customer when that right is conditioned on something other than the passage of time. The Group's unconditional (i.e., depending on the passage of time only) right to receive consideration from the customer is separately presented as receivables.

For details of how The Group measures and accounts for the ECLs of a contract asset, refer to Note Ⅳ (10).-3.Expected credit losses.

20. Long-term equity investments

(1) Basis for determining joint control and significant influence

The Group's long-term equity investments mainly consist of equity investments held by The Group that are capable of exercising control and significant influence over the investee units, as well as equity investments in its joint ventures.

Control means that The Group has power over the investee, enjoys variable returns by participating in the investee's related activities, and has the ability to use its power over the investee to influence the amount of its returns.

Joint control is the control shared by agreement over an arrangement, and decisions about the activities of the arrangement must be made with the unanimous consent of the participants who share control. A joint venture arrangement is an arrangement under the joint control of two or more participants. A joint venture is a joint venture arrangement in which the joint venture party has rights only in the net assets of the arrangement.

Significant influence is the power to participate in decision-making on the financial and operating policies of the investee unit, but does not control or have joint control with other parties over the development of those policies.

Significant influence is determined primarily by representation on the investee's board of directors or similar authority and by exercising significant influence through a voice in the financial and operational decision-making process of the investee; If there is clear evidence that The Group, directly or indirectly through a subgroup, owns more than 20% but less than 50% of the voting shares of the investee unit, it shall not be able to exercise significant influence if it cannot participate in the production and operation decisions of the investee unit in such cases. In determining whether significant influence can be exerted over the investee unit, The Group will consider, on the one hand, the voting shares of the investee unit held directly or indirectly by The Group and, on the other hand, the effect of current executable potential voting rights held by The Group and others, such as current convertible warrants, stock options and convertible corporate bonds issued by the investee unit, on the assumption of conversion into equity interest in the investee unit.

(2) Methodology for determining the cost of long-term equity investments, subsequent measurement and profit and loss recognition

The initial investment cost of a long-term equity investment at the date of consolidation is based on acquiring the consolidated party's share of the carrying value of the consolidated party's ownership interest in the consolidated financial statements of the ultimate controlling party if the consideration for the consolidation is by way of cash payments, transfers of non-cash assets or incurring debt. The difference between the initial investment cost of long-term equity investments and the book value of cash paid, non cash assets transferred and liabilities assumed is adjusted for the equity premium in the capital reserve; if the equity premium in the capital reserve is not sufficient to offset it, the retained earnings are adjusted.

If equity securities are issued as merger consideration, the initial investment cost of the long-term equity investment at the date of consolidation is treated as equity based on acquiring the consolidated party's share of the book value of the consolidated party's ownership interest in the consolidated financial statements of the ultimate controlling party and the aggregate nominal value of the shares issued, The difference between the initial investment cost of a long-term equity investment and the total nominal value of the shares issued is adjusted for the equity premium in the capital reserves; if the equity premium in the capital reserves is not sufficient to offset it, the retained earnings are adjusted.

Business combinations not under the common control: The Group's initial investment cost for long-term equity investments is based on the cost of consolidation determined at the date of purchase.

The intermediary fees, such as audit, legal services, valuation consulting, and other related management fees incurred in connection with a merger are recognized in profit or loss when incurred; transaction fees for equity or debt securities issued as consideration for a merger are included in the initial recognition amount of the equity or debt securities.

Long-term equity investments acquired through cash payments, other than those acquired through business combinations as described above, are costed as investments based on the actual purchase price paid; Long-term equity investments acquired through the issuance of equity securities, which are costed at the fair value of the equity securities issued; Long-term equity investments made by the investor at the cost of the investment, based on the value agreed in the investment contract or agreement; The cost of long-term equity investments acquired through debt restructuring, non-monetary asset swaps, etc., is determined in accordance with the relevant accounting standards.

The Group adopts the cost method of accounting for long-term equity investments in which it is able to exercise control over the investee units and the equity method of accounting for investments in joint ventures and associates.

Under the cost method of accounting, long-term equity investments are valued at the initial investment cost and the cost of long-term equity investments is adjusted when the investments are added or recovered. Profits or cash dividends declared as distributions by the investee units are recognized as investment income.

Under the equity method of accounting, the initial investment cost is greater than the difference between the fair value share of the identifiable net assets of the investee unit at the time of investment, without adjusting the initial investment cost of the long-term equity investment; The cost of the initial investment is less than the difference between the fair value share of the identifiable net assets of the investee unit at the time of investment, which is recognized in profit or loss in the current period, and the cost of the long-term equity investment is adjusted. Upon acquisition of the long-term equity investment, the investment income and other comprehensive income are recognized separately on the basis of the share of the net gain or loss and other comprehensive income realized by the investee for the year to which they are entitled or to which they are entitled, and the carrying value of the long-term equity investment is adjusted; The carrying value of the long-term equity investment is reduced accordingly, based on the investor's share of the profits or cash dividends declared by the investee unit; Investors adjust the carrying value of long-term equity investments and record them in shareholders' equity for changes in shareholders' equity other than net gains or losses, other comprehensive income and distribution of profits of the investee units. In recognizing the share of the net profit or loss of the investee unit, The Group's accounting policies and the accounting period are followed in adjusting the net profit or loss of the investee unit by offsetting the unrealized gain or loss on internal transactions with associates and joint ventures that are attributable to the investee on a proportionate basis.

(3) Changes in long-term equity investments

If, as a result of additional investments or other reasons, the investee is able to exercise common control or significant influence over the investee but does not constitute control, the sum of the fair value of the equity investments previously held and classified as available-for-sale financial assets plus the additional investment costs is transferred to the equity method of accounting as the initial investment cost, the difference between its fair value and book value, and the cumulative change in fair value previously recognized in other comprehensive income to current income or loss. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee units at the date of the additional investment, calculated on the basis of the proportion of the new shares held after the additional investment, is not adjusted for the carrying value of the long-term equity investment if the former is greater than the latter; if the former is less than the latter, the difference is adjusted for the carrying value of the long-term equity investment and recognized in non-operating income in the current period.

For long-term equity investments in which control over investee units not under the same control can be exercised as a result of additional investments, etc., the initial investment cost, which is accounted for under the cost method, is the sum of the book value of the equity investments originally held plus the cost of the new investments in the preparation of the individual financial statements. Other comprehensive income recognized as a result of the equity method of accounting for equity investments existing prior to the date of purchase is accounted for on the same basis as the related assets or liabilities directly disposed of by the investee unit when the investment is disposed of. Where equity investments held prior to the date of purchase are classified as available-for-sale financial assets for accounting purposes, changes in cumulative fair value that were previously included in other comprehensive income are transferred to current profit or loss when they are accounted for using the cost method.

Where The Group no longer has common control or significant influence over an investee unit, including through the disposal of part of the equity investment, and the remaining equity after disposal is classified as available-for-sale financial assets, the difference between fair value and book value at the date of loss of common control or significant influence is recognized in profit or loss in the current period. Other comprehensive income recognized as a result of the equity method of accounting for the original equity investment is accounted for on the same basis as if the related assets or liabilities were disposed of directly by the investee when the equity method of accounting is discontinued;

If the investor loses control of the investee unit due to, for example, the disposal of part of the equity investment, the remaining disposed equity interest that can exercise common control or significant influence over the investee unit in the preparation of individual financial statements will be accounted for under the equity method, and the remaining equity interest will be adjusted as if it had been acquired under the equity method; The difference between fair value and book value at the date of loss of control is recognized in profit or loss in the current period for those financial assets classified as available-for-sale when the remaining equity interest after disposal does not exercise common control or significant influence over the investee unit.

(4) Disposal of long-term equity investments

Disposal of long-term equity investments, the difference between their carrying value and the actual acquisition price is recognized in current investment income. Long-term equity investments accounted for using the equity method of accounting are disposed of on the same basis as the related assets or liabilities directly disposed of by the investee unit, and the portion originally included in other comprehensive income is accounted for in the corresponding proportion.

21. Held-for-sale assets

The Group classifies a non-current asset or disposal group as held for sale if it has recovered its book value primarily through sale (including the exchange of non-monetary assets of a commercial nature, as described below) rather than ongoing use. The specific criteria are that the following conditions are also met: a non-current asset or disposal group is ready for immediate sale in its current condition in accordance with the practice of selling such assets or disposal groups in similar transactions; The Group has resolved on a plan of sale and secured a firm purchase commitment; and the sale is expected to be completed within one year. Of these, a disposal group is a group of assets that are disposed of as a whole in a transaction, whether by sale or otherwise, and liabilities directly related to those assets that are transferred in that transaction. Where a disposal group belongs to an asset group or combination of asset groups that apportions goodwill acquired in a business combination in accordance with Accounting Standards for Business Enterprises No.8 - Impairment of Assets, the disposal group shall contain the goodwill apportioned to the disposal group.

If The Group's initial measurement or remeasurement at the balance sheet date is classified as non-current Held-for-sale assets and disposal group, the carrying value of which is higher than the net of fair value less costs to sell, the carrying value is written down to the net of fair value less costs to sell, and the amount written down is recognized as an asset impairment loss, which is recognized in profit or loss in the current period, with a provision for impairment of Held-for-sale assets. For disposal groups, the asset impairment losses recognized are offset against the book value of goodwill in the disposal group and then against the book value of each non-current asset in the disposal group that is subject to the measurement provisions of Accounting Standards for Business Enterprises No.42 - Non-current Held-for-sale assets, disposal groups and discontinued operations (hereinafter referred to as the "held for sale standard") on a pro rata basis. Any subsequent increase in the net fair value of the disposal group held for sale less costs to sell at the balance sheet date shall be restored to the amount of the previous impairment and reversed to the amount of the impairment loss recognized on the non-current Held-for-sale assets that were measured using the held for sale criteria after being classified as held for sale; the reversed amount is recognized in profit or loss in the current period and increased proportionately to the carrying value of each of the non-current assets in the disposal group other than goodwill that were measured using the held for sale criteria; the reduced carrying value of goodwill and the impairment loss recognized on the non-current assets that were measured using the held for sale criteria before being classified as held for sale are not reversed.

Non-current Held-for-sale assets or in disposal groups are not depreciated or amortized, and interest and other charges on liabilities held for sale in disposal groups continue to be recognized.

When a non-current asset or disposal group no longer meets the criteria for classification as held for sale, The Group does not continue to classify it as held for sale or remove the non-current asset from the disposal group held for sale and is measured at the lower of: (1) The carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment that would have been recognized had it not been classified as held for sale; (2) Recoverable amount.

22. Investment properties

The Group's investment properties include buildings that are leased; land use rights that are leased. Leased investment properties that are temporarily vacant but continue to be used for rental at the end of their lease term are still considered investment properties.

Investment property acquired is initially measured at the cost at the time of acquisition; the cost of purchased investment property, including the purchase price and related taxes and fees directly attributable to the asset; the cost of constructing the investment property on its own, consisting of expenses necessary to construct the asset before it reaches its intended state of serviceability; and the cost of investment property otherwise acquired is recognized in accordance with the relevant accounting standards.

Subsequent measurement is carried out using the cost model and is depreciated or amortized in the same way as fixed assets and intangible assets.

If, for example, the recoverable amount of investment property measured at cost at period-end is less than its book value due to a continuous decline in market prices, an impairment provision is made for the difference between the actual value of the asset and its book value.

When the use of investment property is changed to its own use, the investment property is converted to fixed or intangible assets from the date of the change. When the use of self-use investment property is changed to earn rent or capital appreciation, fixed assets or intangible assets are converted to investment property from the date of the change. When a conversion occurs, the book value before the conversion is used as the recorded value after the conversion.

Recognition of investment property is discontinued when the property is disposed of or permanently withdrawn from use and no economic benefit is expected to be derived from its disposal. The amount of disposal proceeds from the sale, transfer, obsolescence or destruction of investment properties, net of their book value and related taxes and fees, is recognized in profit or loss in the current period.

23. Fixed assets

Fixed assets are tangible assets that are held for the production of goods, provision of services, lease or management of operations and have a useful life exceeding one fiscal year. Fixed assets are recognized only when it is probable that the economic benefits associated with them will flow to The Group and their cost can be measured reliably.

Fixed assets are initially measured at cost. The cost of acquiring a fixed asset includes the purchase price, related taxes and other expenses directly attributable to the fixed asset that are incurred to bring the fixed asset to its intended state of serviceability.

Subsequent expenditure on fixed assets, including expenditure relating to the replacement of a component of fixed assets, is charged to the cost of fixed assets when the conditions for recognition of fixed assets are met, and the carrying value of the replaced component is deducted. Expenditures related to the routine maintenance of fixed assets are recognized in profit or loss in the current period as incurred.

The Group accrues depreciation on all fixed assets except those that are fully depreciated and are still in use, and land that is accounted for separately. Depreciation is provided using the average useful life method and is charged to the cost or current expense of the respective asset, depending on its use. The Group's classified depreciable lives, estimated net residual values and depreciation rates for fixed assets are as follows:

NO	Category	Depreciation period (years)	Projected residual value rate (%)	Annual depreciation rate (%)
1	Plant and property	20~50	0~10	1.80~5.00
2	Machinery and equipment	3~25	2~10	3.60~32.67
3	Transport equipment	4~8	3~10	11.25~23.75
4	Electronic equipment	5~8	3~5	11.88~19.40
5	Office equipment	5	5	19.00
6	Other equipment	5~6	2~10	15.00~19.00

At the end of each year/reporting period, The Group reviews the estimated useful life, estimated net residual value and method of depreciation of fixed assets and treats changes, if any, as changes in accounting estimates.

Recognition of a fixed asset is discontinued when the asset is disposed of or when no economic benefit is expected to result from its use or disposal. The amount of disposal proceeds from the sale, transfer, obsolescence or destruction of fixed assets, net of their book value and related taxes and fees, is recognized in profit or loss in the current period.

The Group estimates the recoverable amount where there is an indication of impairment and writes down the book value to the recoverable amount when the recoverable amount of a fixed asset is less than its book value.

24. Construction in progress

Construction in progress is measured at the cost actually incurred. Self-operated construction works are measured according to direct materials, direct wages, direct construction costs, etc.; outsourced construction works are measured according to the project price payable, etc.; equipment installation works are determined according to the value of the installed equipment, installation costs, expenses incurred in commissioning works, etc. Construction-in-progress costs also include borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction work in progress reaches the scheduled state of availability, the estimated value of fixed assets will be carried forward according to the project budget, cost or actual cost of the project, etc., and depreciation will be provided from the following month onwards, and the difference in the original value of fixed assets will be adjusted after the completion of the final accounting procedures.

25. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary costs and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition or production of assets eligible for capitalization are capitalized when expenditures on the assets have been incurred, the borrowing costs have been incurred and the acquisition or production activities necessary to bring the assets to a predetermined state of use or sale have commenced; Capitalization ceases when the acquisition or production of assets eligible for capitalization reaches a predetermined state of availability or sale. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

Interest costs actually incurred during the period of the specialized borrowing are capitalized after deducting the amount of interest income earned on unspent borrowed funds deposited with the bank or investment income earned on temporary investments; General borrowings are capitalized based on the weighted average of asset expenditures in excess of the portion of accumulated asset expenditures dedicated to borrowing multiplied by the weighted average interest rate on the general borrowings occupied.

Assets eligible for capitalization are fixed assets, investment properties and inventories that require a significant period of time (usually more than one year) of acquisition, construction or production activity to reach a predetermined state of use or sale.

If there is an abnormal interruption in the acquisition or production of an asset eligible for capitalization that occurs for more than three consecutive months, the capitalization of borrowing costs is suspended until the acquisition or production of the asset recommences.

26. Intangible assets

Intangible assets are identifiable non-monetary assets owned or controlled by The Group that have no physical form, including land use rights, application software and proprietary technology.

Intangible assets are stated at actual cost at the time of acquisition, with the cost of purchased intangible assets being stated at actual expenditure incurred to bring the asset to its intended use; Expenditure on the research phase of internal research and development projects is recognized in current profit or loss as incurred; Development phase expenditures that qualify for capitalization are recognized as cost of intangible assets; Intangible assets invested by the investor should be determined at the value agreed in the investment contract or agreement, unless the contract or agreement provides an unfair value; Receiving intangible assets acquired by the debtor as non-cash assets against its obligations, or exchanging receivables for intangible assets, is recorded at the fair value of the exchanged intangible assets; For intangible assets that are inputs to non-monetary transactions, the fair value of the intangible asset and the related taxes and fees payable are recorded as cost; Acceptance of donated intangible assets, where the donor provides evidence thereof, valued at the amount indicated on the evidence plus the related taxes and fees payable; Where the donor has not provided relevant evidence, the amount estimated at the market price of an intangible asset of the same or similar type, plus related taxes and fees payable, if an active market exists for the same or similar intangible asset, as actual cost; If no active market exists for similar or similar intangible assets, the present value of the expected future cash flows of the intangible asset to be donated is used as the actual cost.

Intangible assets with a finite useful life are amortized on a straight-line basis over their expected useful lives from the time they become available for use.

Intangible assets with an indefinite useful life are not amortized, and the purchase of trading seats is accounted for as an intangible asset with an indefinite useful life, at the actual cost at the time of acquisition. Intangible assets with indefinite useful lives are not amortized and The Group reviews the useful lives of such intangible assets in each accounting period.

At the balance sheet date, The Group examines the ability of each intangible asset to generate expected future economic benefits for the enterprise and provides for impairment of the difference between the individual expected recoverable amount and its carrying value if the expected recoverable amount is less than its carrying value. Once an impairment loss on an intangible asset is recognized, it is not reversed in subsequent accounting periods.

27. Research and development

The Group's research and development expenses are divided into research phase expenses and development phase expenses according to their nature and the greater uncertainty as to whether the research and development activities will result in intangible assets. Research phase expenditures are recognized in profit or loss as incurred; development phase expenditures are recognized as intangible assets when the following conditions are also met:

(1) Completion of the intangible asset to make it technically feasible to use or sell it;

(2) Intent to complete the intangible asset and use or sell it;

(3) A market exists for the product produced using the intangible asset or for the intangible asset itself.;

(4) Adequate technical, financial and other resources are available to complete the development of the intangible asset and the ability to use or sell it;

(5) The expenditure attributable to the development phase of the intangible asset can be reliably measured.

Development phase expenditures that do not meet the above conditions are recognized in current profit or loss when incurred. Development expenditures that were recognized in profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures for the capitalized development phase are shown as development expenditures on the balance sheet and are reported as intangible assets from the date the project reaches a predetermined state of availability.

28. Long-term prepayments

Long-term prepayments are expenses that have been expended but have a benefit period of more than one year (excluding one year) , and long-term prepayments are valued at actual cost at the time of incurrence and are amortized equally over the benefit period. If a long-term prepayment does not benefit subsequent accounting periods, the full amortized value of the item that has not been amortized is transferred to profit or loss in the current period.

Amortization period:

Item	Estimated useful life
Capacity substitution compensation	Remaining useful life of the unit
Other long-term prepayments	3 - 5 years

Goodwill is the excess of the cost of an equity investment or a business combination not under the same control over the share of the fair value of the identifiable net assets of the investee or purchaser acquired in the business combination at the date of acquisition or purchase.

Goodwill relating to subsidiaries is shown separately on the consolidated financial statements, and goodwill relating to associates and joint ventures is included in the carrying value of long-term equity investments.

29. Contract liabilities

Contract liabilities refer to the obligation of The Group to transfer goods or services to customers for consideration received or receivable from customers.

30. Goodwill

Goodwill is the excess of the cost of an equity investment or a business combination not under the same control over the share of the fair value of the identifiable net assets of the investee or purchaser acquired in the business combination at the date of acquisition or purchase.

Goodwill relating to subsidiaries is shown separately on the consolidated financial statements, and goodwill relating to associates and joint ventures is included in the carrying value of long-term equity investments.

31. Employee benefits

Employee benefits refer to the various forms of remuneration or compensation given by a company for services rendered by an employee or for the dissolution of a labourrelationship. Employee benefits include short term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided by the enterprise to spouses, children, dependents, survivors of deceased employees and other beneficiaries are also part of the employee's benefits.

During the accounting period in which employees provide related services, The Group recognizes as a liability actual employee wages, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, employment injury insurance premiums and maternity insurance premiums, housing fund, trade union expenses and employee education expenses, which are recognized in profit or loss in the current period or in the cost of related assets. The liability is measured at the discounted amount if it is not expected to be fully paid within twelve months after the end of the annual reporting period in which the employee provides the related services and the financial impact is material.

Post-employment benefits are all forms of remuneration and benefits, other than short-term pay and termination benefits, that are provided after the employee retires or dissolves his or her employment with the enterprise in order to obtain services provided by the employee. The Group classifies post-employment benefit plans into defined contribution plans and defined benefit plans. Defined contribution plan: A post-employment benefit plan in which The Group has no further obligation to pay after contributing a fixed fee to a separate fund. In the accounting period in which an employee provides services, including basic pension insurance, unemployment insurance, etc., the amount of contributions due under the defined contribution plan is recognized as a liability and included in current profit or loss or the cost of related assets. Defined benefit plan: A post-employment benefit plan other than a defined contribution plan.

Termination benefits refer to the termination of a company's labour relationship with an employee prior to the expiration of the employee's labour contract, or compensation given to the employee to encourage the employee to accept voluntary redundancy. If a company provides termination benefits to an employee, the employee compensation liability arising from the termination benefits is recognized and recognized in profit or loss in the current period at the earlier of: (1) When an enterprise cannot unilaterally withdraw a termination benefit provided as a result of a termination plan or layoff proposal. (2) When a business recognizes costs or expenses associated with a restructuring involving the payment of termination benefits.

32. Share-based payment

Share-based payments are transactions in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed in order to obtain services from employees or other parties. Share-based payments are divided into equity-settled share-based payments and cash-settled share-based payments.

Equity-settled share payments made in exchange for services rendered by the employees are measured at the fair value of equity instruments granted to the employees at the grant date. The amount of this fair value is included in the related costs or expenses on a straight-line basis during the waiting period based on the best estimate of the number of available equity instruments, with a corresponding increase in capital reserves, if the services are completed during the waiting period or if the required performance conditions are met before the right is granted.

Cash-settled share-based payments are measured at the fair value of the liabilities assumed by The Group that are determined on the basis of shares or other equity instruments. If the right is granted immediately, the related costs or expenses are recognized at the fair value of the liability assumed at the date of grant, increasing the liability accordingly; If the right is required to complete services during the waiting period or to meet specified performance conditions, at each balance sheet date in the waiting period, services acquired in the current period are charged to cost or expense and the liability is adjusted accordingly, based on the best estimate of the availability of the right, to the fair value of the liability assumed by The Group.

The fair value of the liability is remeasured at each balance sheet date and at the balance sheet date prior to the settlement of the related liability, and the change is recognized in profit or loss for the period.

33. Bonds payable

When a company issues bonds, the total actual issue price is included in the "bonds payable" account.

The difference between the total issue price of the bonds and the total face value of the bonds, as a premium or discount to the bonds, is amortized over the life of the bonds at the effective interest rate method or straight-line method when interest is accrued and is treated in accordance with the treatment of borrowing costs.

34. Provisions

The Group recognizes a liability for operations related to contingent matters such as external guarantees, discounting of commercial promissory notes, pending litigation or arbitration, product quality assurance, etc., when the following conditions are met: the obligation is a present obligation of The Group; it is probable that performance of the obligation will result in an outflow of economic benefits from the enterprise; and the amount of the obligation can be measured reliably.

The provisions is initially measured on the basis of the best estimate of the expenditure required to meet the related current obligation, taking into account factors such as risk, uncertainty and time value in money, which are related to contingencies. Where the time value of money is significant, the best estimate is determined by discounting the related future cash outflows. The carrying value of projected liabilities is reviewed at each balance sheet date and adjusted, if changed, to reflect the current best estimate.

35. General risk reserves

The subsidiary of The Group, Yuekai Securities Co., Ltd., Guangzhou Get Financing& Guarantee Co., Ltd., sets aside general risk reserves and transaction risk reserves respectively at 10% of the net profit in the current year.

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

The Group classifies the preferred stocks perpetual bonds conforming to the equity instrument as an equity instrument and the rest as a financial liability. For the relevant accounting policies, please refer to Note IV (10) \(11) 5. for the distinction between financial liability and equity instrument and the relevant treatment methods.

Preferred stocks and perpetual bonds classified as debt instruments are initially measured at their fair value, net of transaction costs, and subsequently measured at amortized cost using the effective interest rate method, with interest expense or dividend distribution treated as borrowing costs and gains or losses on repurchases or redemption recognized in profit or loss.

Preferred stocks and perpetual bonds, which are equity instruments, are issued at consideration received less transaction costs to increase the owner's equity, and their interest expense or dividend distribution is treated as profit distribution, and repurchases or cancellations are treated as changes in equity.

37. Revenue recognition principles (new revenue standard)

(1) Accounting policies used for revenue recognition and measurement

Revenue is recognized when the customer obtains control of the relevant goods if both of the following conditions are met: the parties to the contract have approved the contract and committed to perform their respective obligations; the contract specifies the rights and obligations of the parties to the contract in relation to the goods transferred or services rendered; the contract has clear payment terms in relation to the goods transferred; the contract has commercial substance, i.e., performance of the contract will change The Group's the risk, timing distribution or amount of future cash flows; and it is probable that The Group will recover the consideration to which it is entitled as a result of the transfer of goods to the customer.

At the contract commencement date, The Group identifies each individual performance obligation existing in the contract and apportions the transaction price to each individual performance obligation in proportion to the relative share of the individual selling price of the goods committed to each individual performance obligation. The impact of variable consideration, the existence of significant financing components in the contract, non-cash consideration, and consideration payable to customers are considered in determining the transaction price.

For each individual performance obligation in a contract, The Group recognizes the transaction price apportioned to that individual performance obligation as revenue in accordance with the progress of performance during the relevant performance period if one of the following conditions is met: the customer obtains and consumes the economic benefits from The Group's performance at the same time as The Group's performance; the customer has control over the goods under construction in the course of The Group's performance; the goods produced in the course of The Group's performance have irreplaceable uses and The Group is entitled to receive payments for the cumulative portion of performance completed to date throughout the contract period. The progress of performance is determined using the input method or output method depending on the nature of the commodities transferred. When the progress of performance cannot be reasonably determined, The Group recognizes revenue in the amount of costs already incurred until the progress of performance can be reasonably determined, if the costs already incurred are expected to be compensated.

If one of the above conditions is not met, The Group recognizes revenue at the point at which the customer obtains control of the relevant commodity over the transaction price apportioned to that single performance obligation. In determining whether the customer has acquired control of the commodity, The Group considers the following indications: the enterprise has a present right to receive payment for the commodity, i.e. the customer has a present obligation to pay for the commodity; the enterprise has transferred legal title to the commodity to the customer, i.e. the customer has legal title to the commodity; the enterprise has physically transferred the commodity to the customer, i.e. the customer has taken physical possession of the commodity; the enterprise has transferred ownership of the commodity to the customer The enterprise has transferred to the customer the principal risks and rewards of ownership of the merchandise, i.e., the customer has acquired the principal risks and rewards of ownership of the merchandise; the customer has accepted the merchandise; and other indications that the customer has acquired control of the merchandise.

(2) Group specific business revenue recognition method

1) Revenue recognition method for electricity and heat sales: The revenue from electricity sales for the month is recognized based on the confirmed number of meter readings by both The Group and the power supply bureau at 24:00 at the end of each month. The meter reading method is based on the power supply bureau's electric energy telemetry system, and if there is any problem with the system, the meter reading on site shall prevail, and The Group shall confirm the electricity sales of the previous month on the first day of each month.

2) The revenue recognition method of real estate sales: the development products are completed and meet the delivery conditions agreed in the contract, and revenue is recognized after delivery to customers for sign-off.

3) Revenue recognition for environmental business: Sales of slaked lime, stone powder, light calcium carbonate and aerated brick have transferred the major risks and rewards of ownership of the goods to the purchaser, and revenue is recognized upon receipt confirmation by the other party.

4) Principles for the recognition of revenue, cost of construction contracts

On the reporting date, when the result or outcome of the construction contract can be reliably measured and estimated, recognition of both revenue and cost on the construction contract shall be accordance with the percentage of completion method. Otherwise, with result or outcome of a construction contract estimated unreliably, the following situation should be addressed separatedly:

a. When contract costs are recoverable, contract revenue is recognized on basis of actual contract costs that are recoverable and contract costs are recognized as contract costs in the period in which they are incurred.

b. Contract costs that are unlikely to be recovered are recognized as contract costs once incurred, and no contract revenue is recognized.

The following methods are available to The Group for determining the schedule of completion of the contract:

a. Cumulative actual contract costs incurred as a proportion of total projected contract costs.

b. The amount of contract workload completed as a percentage of the total anticipated one.

c. Actual measured progress towards completion.

Criterion for recognition of expected contract losses and method of accrual: expected contract losses arise when the total expected cost of the construction contract exceeds the total contract revenue, a provision for losses is made and recognized as a current expense. During the construction of the project, provision is made to offset the contract costs as the project progresses.

5) Revenue recognition for medical device products

When the control of the goods has been transferred to the purchaser, with purchaser's confirmation on receiving the goods, relevant income shall be recognised.

6) Fees and commission income

The Group's fees and commission income includes those from the business of buying and selling securities, securities underwriting operations, the sponsorship business, financial advisory business, investment advisory services and asset management business of entrusted clients, etc.

a. Business of buying and selling securities income shall be charged according to the standard determined by The Group, and shall be recognised on the service day of securities trading, which includes brokerage revenue, fund sales revenue, account opening income, and transfer escrow income, exchange seat rental income, etc.

b. The income from securities underwriting business shall be recognized when the relevant services provided by the underwriting business are completed under the mode of both balance underwriting and distribution.

c. Financial advisory business income includes mergers and acquisitions, enterprise restructuring, listing service on NATIONAL EQUITIES EXCHANGE AND QUOTATIONS, which shall be recognized on an accrual basis when completed.

d. Investment advisory services income includes both fixed consulting service floating consulting service income, which shall be recognized on an accrual basis when completed.

e. Asset management business of entrusted clients includes income from both fixed management fees and floating management fees, which shall be recognized on an accrual basis when completed.

38. Government grants

Government grants are monetary or non-monetary assets acquired by The Group from the government without compensation. Government grants are recognized when The Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount received or receivable for monetary assets; government grants are measured at fair value for non-monetary assets or, if fair value cannot be reliably obtained, at nominal amounts.

The Group's government grants are distinguished between asset-related government grants and revenue-related government grants. Of these, government grants related to assets are government grants acquired by The Group for the purpose of acquiring or otherwise forming long-term assets, and government grants related to revenue are government grants other than those related to assets. If government documents do not specify the recipients of the grant, The Group makes a judgment based on the aforementioned differentiation principle, and if it is difficult to differentiate, the entire group is classified as revenue-related government grants.

Government grants relating to assets are offset against the carrying value of the related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are amortized into profit or loss over the useful life of the related asset using the straight-line method.

When the related assets are sold, transferred, written off or destroyed before the end of their useful lives, the unallocated balance of the related deferred revenue is transferred to profit or loss in the period of disposal.

Government grants related to revenue, which are used to compensate for related costs or losses incurred in subsequent periods, are recognized as deferred revenue and are recognized in profit or loss or eliminated in the period in which the related costs or losses are recognized; those used to compensate for related costs or losses already incurred are recognized directly in profit or loss or eliminated in the current period. Government grants related to day-to-day activities are included in other gains or charged against related costs, based on the substance of economic operations. Government grants that are not related to day-to-day activities are included in the non-operating income and expenditure.

The Group's recognized government grants that are required to be returned are accounted for in the current period in which they are required in accordance with the following provisions:

(1) Where the carrying amount of the underlying asset is reduced on initial recognition, the carrying amount of the asset is adjusted.

(2) Where there is a related deferred income, the carrying amount of the related deferred income is reduced and the excess is recognized in profit or loss in the current period.

(3) In other cases, it is recognized directly in profit or loss in the current period.

39. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized on the basis of the differences (temporary differences) between the tax bases of the assets and liabilities and their carrying amounts. Deferred tax assets are recognized for deductible losses and tax credits that, under the tax laws, are available for offset against taxable income in subsequent years, as temporary differences. Deferred tax assets and deferred tax liabilities are measured at the balance sheet date at the tax rates that apply in the period in which the asset is expected to be recovered or the liability settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax assets are written down to their carrying amount when it is probable that sufficient taxable income will not be available to offset the deferred tax asset in a future period. The amount of the write-down is reversed when it is probable that sufficient taxable income will be obtained.

40. Lease

Lease refers to a contract that conveys the right, of leasee, to use an asset for a period of time in exchange for consideration to leasor. The Group assesses whether a contract is, or contains, a lease at the inception date. The Group does not re-assess whether a contract contains a lease unless the terms and conditions of the contract are changed.

(1) The Group as the lessee

1) Separating components of lease

In case the contract contains one or more lease and non-lease components, The Group separates each lease component and non-lease component, and allocates the consideration to the lease and non-lease components based on the proportion of relative stand-alone prices of the components.

2) Right-of-use assets

The Group recognizes the right-of-use assets for leases on the commencement date of the lease term, except for short-term lease and lease of low-value assets. The commencement date of the lease term refers to the date from which the lessor makes the leased assets available for use by The Group. Right of-use assets are initially measured at cost. The cost includes:

a. Initial measurement amount of lease liabilities;

b. Amount of lease payment made at or before the commencement date of the lease, less any lease incentives received;

c. Initial direct costs incurred by The Group;

d. An estimate of any costs to be incurred by The Group in dismantling and removing the underlying asset, or restoring the site on which it is located, or restoring the leased assets to the conditions as agreed under the terms of the lease, excluding costs incurred to produce inventories.

The right-of-use assets are depreciated by The Group, over the shorter one of the lease term and the useful life of the right-of-use asset, unless there is a transfer of ownership or purchase option which is reasonably certain to be exercised at the end of the lease term, and then the right-of-use asset is depreciated over its remaining useful life.

The Group determines whether the right-of-use assets are impaired and accounts for the identified impairment loss in accordance with the provisions of Accounting Standards for Business Enterprises No. 8 - Impairment of Assets.

3) Lease liabilities

The Group initially measures the lease liability on the commencement date at an amount equal to the present value of the lease payments during the lease term that are not paid at that date, except short term lease and lease of low-value assets. In calculating the present value of the lease payments, The Group adopts the interest rate implicit in the lease as the discount rate. The Group uses its incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. Lease payments refer to the payments made by The Group to the lessor in connection with the right to use the leased asset during the lease term, including:

a. Fixed payments, including in-substance fixed payments, less any lease incentives receivable;

b. Variable lease payments that depend on an index or rate;

c. Payments for terminating the lease, if the lease term reflects the lessee exercising the option to terminate the lease.

After the commencement date of the lease term, The Group calculates interest expense of lease liabilities in each period of lease term at fixed periodic rate and recognizes in the current loss and profit or relevant asset costs. After the commencement date of the lease term, in case of any change of the lease term or any change in the valuation of the purchase option, The Group remeasures the lease liability at the present value calculated based on the modified lease payments and the revised discount rate, and adjusts the value of the right-of-use assets. When the carrying value of the right-of-use assets has been reduced to zero while the lease liability needs to be further reduced, The Group will recognize the difference into the current loss and profit.

4) Short-term lease and lease of low-value assets

The Group has elected not to recognize the right-of-use assets and lease liabilities for short-term leases and leases of low-value assets in connection with machinery equipment, transportation facilities. Short-term lease refers to lease with a term no more than 12 months from the commencement date of lease term and without purchase option. Lease of low-value assets refers to lease for single lease asset with low value when it is brand new. The Group recognizes lease payments under short-term leases and leases of low-value assets as the current loss and profit or the relevant asset costs on a straight-line basis over each period during the lease term.

5) Lease modification

In case of lease modification, The Group makes accounting treatment of such lease change as a separate lease if all conditions as following are met:

a. such lease modification increases the scope of the lease by adding the right to use one or more lease assets;

b. the increased consideration is commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to reflect the circumstances of the particular contract.

Where accounting treatment is not made for lease modification as a separate lease, at the effective date of lease modification, The Group reallocates the contract consideration after the modification, redetermines the lease term, and remeasures the lease liability based on the present value calculated according to the modified lease payments and the revised discount rate.

(2) The Group as the lessor

1) Separating components of lease

In case the contract contains both lease and non-lease components, The Group allocates the contract consideration in accordance with the provisions of Accounting Standards for Business Enterprises No. 14 - Revenue on portion of transaction prices, based on the respective stand-alone prices of the lease component and the non-lease component.

2) Classification of lease

Finance lease is a lease that substantially transfers all the risks and rewards of incidental to ownership of an underlying asset. Operating lease refers to the leases other than finance lease.

The Group records the operating lease business as the lessor

The Group recognizes the lease payments from operating leases as rental income on a straight-line basis for all periods over the lease term. The Group's initial direct costs incurred in connection with operating leases is capitalized as incurred, recognized in the income statement over the lease term on the same basis as the lease income.

Variable lease payments acquired by The Group in connection with operating leases that are not included in the lease payments are recognized in the current loss and profit when they are actually incurred.

3) Sale and leaseback transaction

The Group as the seller-lessee

The Group assesses and determines whether the transfer of the asset in sale and leaseback transaction qualifies as a sale in accordance with the provisions of Accounting Standards for Business Enterprises No. 14 - Revenue. If the transfer does not qualify as a sale, The Group continues to recognize the transferred asset and at the same time recognize a financial liability equal to the transfer proceeds and account for the financial liability in accordance with the provisions of Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments. If the transfer of the asset qualifies as a sale, The Group measures the right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right of use retained. The gain or loss recognized is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer-lessor.

41. Held for sale

(1) The Group classifies non-current assets or disposal groups as held for sale if they are also: 1) immediately available for sale in their current condition in accordance with the practice of selling such assets or disposal groups in similar transactions and 2) highly probable that a sale will occur, i.e., a resolution has been made on a plan of sale and a firm purchase commitment has been obtained and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. The Group measures the book value of each asset and liability in a non-current asset or disposal group in accordance with the relevant accounting standards before it is first classified as held for sale. If the carrying value of a non-current asset or disposal group held for sale is initially measured or re-measured at the balance sheet date and the carrying value is greater than fair value less costs to sell, the carrying value is reduced to fair value less costs to sell, and the amount of the reduction is recognized as an impairment loss on the asset and recognized in profit or loss in the current period, with a provision for impairment of Held-for-sale assets.

(2) Non-current assets or disposal groups acquired by The Group specifically for resale are classified as held for sale at the date of acquisition if they meet the condition that "the sale is expected to be completed within one year" at the date of acquisition and if they are likely to meet other classification conditions for the held for sale category within a short period of time (usually three months) . In the initial measurement, the comparison assumes that it is the lower of the initial measurement amount that would not have been classified as the category held for sale or the net of fair value less costs to sell. Except for non-current assets or disposal groups acquired in a business combination, differences arising from the initial measurement of non-current assets or disposal groups at fair value less costs to sell, net, are recognized in profit or loss in the current period.

(3) If The Group loses control of a subsidiary as a result of the sale of its investment in the subsidiary, regardless of whether The Group retains part of its equity investment after the sale, The Group will classify its investment in the subsidiary as a whole as held for sale in the

parent company's individual financial statements and all assets and liabilities of the subsidiary as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the criteria for classification as held for sale.

(4) Any increase in the net fair value of non-current Held-for-sale assets less costs to sell at the subsequent balance sheet date shall be restored to the amount previously written down and reversed within the amount of the impairment loss recognized on the assets classified as held for sale, with the reversed amount recognized in profit or loss in the current period. Impairment losses recognized before the classification of Held-for-sale assets are not reversed.

(5) Impairment losses recognized on Held-for-sale assets in the disposal group are offset against the carrying value of goodwill in the disposal group and then proportionately offset against the carrying value of each non-current asset based on its proportionate share of the carrying value.

Where the fair value of the disposal group held for sale at the subsequent balance sheet date, less costs to sell, increases on a net basis, the amount previously written down should be restored and reversed to the extent of impairment losses recognized on assets classified as non-current assets after the relevant measurement requirements have been applied, and the reversed amount is recognized in profit or loss in the current period. The book value of goodwill that has been eliminated and impairment losses on assets recognized before the classification of non-current assets as held for sale are not reversed.

Impairment losses recognized in the disposal group held for sale are subsequently reversed and the carrying value of each non-current asset, other than goodwill, is increased proportionately to its share of the carrying value of the disposal group.

1) Non-current Held-for-sale assets or in disposal groups are not depreciated or amortized, and interest and other charges on liabilities held for sale in disposal groups continue to be recognized.

2) Non-current Held-for-sale assets or disposal groups that are no longer classified as held for sale because they no longer meet the criteria for classification as held for sale or are removed from disposal groups held for sale are measured at the lower of: a) their carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment that would have been recognized had they not been classified as held for sale; and b) recoverable amounts.

3) Upon derecognition of non-current Held-for-sale assets or disposal groups, unrecognized gains or losses are recognized in profit or loss in the current period.

42. Fair value measurements

(1) Initial measurement of fair value

The Group measures the fair value of assets and liabilities measured at fair value, taking into account the characteristics of the asset or liability, using the price that would be paid by market participants to sell an asset or transfer a liability in an orderly transaction that would occur on the measurement date. When the underlying asset or liability is measured at fair value, a sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; an orderly transaction to sell the asset or transfer the liability takes place in the primary market for the underlying asset or liability. Where no primary market exists, the transaction is assumed to take place in the most advantageous market for the underlying asset or liability; the assumptions used by market participants in pricing the asset or liability to maximize its economic benefits are used. When measuring non-financial assets at fair value, the ability of a market participant to put the asset to its best use to generate an economic benefit, or to sell the asset to another market participant that is able to put it to its best use, is considered.

(2) Valuation techniques

The Group measures the underlying asset or liability at fair value using valuation techniques that are applicable in the current circumstances and are supported by sufficient available data and other information, primarily the market, income and cost method, with the relevant observable inputs being used in preference to unobservable inputs when applying the valuation techniques and only when the relevant observable inputs are not available or practicable to obtain.

(3) Fair value hierarchy

The Group determines the level of fair value measurement results based on the lowest level of inputs that are significant to the fair value measurement as a whole: the first level of inputs is unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the underlying asset or liability is traded in sufficient volume and frequency to provide pricing information on an ongoing basis. Level 2 inputs are inputs that are directly or indirectly observable for the underlying asset or liability in addition to the level 1 inputs. The third level of input is the unobservable input of the underlying asset or liability.

43. Accounting treatment of transfers of financial assets and securitization of non financial assets

When a transfer of a financial asset occurs, it is judged on the basis of the transfer of substantially all the risks and rewards of ownership of the relevant financial asset: the corresponding financial asset is derecognized if it has been transferred in full; if it has not been transferred and substantially all the risks and rewards of ownership of the relevant financial asset have been retained, it is not derecognized; if it has neither transferred nor retained substantially all the risks and rewards of ownership of the relevant financial asset, derecognition is determined on the basis of the extent to which control over the financial asset is involved: if control over the financial asset is relinquished, the financial asset is derecognized; if control over the financial asset is not relinquished, the relevant financial asset is recognized to the extent of its continued involvement in the financial asset and the related liability is recognized accordingly. If a financial asset meets the conditions for derecognition of a partial transfer, the difference between the consideration received for the transfer and the corresponding book value is included in current profit or loss, and the cumulative change in the fair value of the financial asset directly attributable to the owner's interest is also transferred to current profit or loss; if the conditions for derecognition of a partial transfer are met, the book value of the entire financial asset involved in the transfer is apportioned between the derecognized portion and the unterminated portion according to their respective relative fair values, and the apportioned book value is treated on the basis of the entire transfer against the portion of the partial transfer. If the conditions for derecognition are not met, the consideration received is recognized as a financial liability.

44. Income tax expenses

Income tax is accounted for using the balance sheet liability method.

The Group is based on the calculation of the current income tax (i.e. the current income tax payable) and the deferred tax (deferred income tax expenses or income). The sum of the two is recognized as the income tax expenses (or income) in the income statement, but does not include the income tax impact of the business combination and the transactions or events directly included in the owner's equity.

45. Discontinued operations

A discontinued operation is a component of The Group that either has been disposal of or is classified as held for sale, and is separately identifiable and satisfies one of the following conditions:

(1) It represents a separate major line of business or geographical area of operations;

(2) It is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;

(3) It is a subsidiary acquired exclusively with a view to resale.

46. Other significant accounting policy and accounting estimates

Accounting methods related to repurchasing shares: If The Group's shares are acquired due to the reduction of registered capital or rewards for employees, etc., the amount actually paid shall be treated as treasury shares and register simultaneously for future reference. If the shares repurchased are write off, the difference between the total face value of the shares calculated by the face value of the write off shares and the number of write off shares and the amount paid by the actual repurchase will be reduced against the capital reserve. If the capital reserve is insufficient, the amount will be reduced the reducing retained earnings. If the shares repurchased are awarded to the employees of The Group, the share belongs to equity-settled share-based payments. When The Group receive the amount of the employee purchase shares, the resale amount of the treasury shares paid to the employee and the accumulated amount of the capital reserve (other capital serve) during the waiting period, and the capital reserve (equity premium) is adjusted according to the difference.

V. Statement of accounting policies and changes in accounting estimates and corrections of errors

1. Changes in accounting policies and their impact

(1) Change in accounting policy resulting from the implementation of the new revenue standard

In July, 2017, the Ministry of Finance issued Accounting Standards for Business Enterprises No. 14 - Revenue (hereinafter referred as to "new revenue standard"), requiring that enterprises listed domestically implement the new revenue standard since January 1st, 2020. For other domestically non-listed enterprises, it is effective from January 1st, 2021. According to the relevant regulations on the convergence of the old and new standards, companies can only adjust the cumulative impact of contracts that have not been completed on the date of first implementation, and not adjust the information for comparable periods.

(2) Change in accounting policy resulting from the implementation of new financial instruments guidelines standard.

In 2017, the Ministry of Finance revised and issued Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises No. 23 - Transfer of financial assets, Accounting Standards for Business Enterprises No. 24- hedge accounting, Accounting Standards for Business Enterprises No. 37 - Presentation of financial instruments, requiring that enterprises listed both domestically and internationally, as well as enterprises listed abroad and adopting IFRS or ASBE for financial statement preparation, implement the new standards from January 1st,

2018. For other domestically listed enterprises, implementation is effective from January 1st, 2019. For the non-listed enterprises that implement the accounting standards for enterprises, it is effective from January 1st, 2021. The revised standards require that for financial instruments whose recognition has not been terminated on the first implementation date, if the previous recognition and measurement are inconsistent with the requirements of the revised standards, retroactive adjustment shall be made. If the previous comparative financial statement data is inconsistent with the revised standards, no adjustment is required. The Group will adjust retained earnings and other comprehensive income at the beginning of the year for the cumulative impact of retroactive adjustments.

(3) Change in accounting policy resulting from the implementation of the New Lease Standards.

On December 7, 2018, the Ministry of Finance revised and issued Accounting Standards for Business Enterprises No. 21 – lease , requiring that enterprises listed both domestically and internationally, as well as enterprises listed abroad and adopting IFRS or ASBE for financial statement preparation, implement the new standard from January 1st, 2019. For the non-listed enterprises that implement the accounting standards for enterprises, it is effective from January 1st, 2021. New lease standards, requires that for the finance lease before the first execution, the lessee shall, on the first execution date, measure the right-of-use assets and the lease liabilities respectively according to the original book value of the financing lease assets and the financing lease amount payable. For the operating lease prior to the first execution date, the lessee shall, on the first execution date, measure the lease liabilities according to the present value of the remaining lease payment discounted by the lessee's incremental borrowing interest rate on the first execution date, and measure the right to use assets according to one of the following two options for each lease: (1) assumption that the book value of the present Standards is adopted on the commencement date of the lease period (the lessee's incremental borrowing rate on the first execution date is used as the discount rate);(2) Assumption that the amount equal to the lease liability, and then make necessary adjustments to the prepaid rent.

1) Combination Financial Statements

ITEM	January 1st, 2021	December 31st, 2020	Adjustment
Current assets:			
☆ Trading financial assets	6,255,802,804.08	1,813,068,425.75	4,442,734,378.33
Financial assets at fair value through profit or loss		1,819,604,805.67	-1,819,604,805.67
Prepayments	118,654,295.83	125,752,258.73	-7,097,962.90
Other receivables	8,499,289,490.19	8,543,070,312.11	-43,780,821.92
Other current assets	4,581,529,202.71	4,658,469,202.71	-76,940,000.00
Total current assets	49,751,198,363.44	47,255,887,575.60	2,495,310,787.84
Non-current assets:			
☆ Debt instruments	47,940,000.00		47,940,000.00
Available-for-sale financial assets		8,670,723,562.34	-8,670,723,562.34
☆ Other equity instrument investments	1,656,442,271.03	977,046,519.71	679,395,751.32
☆ Other non-current financial assets	5,755,408,457.84	1,965,253.82	5,753,443,204.02
Construction in progress	1,256,162,956.92	1,282,162,956.85	-25,999,999.93
☆ Right-of-use assets	234,618,899.00		234,618,899.00
Long-term prepayment	125,177,470.43	125,544,348.83	-366,878.40

ITEM	January 1st, 2021	December 31st, 2020	Adjustment
Deferred tax assets	730,697,915.45	723,633,251.87	7,064,663.58
Other non-current assets	3,344,633,278.04	3,354,238,057.04	-9,604,779.00
Total non-current assets	46,668,410,987.80	48,652,643,689.55	1,984,232,701.75
Total assets	96,419,609,351.24	95,908,531,265.15	511,078,086.09
Current liabilities:			
☆ Financial liabilities held for trading	221,702,132.00		221,702,132.00
Financial liabilities at fair value through profit or loss		221,702,132.00	-221,702,132.00
Accounts payable	838,594,830.76	839,845,086.65	-1,250,255.89
Advances from customers	227,322,994.93	248,399,773.84	-21,076,778.91
☆ Contract liabilities	298,972,929.01	278,517,508.94	20,455,420.07
Non-current liabilities due within 1 year	1,039,042,147.33	1,035,580,630.79	3,461,516.54
Other current liabilities	1,052,723,414.68	1,052,102,055.84	621,358.84
Total current liabilities	20,721,793,031.83	20,719,581,771.18	2,211,260.65
Non-current liabilities:			
☆ Lease liabilities	188,087,762.24		188,087,762.24
Deferred tax liabilities	574,220,825.24	489,040,125.74	85,180,699.50
Total non-current liabilities	40,097,799,968.98	39,824,531,507.24	273,268,461.74
Total liabilities	60,819,593,000.81	60,544,113,278.42	275,479,722.39
Shareholders' equity:			
Other comprehensive income	-3,849,016.80	253,937,096.13	-257,786,112.93
Retained earnings	1,570,075,432.51	1,070,833,662.21	499,241,770.30
Total equities attributable to owners of parent company	22,834,537,001.52	22,593,081,344.14	241,455,657.38
* Minority Interest	12,765,479,348.92	12,771,336,642.59	-5,857,293.67
Total shareholders' equities	35,600,016,350.43	35,364,417,986.73	235,598,363.70
Total liabilities and shareholders' equity	96,419,609,351.24	95,908,531,265.15	511,078,086.09

2) Parent company financial statements

ITEM	January 1st, 2021	December 31st, 2020	Adjustment
Current assets:			
☆ Trading financial assets	468,328,100.50		468,328,100.50
Total current assets	28,232,730,547.16	27,764,402,446.66	468,328,100.50
Non current assets:			
Available-for sale financial assets		1,805,589,439.88	-1,805,589,439.88
☆ Other equity instrument investments	489,907,368.43		489,907,368.43
☆ Other non current financial assets	819,941,215.87		819,941,215.87
☆ Right of-use assets	33,271,858.43		33,271,858.43
Total non-current assets	28,472,439,210.20	28,934,908,207.35	-462,468,997.15
Total assets	56,705,169,757.36	56,699,310,654.01	5,859,103.35
Current liabilities:			
☆ Financial liabilities held for trading	221,702,132.00		221,702,132.00
Financial liabilities at fair value through profit or loss		221,702,132.00	-221,702,132.00
Advances from customers		20,329.20	-20,329.20
☆ Contract liabilities	20,193.96		20,193.96
Non-current liabilities due	508,546,692.17	500,000,000.00	8,546,692.17

ITEM	January 1st, 2021	December 31st, 2020	Adjustment
within 1 year			
Other current liabilities	135.24		135.24
Total current liabilities	8,038,029,124.96	8,029,482,432.79	8,546,692.17
Non-current liabilities:			
☆ Lease liabilities	24,725,166.26		24,725,166.26
Deferred tax liabilities	56,200,001.14	63,053,189.91	-6,853,188.77
Total non-current liabilities	29,254,154,072.43	29,236,282,094.94	17,871,977.49
Total liabilities	37,292,183,197.39	37,265,764,527.73	26,418,669.66
Shareholders' equity:			
Other comprehensive income		189,159,569.71	-189,159,569.71
Retained earnings	32,824,448.97	-135,775,554.43	168,600,003.40
Total equities attributable to owners of parent company	19,412,986,559.97	19,433,546,126.28	-20,559,566.31
Total shareholders' equities	19,412,986,559.97	19,433,546,126.28	-20,559,566.31
Total liabilities and shareholders' equity	56,705,169,757.36	56,699,310,654.01	5,859,103.35

2. Changes in accounting estimates and their effects: None.

3. Correction of significant prior period errors and their impact:None.

VI. Taxes

The main types of taxes applicable to enterprises, the basis of tax calculation and tax rates, as well as the specific tax situation, involving tax incentives, also need to explain the preferential tax burden and related approvals.

1. Main tax types and rates

Tax type	Tax base	Tax rate
Value-added tax	Taxable income is subject to VAT at the applicable rate of tax on the difference between the deductions for input tax, etc., allowed against the current period	13%、9%、6%、5%、3%、2%
City maintenance and construction tax	According to the turnover tax payable	7%, 5%
Education surcharge	According to the turnover tax payable	3%
Local education supplement	According to the turnover tax payable	2%
corporate income tax	Based on taxable income	15%、20%、25%
VAT on land	VAT acquired on the transfer of real estate and at the prescribed rate	30%-60%
Urban land use tax	Actual area of land occupied by the taxpayer (square meters)	3/m², 6/m²
Property tax	Rental income or original value of property	12%, 1.2%

2. Tax incentives and approvals

(1) Guangzhou High-tech Zone Industrial Investment Fund Co., Ltd. and Optomechanical (Guangzhou) Science and Technology Research Institute Co., Ltd. are in accordance with The publicly available document, Notice on the Implementation of Preferential Tax Relief Policies for Small and Micro Enterprises in the Province (YCF [2019] No. 6) issued by Guangdong Provincial Department of Finance and the Guangdong Provincial Taxation Bureau of the State Administration of Taxation, which reduces the resource tax, city maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions) , arable land occupation tax and education surcharge, local education surcharge levied on small-scale VAT payers by 50%. The implementation period is from January 1st, 2019 to December 31st, 2021.

(2) According to the Announcement of the State Administration of Taxation on Issues Related to the Implementation of the Policy of Universal Income Tax Relief for Small and Micro Profit Enterprises (State Administration of Taxation Announcement No. 2 of 2019) , from January 1st, 2019 to December 31st, 2021, the portion of the annual taxable income of small and medium-sized enterprises not exceeding RMB 1 million will be reduced by 25% of the taxable income and subject to a tax rate of 20%; the portion of the annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million will be reduced by 50% of the taxable income and subject to a tax rate of 20% of corporate income tax.

(3) Beijing Leadman Biochemistry Co.,Ltd. received the High-tech Enterprise Certificate jointly issued by Beijing Municipal Science and Technology Commission, Beijing Municipal Finance Bureau and Beijing Taxation Bureau of the State Administration of Taxation on September 10, 2018 , Certificate No.GR201811001959 , enjoying high-tech enterprises 15% preferential corporate income tax rate, valid until 2021.

(4) The Notice of the National Development and Reform Commission of the State Administration of Taxation of the Ministry of Finance on the Announcement of the Preferential Catalogue of Enterprise Income Tax for Environmental Protection, Energy and Water Conservation Projects (for Trial Implementation) (Caishui [2009] No. 166) , is in line with the conditions of "public sewage treatment" projects listed in the Catalogue of Preferential Corporate Income Tax for Environmental Protection, Energy and Water Conservation Projects (for trial implementation) in the Annex of Caishui [2009] No. 166, enjoying the preferential policy of three exemptions and three reductions of 50% in corporate income tax. Company involved: Guangzhou Hengyun Environmental Protection Technology Development Co., Ltd.

(5) According to the recognition standard of High-Tech Enterprise, from Administrative Measures for the Recognition of High-Tech Enterprises and Administrative Measures for High-Tech Fields under National Key Support issued jointly by Ministry of Science and Technology, and Ministry of Finance, the subsidiary Longmen County Henglong Environmental Protection Calcium Industry Co., Ltd. acquired the High-Tech Enterprise certificate in December 2020, and accordingly can enjoy and apply for 15% preferential corporate income tax rate with the implementation of laws and regulations as follows, Enterprise Income Tax Law and its detail regulation, Law of the People's Republic of China on the Administration of Tax Collection, Rules for the Implementation of the Law of the People's Republic of China on Administration of Tax Collection.

(6) Since 2014, DiaSys Diagnostic Systems (Shanghai) Co., Ltd. obtained the certificate of high-tech enterprise issued by Shanghai Municipal Science and Technology Commission, Shanghai Municipal Finance Bureau, Shanghai State Taxation Bureau and Shanghai Local Taxation Bureau, valid for 3 years; On November 23rd, 2017, DiaSys Diagnostic Systems (Shanghai) Co., Ltd. extended high-tech enterprise certificate, Certificate No. GR201731001094, valid for 3 years; On November 18th, 2020, DiaSys Diagnostic Systems (Shanghai) Co., Ltd. has been re-certified as a high-tech enterprise with certificate NO.GR202031006295. DiaSys Diagnostic Systems (Shanghai) Co., Ltd. can enjoy 15% preferential corporate income tax rate for high-tech enterprises.

According to the Announcement of the State Administration of Taxation of the Ministry of Finance No. 12, 2021 on the implementation of the Preferential income tax policies for small and Micro Enterprises and Individual Industrial and commercial households, the annual taxable income of small and micro enterprises within RMB 1 million , on the basis of the preferential policies stipulated in Article 2 of the Circular of the State Administration of Taxation of the Ministry of Finance on the Implementation of Preferential Tax Reduction and Exemption Policies for Small and Micro Enterprises (Caishui[2019] No. 13), the enterprise income tax shall be halved. Corporate income tax is paid at a rate of 2.5%. Companies involved: DiaSys Diagnostic Products Co., Ltd. , Beijing Apis Biotechnology Co., Ltd. , Xiamen Lidman Medical Instrument Co., Ltd. , Hunan Lidman Medical Instrument Co., Ltd. , Henan Deling Biotechnology Co., Ltd.

VII. Business combination and consolidated financial statements

1. Basic information on subsidiaries included in the scope of the consolidated statements

The basic information of the secondary enterprises within the scope of the merger is disclosed below:

No.	Company name	Level	Business type	Main place of business	Place of registration	Business nature	Shareholding (%)		Voting rights (%)	Acquisition method
							Direct	Indirect		
1	Guangzhou GET Asset Operation Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Business services	100		100	Investment establishment
2	Guangzhou GET Venture Capital Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment & asset management	91.72	8.28	100	Investment establishment
3	Guangzhou Kaiyun Development Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Property management	80.86		80.86	Investment establishment
4	GDD Investment Holdings Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Housing construction industry	70.11		70.11	Investment establishment
5	GUANGZHOU GET FINANCING & GUARANTEE CO.,LTD.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Guarantee services	100		100	Investment establishment
6	Guangzhou GET Investment Holdings Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Business services	100		100	Investment establishment
7	Guangzhou GET Financial Leasing Co., Ltd.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Rental and business services	75	25	100	Investment establishment
8	Guangzhou Development Zone (Hong Kong) Investment Co., Ltd.	2	Overseas subsidiary	Hongkong	Hongkong	Business services	100		100	Investment establishment
9	Guangzhou GET Trading Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Municipal facilities management	95.43	4.57	100	Investment establishment
10	Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Science and technology promotion and application services	100		100	Investment establishment
11	Guangzhou Hengyun Enterprises Holding Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Thermal power generation	26.12		26.12	under non-identical merger of control
12	YUEKAI SECURITIES CO., LTD.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Security	47.24		47.24	under non-identical merger of control
13	Guangzhou Get Capital Operation Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Capital market services	100		100	Investment establishment

No.	Company name	Level	Business type	Main place of business	Place of registration	Business nature	Shareholding (%)		Voting rights (%)	Acquisition method
							Direct	Indirect		
14	Guangzhou GET Financial Services Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Monetary and financial services	100		100	Investment establishment
15	Guangkai Desheng (Tianjin) Investment Partnership (Limited Partnership)	2	Domestic limited partnership	Tianjin	Tianjin	Capital market services	20		20	Investment establishment

2.Reasons for owning less than half of the voting rights of the investee unit but being able to exercise control over the investee unit:

(1) The Group included Guangzhou Hengyun Enterprises Holding Ltd. with a 26.12% shareholding in the consolidated statement for the following reasons: The Group is the largest shareholder of the company and The Group effectively controls the financial and operational decisions of the company.

(2) The Group included Beijing Leadman Biochemistry Co., Ltd., with a shareholding of 29.91%, in the scope of the consolidated statements for the following reasons: Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd., a subsidiary of The Group, is the largest shareholder of the company; it represents more than half of the board of directors and the Group effectively controls financial and operational decisions of the company.

(3) The Group included YUEKAI SECURITIES CO., LTD., with a shareholding of 47.24%, in the consolidated statements for the following reasons: The Group is the first largest shareholder and the other shareholders hold a small and dispersed proportion of the company's shares; although it does not account for half of the Board of Directors, the Group effectively controls the financial and operational decisions of the company in view of its high shareholding in the company.

(4) The Group included Guangkai Desheng (Tianjin) Investment Partnership (Limited Partnership), with a shareholding of 20.00%, in the consolidated statements for the following reasons: The Group holds 20.00% of its shares, with a secondary subsidiary Guangzhou GET Asset Operation Co., Ltd. performing a Limited Partnership, and The Group has two-thirds of the Board of Directors, which makes the Group effectively control the financial and operational decisions of the company and earn variable returns from it.

(5) The Group included Guangzhou High-Tech Zone Industrall Investment Fund Co.,Ltd, with an indirect shareholding of 40.00%, in the consolidated statements for the following reasons: The Group's subsidiary, Guangzhou GET Financial Services Co., Ltd. is the largest shareholder of the company. Although it does not account for half of the Board of Directors, The Group effectively controls the financial and operational decisions of the company in view of its high shareholding.

3.Reasons for owning more than half of the voting rights of the investee unit directly or indirectly through other subsidiaries but failing to exercise control over them:

(1)Guangzhou Yuanshengde Municipal Services Co., Ltd. registered capital is RMB 400million, and The Group has a shareholding ratio of 100.00%. The company's main business belongs to the municipal supporting matters, business directly under arrangements of the Guangzhou Development Zone Management Committee. The Group has no control over the company's production and operation, no significant impact.

(2)Guangzhou Development Zone Employee Service Center has a registered capital of RMB 9.32 million, and The Group has a shareholding ratio of 100.00%. The center is an asset allocated by the Management Committee, and The Group only owns its property rights, but does not have the right to produce and operate, with no control nor significant impact on its production and operation.

(3)The registered capital of the Water Supply Management Center of Guangzhou Development Zone is RMB 62,098,700, and The Group has a shareholding ratio of 100.00%;

the registered capital of the Water Purification Plant of Guangzhou Development Zone is RMB 26,488,700, and The Group has a shareholding of 100.00%. According to the document (SKGZB [2009] No. 133) , Guangzhou Development Zone State-owned Assets Supervision and Administration Office allocated the net assets of the Water Supply Management Center and Water Quality Purification Plant to The Group. It is stipulated that the asset operation and management, personnel system, and budget management system shall remain intact. The Group does not have control over the financial and operational decisions of the Guangzhou Development Zone Water Supply Management Center and the Guangzhou Development Zone Water Quality Purification Plant, nor does it have the right to derive benefits from their operating activities, without significant influence.

(4)Guangzhou GET Qianrun Artificial Intelligence Equity Investment Partnership (Limited Partnership) ("GET Qianrun") is jointly established by The Group's subsidiaries, Guangzhou Get Venture Capital Co., Ltd. ("Get Venture Capital") and Guangdong Qianrun M & A Investment Fund Management Co., Ltd. ("Guangdong Qianrun") . Get Venture Capital is a limited partner with the contribution proportion of 99.80%, the proposed investment of RMB 300 million will be financed by the District Finance. As at June 30th, 2021, Get Venture Capital had contributed RMB 300 million. Guangdong Qianrun is a general partner and executes partnership matters with a 0.2% contribution. GET Qianrun is actually as an investment in Baidu Venture fund Phase II, according to the partnership agreement, its exit purchase price is arranged in accordance with the "principal + interest rate of bank loan for the same period". The general partner shall be entitled to or bear the compensation responsibility for 51% of the difference between the expected earnings and the target earnings (principal + interest income calculated by interest rate of bank loan for the same period) . Get Venture Capital has a high level of principal security and agreed returns, with the remaining returns and risks fully attributable to the general partner. Accordingly, Get Venture Capital does not have control and significant influence over GET Qianrun.

4.Treatment of inconsistent parent-subsidiary accounting periods: None.

5.Changes in the scope of consolidation during this current period

(1) Business combinations under non-identical control that occurred during current period:

On June 30th,2021, Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd. purchased 52.50% equity of Guangzhou Yuekai Investment Co., Ltd. payment of consideration amount at RMB 262,500,000, with the shares held up to 100% while 47.50% held before purchase this time.

(2)Business combinations under the common control that occurred during current period: None.

(3)Reverse purchases incurred during current period. : None.

(4)Disposal on subsidiary: None.

(5)Change in scope of consolidation for other reasons:

1)Guangzhou Hengyun Enterprises Holding Ltd. established Shantou Jingxu New Energy Co., Ltd. with contribution proportion of 75%, in January 2021, yet the injection has not been in place as at June 30th,2021.

2)Guangzhou Hengyun Enterprises Holding Ltd. established Shantou Guangyao New Energy Co., Ltd. with contribution proportion of 75%, in January 2021, yet the injection has not been in place as at June 30th,2021.

3)Guangzhou Hengyun Enterprises Holding Ltd. established Guangzhou GaoKai Hospital Management Co., Ltd. with contribution proportion of 100%, in June 2021, yet the injection has not been in place as at June 30th,2021.

4) The Group, together with Huadian Jintai (Beijing) Investment Fund Management Co., Ltd., established Guangkai Desheng (Tianjin) Investment Partnership (Limited Partnership), with 20% shares of its equity held by The Group's secondary subsidiary, Guangzhou GET Asset Operation Co., Ltd. performing as common partner. Since establishment of Guangkai Desheng (Tianjin) Investment Partnership (Limited Partnership), it has been included in Group's business combination under the same control.

6. Information about structured entities included in the scope of the consolidated financial statements

In the case of products of which The Group is an investor or manager, The Group has the contractual right to manage the product or asset management plan, and because of its participation in related activities with variable returns and its ability to influence the amount of returns by using the above-mentioned contractual right, the related product or asset management plan is included in the scope of consolidation. The structured elements included in the scope of consolidation during current period are as follows:

Name	Current period-end book value
Efund Asset Preferred Exclusive Multi-Strategy No. 1 FOF Single Asset Management Plan	508,394,220.31
CICC Wealth Private 501 FOF Single Asset Management Plan	523,891,635.83
Yuekai Securities Jinsheng An Ying Single Asset Management Plan	1,019,075,711.38
Qianhai Kaiyuan Yuanfeng GET Single Asset Management Plan	150,944,729.56
CICC Wealth Private 2566 FOF Single Asset Management Plan	510,524,111.07
Haitong Futures Tonghe Gongying FOF 24th phase Single Asset Management Plan	511,178,674.57
Haitong Futures-Tonghe Gongying FOF 26th phase Single Asset Management Plan	106,109,328.97
Industrial Rongyuan-Guangzhou Development District patent-licensing assets support special plan	194,385,693.38
Yuekai-Guangzhou Development District Financial Holdings-Biological medicine patent licensing asset support special plan (phase 1)	172,049,736.88

7.Changes in share of ownership interest in subsidiaries: None.

VIII. Notes to key items of the consolidated financial statement

As for the financial statement data disclosed below, unless otherwise noted indicated, "Opening" refers to January 1st, 2021, "Closing" refers to June 30th, 2021, "current period" refers to the date from January 1st, 2021 to June 30th, 2021, and "previous period" refers to January 1st, 2020 to June 30th, 2020. Unless otherwise Indicated, Renminbi (RMB) is the functional currency, unit: Yuan.

1. Cash and cash equivalents

(1) Balance of cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand	108,260.96	129,758.13
Bank deposits	19,949,716,246.11	16,987,263,127.87
Other cash and cash equivalents	4,005,729,016.40	3,602,717,673.74
Total	23,955,553,523.47	20,190,110,559.74
Including: Total amount deposited abroad	35,527,101.88	35,779,355.05

(2) Details of restricted cash and cash equivalents

Item	Closing balance	Opening balance
Guarantee	61,223,370.08	113,629,231.00
Time deposits or call deposits for security purposes	66,300,000.00	66,300,000.00
Investment supervision funds	1,819,084.10	1,804,310.12
Trusted to manage the risk compensation pool funds	20,320,009.26	20168497.2
Litigation freeze	173,403,922.49	186,821,184.03
Money placed outside the country and the repatriation of funds is restricted	2,597,310.23	5,986,285.97
Total	325,663,696.16	394,709,508.32

2. Settlement reserves

(1) Listed by category

Item	Closing balance	Opening balance
Customer provisions	533,907,464.44	595,617,156.39
Corporate provisions	107,024,518.01	102,294,478.43
Total	640,931,982.45	697,911,634.82

(2) By currency

Item	Closing balance			Opening balance		
	Original currency	Exchange rate	Equivalent to RMB	Original currency	Exchange rate	Equivalent to RMB
General provision for customers:						
Including: RMB	107,024,518.01	1	107,024,518.01	102,294,478.43	1	102,294,478.43
Customer credit allowance:						
Including: RMB						
Company's own provision funds:						
Including: RMB	533,907,464.44	1	533,907,464.44	507,270,810.59	1	507,270,810.59
Corporate Credit Provision:						
Including: RMB				88,346,345.80	1	88,346,345.80
Total			640,931,982.45			697,911,634.82

3. Trading financial assets

Item	Fair value at current period end	Fair value at beginning of current period
Financial assets classified as at fair value through profit or loss	2,726,591,579.20	2,281,396,526.25
Including: Debt instrument investment	1,502,740,234.59	1,282,590,462.20
Equity instrument investment	1,223,851,344.61	998,806,064.05

Others		
Financial assets designated as at fair value through profit or loss	6,288,052,332.21	3,974,406,277.83
Including: Debt instrument investment		
Mixing instrument investment	147,805,095.93	
Others	6,140,247,236.28	3,974,406,277.83
Total	9,014,643,911.41	6,255,802,804.08

4. Derivative financial assets

Item	Closing balance	Opening balance
Income Swap Products XPEV Program	102,918,056.88	97,069,615.32
CSI 300 Index Options	0.00	3,900.00
Total	102,918,056.88	97,073,515.32

5. Notes receivable

(1) Classification of notes receivable

Item	Closing balance	Opening balance
Bank acceptance bills	13,505,273.86	4,379,823.32
Commercial acceptance bills	7,865,320.76	7,028,035.52
Total	21,370,594.62	11,407,858.84

(2) Notes receivable endorsed or discounted as at current period end and not yet expired as at the balance sheet date

Item	Closing Confirmation Amount	Opening Confirmation Amount
Bank acceptance bills	15,211,798.91	
Commercial acceptance bills		
Total	15,211,798.91	

6. Accounts receivable

Categories	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant and with provision for bad debt made on an individual basis	656,044,768.44	41.55	165,031,255.58	25.16
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	918,228,445.58	58.15	52,745,980.61	5.74
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	4,685,864.05	0.30	4,685,864.05	100.00
Total	1,578,959,078.07	100	222,463,100.24	14.09

(Continued)

Categories	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant and with provision for bad debt made on an individual basis	388,369,558.80	26.17	168,179,084.04	43.30
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	1,094,937,674.41	73.80	49,661,649.90	4.54
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	448,555.29	0.03	448,555.29	100.00
Total	1,483,755,788.50	100	218,289,289.23	14.71

(1) Accounts receivable that are individually significant and with provision for bad debt made on an individual basis as at current period end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Asset Management Plan	500,279,513.77	45,229,897.03	1-2years	9.04	Partially Not expected to be recovered
Sinopharm (Guangzhou) Medical Equipment Co., Ltd.	75,759,400.84	54,875,474.90	within 1 year, 1-2years,2-3years	72.43	Different Credit risk characteristics
Beijing Jiuzhou Tong Pharmaceutical Co., Ltd.	31,455,061.77	29,797,370.64	within 1 year, 2-3years,3-4years	94.73	Different Credit risk characteristics
Beijing Jiuzhou TONG Medical Equipment Co., Ltd.	15,887,530.80	4,570,429.22	2-3years	28.77	Different Credit risk characteristics
Henan Ruijing Medical Equipment Sales Co., Ltd.	10,780,075.14	10,780,075.14	4-5year, above 5 years	100	Not expected to be recovered
Shenyang Woya Biotechnology Co., Ltd.	4,966,141.83	4,966,141.83	above 5 years	100	Not expected to be recovered
Li Qingjun	3,285,358.20	3,285,358.20	2-3years	100	Not expected to be recovered
Guangzhou Boao Zongheng Network Technology Co., Ltd.	3,198,006.13	3,198,006.13	within 1 year, 1-2years	100	Not expected to be recovered
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd	2,131,013.79	1,065,506.90	2-3years	50	expected to be recovered50%
Guangzhou Hongqi Optical Instrument Technology Co., Ltd.	1,543,014.43	771,507.22	within 2 years	50	expected to be recovered50%
Guangdong Yujia Huakun Technology Development Co., Ltd.	1,517,511.00	1,517,511.00	within 1 year	100	Not expected to be recovered
Guangzhou Jinjian Medical Equipment Co., Ltd.	1,426,455.92	1,426,455.92	2-3years	100	Not expected to be recovered
Gansu Haibosen Biotechnology Co., Ltd.	1,371,570.46	1,371,570.46	1-2years,2-3years, 3-4years,4-5year, above 5 years	100	Not expected to be recovered
Guangzhou Sanjia Medical Information Industry Co., Ltd.	1,340,826.86	1,072,661.49	within 2 years	80	expected to be recovered20%
Guangzhou Zhishanggu Technology Development Co., Ltd.	1,103,287.50	1,103,287.50	within 1 year, 1-2years	100	Not expected to be recovered
Total	656,044,768.44	165,031,255.58		25.16	

(2) Accounts receivable subject to provision for bad debt on credit risk characteristics basis

1) Accounts receivable with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	489,325,964.30	85.32	11,331,122.68	658,733,770.08	89.05	12,525,121.76

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
1-2 years	24,555,214.83	4.28	2,455,521.49	24,895,816.21	3.37	2,489,580.62
2-3 years	12,620,703.61	2.20	3,727,458.09	19,769,760.70	2.67	5,930,928.22
3-4 years	20,724,745.70	3.61	5,951,987.32	15,204,788.53	2.06	7,602,394.28
4-5 years	5,178,464.19	0.90	4,142,771.35	165,744.34	0.02	132,595.47
More than 5 years	21,137,119.68	3.69	21,137,119.68	20,981,029.56	2.83	20,981,029.56
Total	573,542,212.31	100.00	52,745,980.61	734,750,909.42	100.00	49,661,649.91

2) Accounts receivable with the provision for bad debt made under other combination methods

In the combination, accounts receivable for which there is conclusive evidence of recoverability without provision for bad debt:

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Bad debt provision	Book balance	Accrual ratio (%)	Bad debt provision
Combination 2	344,686,233.27			355,186,764.99		
Total	344,686,233.27			355,186,764.99		

(3) Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis as at current period end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Chengdu Xingrongzhe Technology Co., Ltd.	854,177.78	854,177.78	More than 5 years	100.00	Not expected to be recovered
Guangdong Leyuan Digital Technology Co., Ltd.	623,400.69	623,400.69	within 2 years	100.00	Not expected to be recovered
Baotou Central Hospital	538,216.00	538,216.00	More than 5 years	100.00	Not expected to be recovered
Sichuan Zongheng Biotechnology Co., Ltd.	368,665.16	368,665.16	2-3 years, 3-4 years, 4-5 years, More than 5 years	100.00	Not expected to be recovered
Beijing Leadman Biochemical Co., Ltd. Jinan Branch	355,999.98	355,999.98	More than 5 years	100.00	Not expected to be recovered
Xinjiang Aiwei Medical Equipment Co., Ltd.	320,000.00	320,000.00	More than 5 years	100.00	Not expected to be recovered
Beijing Ruiertianbo Technology Co., Ltd.	300,000.00	300,000.00	More than 5 years	100.00	Not expected to be recovered
Shijiazhuang Dell Medical Equipment Co., Ltd.	300,000.00	300,000.00	4-5 years, More than 5 years	100.00	Not expected to be recovered
Guangzhou Kumanju Intelligent Home Technology Co., Ltd.	157,284.00	157,284.00	1-2 years	100.00	Not expected to be recovered
Xi'an Linjian Diagnostic Reagent Co., Ltd.	151,151.86	151,151.86	3-4 years, More than 5 years	100.00	Not expected to be recovered
Henan Yihedanbi Science and Technology Co., Ltd.	103,590.00	103,590.00	More than 5 years	100.00	Not expected to be recovered
Ningxia Zhongxing Medical Technology Co., Ltd.	100,000.00	100,000.00	More than 5 years	100.00	Not expected to be recovered
Urumqi Xintuokang Medical Equipment Co., Ltd.	100,000.00	100,000.00	More than 5 years	100.00	Not expected to be recovered
Guangzhou Dalong Data Resources Co., Ltd.	95,404.00	95,404.00	2-3 years	100.00	Not expected to be recovered
Guangdong Tuskai Catering Management	70,000.00	70,000.00	More than 5	100.00	Not expected to

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Co., Ltd			years		be recovered
Guangzhou Wanwei Dishi Digital Technology Co., Ltd.	67,911.29	67,911.29	1-2 years	100.00	Not expected to be recovered
Guangzhou Kumanju Animation Technology Co., Ltd.	57,956.00	57,956.00	1-2 years	100.00	Not expected to be recovered
Shengluijia Maternity Specialist Hospital Co., Ltd.	40,164.00	40,164.00	4-5 years	100.00	Not expected to be recovered
Huhehaote Jiuhua Outpatient Clinic Co., Ltd.	38,172.44	38,172.44	More than 5 years	100.00	Not expected to be recovered
Ziyang Jianshunwang Medical Examination Hospital Co., Ltd.	19,007.85	19,007.85	More than 5 years	100.00	Not expected to be recovered
Kashgar Longtai International Trade Co., Ltd.	13,554.80	13,554.80	More than 5 years	100.00	Not expected to be recovered
Chuzhou Runyang Trading Co., Ltd.	11,208.20	11,208.20	More than 5 years	100.00	Not expected to be recovered
Total	4,685,864.05	4,685,864.05		100	

(4) Provision for bad debt recovered or reversed

Categories	Opening balance	Changes during current reporting period				Closing balance
		Accrual	recovered or reversed	Write-off	Others	
Provision for bad debt of accounts receivable	218,289,289.23	5,411,815.77	1,238,004.76			222,463,100.24

(5) Accounts receivable actually written off during the current period

None.

(6) The top five accounts receivables collected by debtors

Debtor	Book balance	Ratio to total accounts receivable (%)	Bad debt provision
Guangdong Power Grid Co., Ltd.	209,467,646.71	13.27	
Sinopharm (Guangzhou) Medical Equipment Co., Ltd.	75,759,400.84	4.80	54,875,476.90
Guangzhou Ivkong Real Estate Co., Ltd.	60,000,000.00	3.80	
Guangzhou Hanyuan New Material Co., Ltd.	47,623,817.31	3.02	
Beijing Jiuzhou Tong Pharmaceutical Co., Ltd.	31,455,061.77	1.99	29,797,370.64
Total	424,305,926.63	26.88	84,672,847.54

7. Receivables financing

Item	Closing balance	Opening balance
Notes receivable	1,800,536.31	3,000,000.00
Total	1,800,536.31	3,000,000.00

8. Prepayments

(1) Aging of prepayments

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	203,171,101.31	96.57		116,697,496.38	98.35	
1-2 years	6,783,119.07	3.22		1,531,347.87	1.29	

2-3 years	291,163.53	0.14		337,106.29	0.29	
More than 3 years	140,696.29	0.07		88,346.29	0.07	
Total	210,386,080.20	100.00		118,654,295.83	100.00	

(2) Prepayments with the top five closing balances by debtor

Debtor	Book balance	Ratio to total prepayments (%)	Bad debt provision
Guangdong China coal import and Export Co., Ltd	37,112,310.00	17.64	
Shanghai zhaogangwang Information Technology Co., Ltd	25,306,422.12	12.03	
Shanghai Gangyin E-commerce Holdings Co.,ltd.	15,531,566.50	7.38	
Guangzhou Xianfu Supply Chain Management Co., Ltd	12,579,123.89	5.98	
Haode (Tianjin) Supply Chain Management Co., Ltd.	9,393,532.00	4.46	
Total	99,922,954.51	47.49	

9. Other receivables

Item	Closing balance	Opening balance
Interest receivable	201,820,974.47	158,910,940.34
Dividends receivable	81,946,809.50	23,200,000.00
Other receivables	8,795,054,103.06	8,317,178,549.85
Total	9,078,821,887.03	8,499,289,490.19

(1) Interest receivable

Classification of interest receivable

Item	Closing balance	Opening balance
Finance lease business	17,124,353.13	20,493,592.45
Related fund borrowing	156,268,933.55	115,509,969.58
Interest receivable on perpetual debts		
Others	28,427,687.79	22,907,378.31
Total	201,820,974.47	158,910,940.34

(2) Dividends receivable

Item	Closing balance	Opening balance	Reason for not recovery	Whether impairment has occurred
Dividends receivable aged within 1 year				
Including:Guangzhou Financial Assets Trading Center Co., Ltd.	1,500,000.00		To be allocated after audit	No
Guangzhou Yuexiu Financial Holding Group Co., Ltd.	80,446,809.50		To be allocated after audit	No
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)		23,200,000.00	To be allocated after audit	No
Total	81,946,809.50	23,200,000.00		

(3) Other receivables

Categories	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)

Categories	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant and with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	8,798,895,144.29	99.98	3,841,041.23	0.04
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis	1,812,026.18	0.02	1,812,026.18	100
Total	8,800,707,170.47	100	5,653,067.41	0.06

(Continued)

Categories	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant and with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	8,319,349,907.43	99.96	3,831,254.18	0.05
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis	3,559,285.76	0.04	1,899,389.16	53.36
Total	8,322,909,193.19	100	5,730,643.34	0.07

1)Other receivables that are individually significant and with provision for bad debt made on an individual basis as at current period end

None.

2) Other receivables subject to provision for bad debt on credit risk characteristics basis

a. Other receivables with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	168,017,743.97	93.78	467,924.62	65,301,872.53	88.00	459,378.63
1-2 years	7,699,661.84	4.30	768,841.18	4,714,578.83	6.35	471,367.89
2-3 years	229,542.93	0.13	68,592.88	1,297,979.30	1.75	389,393.79
3-4 years	1,267,766.28	0.71	633,883.15	716,354.29	0.97	358,177.14
4-5 years	204,528.40	0.11	163,622.72	114,764.52	0.15	89,183.41
More than 5 years	1,738,176.68	0.97	1,738,176.68	2,063,753.32	2.78	2,063,753.32
Total	179,157,420.10	100.00	3,831,254.18	74,209,302.79	100.00	3,831,254.18

b. Other receivables with the provision for bad debt made under other combination methods

In the combination, other receivables for which there is conclusive evidence of recoverability without provision for bad debt:

Combination	Closing balance	Opening balance

name	Book balance	Accrual ratio (%)	Bad debt provision	Book balance	Accrual ratio (%)	Bad debt provision
Combination 2	8,619,737,724.19			8,245,140,604.64		
Total	8,619,737,724.19	—		8,245,140,604.64		

3) Other receivables that are individually insignificant but with provision for bad debt made on an individual basis at current period end

Debtor	Book balance	Bad debt provision	Accrual ratio (%)	Accrual reason
China Construction Third Bureau Second Construction Engineering Co., Ltd.	66,026.18	66,026.18	100.00	Long aging with considerable risks not to be recovered
Jiangxi Huadian Electrical Power Co., Ltd.	1,746,000.00	1,746,000.00	100.00	Not expected to be recovered
Total	1,812,026.18	1,812,026.18		

4) Provision for bad debt recovered or reversed

None.

5) Other receivables actually written off during the current period:

None.

6) The top five other receivables collected by debtors

Debtor	Nature of payment	Book balance	Ratio to total other receivables (%)	Bad debt provision
Guangzhou Development District Industrial Fund Investment Group Co., Ltd.	External unit borrowing	3,168,736,675.27	36.01	
Guangzhou Knowledge City Investment Holding Co., Ltd.	External unit borrowing	1,428,385,415.00	16.23	
CITIC Construction Investment Securities Co., Ltd.	External unit borrowing	1,100,494,447.28	12.50	
Guangzhou Ivlong Real Estate Development Co., Ltd.	Borrowings from related parties	722,489,071.46	8.21	
Guangzhou Ivkong Real Estate Co., Ltd.	External unit borrowing	525,947,916.67	5.98	
Total	—	6,946,053,525.68	78.93	

7) Other receivables derecognized from transfer of financial assets

None.

8) The amount of other receivables transfers, such as securitization, factoring, etc., that continue to be involved in the formation of assets and liabilities

None.

9) Receivables involving government grants

Debtor	Subject of government subsidy project	Openning balance	Aging in current period end	Expected time of collection, amount and basis
Huangpu District Development and Reform Bureau, Guangzhou	Natural gas subsidies	1,479,200.10	within 1 year	Guangzhou Huangpu District Development and Reform Bureau's Reply to document handling situation (Suikaineishou[2019]No.13

10. Buyback of the financial assets sold

(1) By type of transaction

Item	Closing balance	Opening balance
Equity Pledged Repo	266,572,726.76	569,085,032.05
Pledged Reverse Repo	201,631,000.00	125,328,539.62
Peer-to-peer bond aggregation trading business		
Less: Impairment provision	49,368,973.74	81,274,579.19
Total	418,834,753.02	613,138,992.48

(2) Details—By type of financial assets

Item	Closing balance	Opening balance
Stock	266,572,726.76	569,085,032.05
Bonds	201,631,000.00	125,328,539.62
Including: National Debt	201,631,000.00	125,328,539.62
Corporate Bonds		
Financial Bonds		
Less: Impairment provision	49,368,973.74	81,274,579.19
Total	418,834,753.02	613,138,992.48

(3) Pledge repo financing

Remaining term	Closing balance	Opening balance
Within 1 month	318,733,246.79	366,525,617.50
1-3 months	99,964,000.00	102,088,902.00
3months - 1 year	49,506,479.97	225,799,052.17
More than 1 year		
Total	468,203,726.76	694,413,571.67

(4) Collateral

Item	Fair value at current period end	Fair value at beginning of current period
Collateral	645,802,253.32	2,907,098,963.32
Including: Collateral that can be sold or rehypothecated		
Including: Collateral that has been sold or rehypothecated		

(5) As to reverse repurchase of bonds operated through Stock exchange, automatically brokered with whose collateral value ensured enough, there's no way acquiring the information of the collateral from counterparty, and thereby above mentioned collected collateral's fair value does not contain that of the reverse repurchase of bonds operated through Stock exchange. At the end of current reporting period, the reverse repurchase of bonds operated through Stock exchange is rmb 201,631,000 while at the beginning of the period, 'It was rmb 80,205,000.

11. Inventories

(1) Classification of inventories

Item	Closing balance		
	Book balance	Impairment provision	Book value
Raw Materials	227,570,726.51	28,316.81	227,542,409.70
Self-made semi-finished goods and in-process products	10,742,693.11	16,084.29	10,726,608.82
Inventory goods (finished goods)	60,929,750.91	528,917.47	60,400,833.44

Item	Closing balance		
	Book balance	Impairment provision	Book value
Working capital materials (packaging, low-value consumables, etc.)	2,366,691.93	40,569.96	2,326,121.97
Development of products	177,727,587.04		177,727,587.04
Development Costs	6,834,656,119.86		6,834,656,119.86
Contract performance costs	8,124,258.84		8,124,258.84
Total	7,322,117,828.20	613,888.53	7,321,503,939.67

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Raw Materials	117,666,916.00	722,459.87	116,944,456.13
Self-made semi-finished goods and in-process products	9,875,361.78	89,887.78	9,785,474.00
Inventory goods (finished goods)	51,963,492.52	764,821.88	51,198,670.64
Working capital materials (packaging, low-value consumables, etc.)	2,360,610.60		2,360,610.60
Development of products	225,019,875.98		225,019,875.98
Development Costs	6,223,044,065.03		6,223,044,065.03
Contract performance costs	4,028,832.80		4,028,832.80
Total	6,633,959,154.71	1,577,169.53	6,632,381,985.18

12. Contract assets

Item	Book balance	Opening balance
Lianxun Cash Benefit Pooled Asset Management Plan	3,600,590.39	3,600,590.39
Total	3,600,590.39	3,600,590.39

13. Held-for-sale assets

Item	Book balance	Opening balance
Properties for sale		92,576,700.00
Total		92,576,700.00

14. Non-current assets due within 1 year

Item	Closing balance	Opening balance
Long-term receivables due within one year	734,315,661.28	689,254,234.59
Total	734,315,661.28	689,254,234.59

15. Other current assets

Item	Closing balance	Opening balance
Financing	4,373,272,733.98	3,829,546,641.78
Refundable deposits	99,920,989.31	102,158,563.96
Net entrusted loans	63,125,136.10	41,000,000.00
Tax credits to be deducted, input tax to be certified and tax credits to be retained	443,652,588.09	321,555,120.39
Prepaid taxes and surcharges	856,652.59	1,574,930.03
Prepaid corporate income tax	11,393,782.34	4,596,963.95
Costs to be amortized	16,199,890.99	17,237,931.50
Financial Products	598,968,719.36	140,304,613.15

Item	Closing balance	Opening balance
Others	928,677.22	2,403,388.39
Acquisition Cost of contract (New Standards)		997,558.28
Cost of return receivables(New Standards)	150,491.27	150,491.27
Pledged Reverse Repo		120,003,000.01
Total	5,608,469,661.25	4,581,529,202.71

(1) Financing

1) Details— By categories

Item	Closing balance	Opening balance
Financing of Margin Trading	4,384,228,740.75	3,835,415,289.46
Less: Impairment provision	10,956,006.77	5,868,647.68
Total	4,373,272,733.98	3,829,546,641.78

2) Collateral provided by customers to The Group for financing and financing business

Item	Closing balance	Opening balance
Domestic		
Including: Individual	4,203,864,301.44	3,585,430,149.06
Institution	88,090,317.21	164,041,682.88
加: Interests receivables	92,274,122.10	85,943,457.52
Less: Impairment provision	10,956,006.77	5,868,647.68
Total	4,373,272,733.98	3,829,546,641.78

16. Debt instrument

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
CICC Wealth Securities				23,800,000.00		23,800,000.00
YueKai fixed income receipts				24,140,000.00		24,140,000.00
Total				47,940,000.00		47,940,000.00

17. Other debt instruments

Item	Closing balance				
	Initial cost	Interest	Change in fair value	Book value	Accumulated impairment provision
Medium-term notes	1,955,000,000.00	47,964,342.40	-6,944,742.40	1,996,019,600.00	1,624,412.48
Financial debts	470,000,000.00	9,854,666.11	1,209,443.89	481,064,110.00	96,055.94
Corporate debts	1,111,999,000.00	13,960,559.28	4,099,092.97	1,130,058,652.25	655,417.95
Ultra short-term financing notes	100,000,000.00	2,134,244.25	-41,179,244.25	60,955,000.00	41,231,966.86
Enterprise debts	690,000,000.00	12,021,522.57	5,674,867.43	707,696,390.00	638,036.53
Private placement note	260,000,000.00	6,848,859.42	3,263,400.58	270,112,260.00	238,008.36
Total	4,586,999,000.00	91,884,194.03	-32,977,181.78	4,645,906,012.25	44,483,898.12

(Continued)

Item	Opening balance

	Initial cost	Interest	Change in fair value	Book value	Accumulated impairment provision
Medium-term notes	1,495,000,000.00	57,709,826.66	-1,624,351.66	1,551,085,475.00	1,475,665.23
Financial debts	470,000,000.00	8,739,522.79	62,227.21	478,801,750.00	97,256.87
Corporate debts	335,000,000.00	12,117,899.55	-760,579.55	346,351,320.00	287,717.09
Ultra short-term financing notes	300,000,000.00	8,435,637.98	-42,069,487.98	266,366,150.00	41,305,708.03
Enterprise debts	230,000,000.00	-1,522,001.71	4,879,431.71	233,357,430.00	338,111.54
Private placement note	150,000,000.00	5,056,283.64	884,506.36	155,940,790.00	162,669.10
Interbank certificate of deposit	48,076,900.00	1,570,100.00	65,150.00	49,712,150.00	13,865.09
Total	3,028,076,900.00	92,107,268.91	-38,569,103.91	3,081,615,065.00	43,680,992.95

18. Long-term receivables

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Financing lease funds	663,847,430.02		663,847,430.02	899,957,501.01		899,957,501.01
Including: unrealized financing income	67,542,428.67		67,542,428.67	128,390,262.62		128,390,262.62
Long-term intercourse funds	1,363,983,581.70		1,363,983,581.70	1,274,829,911.27		1,274,829,911.27
Total	2,095,373,440.39		2,095,373,440.39	2,303,177,674.90		2,303,177,674.90

19. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Investment in joint ventures	409,192,472.47	-424,904.93	394,306,593.38	14,460,974.16
Investment in associates	11,866,812,338.59	303,862,221.26	325,891,708.69	11,844,782,851.16
Subtotal	12,276,004,811.06	303,437,316.33	720,198,302.07	11,859,243,825.32
Less: Provision for impairment of long-term equity investments	1,000,000.00			1,000,000.00
Total	12,275,004,811.06	303,437,316.33	720,198,302.07	11,858,243,825.32

(2)Details of long-term equity investments

Investee	Opening balance	Change in the current period								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
I. Joint ventures	409,192,472.47		185,277,855.91	-424,904.93					209,028,737.47	14,460,974.16	
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	394,306,593.38		185,277,855.91						-209,028,737.47		
Guangdong Zhongheng Petrochemical Energy Development Co., Ltd.	14,885,879.09			-424,904.93						14,460,974.16	
II. Associates	11,866,812,338.59	77,500,000.00	231,915,982.45	32,256,063.61	-14,922,579.82	-4,151,193.33	89,824,532.91		209,028,737.47	11,844,787,851.16	1,000,000.00
Guangzhou GET Innovative Venture Capital Fund Management Co., Ltd.	-214,211.97			-538,196.76						-752,408.73	
Yingsheng Zhichuang Technology (Guangzhou) Co., Ltd.	0.00										
Guangzhou Yimi GET Equity Investment Management Partnership (Limited Partnership)	552,696.32			-12,893.78						539,802.54	
Guangzhou Detong GET Investment Management Co., Ltd.	630,995.73			-28,709.10						602,286.63	

Investee	Opening balance	Change in the current period								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Haohan Technology Co., Ltd.	949,916.53									949,916.53	
Guangzhou Hailing Construction Machinery Leasing Co., Ltd.	1,000,000.00									1,000,000.00	1,000,000.00
Guangzhou GET Venture Capital Management Co., Ltd.	1,396,110.14			-65,549.76						1,330,560.38	
Zeda Credit Service (Guangzhou) Co., Ltd.	4,004,593.52			-126,981.72						3,877,611.80	
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	4,182,766.57			27,426.12						4,210,192.69	
Guangzhou Liding GET Fund Management Co., Ltd.	4,697,006.63			734,071.05						5,431,077.68	
Guangzhou Keith Fund Management Co., Ltd.	5,384,094.59			27,590.93						5,411,685.52	
Yimeitu Digital Image Co., Ltd.	11,891,395.82									11,891,395.82	
Guangzhou Xiongliao Hydrogen Technology Co., Ltd.	17,436,579.74			-1,032,973.68						16,403,606.06	
China Association for Science and Technology Guangzhou Science	19,090,995.07			1,302,179.84						20,393,174.91	

Investee	Opening balance	Change in the current period								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
and Technology Park Joint Development Co., Ltd.											
Hantou GET (Guangzhou) Equity Investment Management Partnership (Limited Partnership)	19,992,879.56			-4,225.20						19,988,654.36	
Guangzhou Financial Assets Trading Center Co., Ltd.	22,707,339.16			641,560.62			1,500,000.00			21,848,899.78	
Guangzhou GET JiapengNo. 1 Equity Investment Partnership (Limited Partnership)	30,118,338.28			-55,610.52						30,062,727.76	
Guangzhou Kailuo Equity Investment Partnership (Limited Partnership)	38,332,656.24			-2,502.31						38,330,153.93	
Guangzhou Chengtou GET Capital Management Co., Ltd.	49,524,049.79			988,606.43						50,512,656.22	
Guangzhou Detong GET Venture Capital Limited Partnership	57,453,819.81			1,177,915.92						58,631,735.73	
Guangdong Equity Trading Center Co., Ltd.	65,052,532.24			-889,637.86						64,162,894.38	
Guangzhou Liding GET Venture Capital Limited Partnership	82,525,730.13			-5,797.47						82,519,932.66	

Investee	Opening balance	Change in the current period								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Guangzhou GET Small Loan Co., Ltd.	104,557,817.67			5,285,916.20			7,877,723.41			101,966,010.46	
SuigangZhizao (Guangzhou) Investment Co., Ltd.	104,795,381.19			-129,742.30						104,665,638.89	
Suigang Technology Investment (Guangzhou) Co., Ltd.	104,913,841.96			-948,820.24						103,965,021.72	
Guangzhou GET Phase I Biomedical Industry Investment Fund Partnership (Limited Partnership)	119,167,754.20			-555,237.09						118,612,517.11	
Guangdong National GET Technology Venture Capital Enterprise (limited Partnership)	144,824,136.16			-565,669.20						144,258,466.96	
Guangzhou Development District Hydrogen City Growth Industry Investment Fund Partnership (Limited Partnership)	150,868,323.02			485,989.02						151,354,312.04	
Jingde (Guangzhou) Equity Investment Partnership (Limited Partnership)	220,605,225.15			279,342.47						220,884,567.62	
Guangzhou Broadband Backbone Network Co., Ltd.	232,991,372.87			-2,139,770.50						230,851,602.37	

Investee	Opening balance	Change in the current period								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Guangzhou Yuekai Investment Co., Ltd.	233,232,428.39		231,915,982.45	-1,316,445.94							
Guangdong Power Grid Energy Development Co., Ltd.	276,082,204.55			7,368,182.01		1,901,002.21				285,351,488.77	
Guangzhou Mkong Real Estate Co., Ltd.	533,914,796.66			-539,167.47						533,375,629.19	
Zhongcheng Automobile Insurance Co., Ltd.	931,208,639.22			11,796,481.79	-4,541,684.31					938,458,436.70	
Guangzhou Yuexiu Financial Holding Group Co., Ltd.	3,375,223,302.64			145,750,002.09	-10,380,895.51	-6,052,195.54	80,446,809.50			3,424,093,404.18	
LG Display Optical Electronic Technology (China) Co., Ltd.	4,897,721,831.01			-134,500,563.54						4,763,221,267.47	
Guangzhou GET New Energy Private Equity Fund Management Co. LTD		2,500,000.00								2,500,000.00	
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.				-81,944.07					209,028,737.47	208,946,793.40	
Guangdong Southern Industrial Investment Fund (Limited Partnership)		1,000,000.00		-29,400.59						970,599.41	
Guangdong Kaiao Ventura Capital Partnership (Limited		35,000,000.00		-39,461.78						34,960,538.22	

Investee	Opening balance	Change in the current period								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Partnership)											
Guangzhou Yuekai Smart Industry Equity Investment Partnership (Limited partnership)		10,000,000.00								10,000,000.00	
Knowledge City Zhiguang Hengyun (Guangzhou) Integrated Energy Investment and Operation Co., Ltd.		25,000,000.00								25,000,000.00	
Guangzhou Integrated Energy Co., Ltd		4,000,000.00								4,000,000.00	
Total	12,276,004,811.06	77,500,000.00	417,193,838.36	31,831,158.68	-14,922,579.82	-4,151,193.33	89,824,532.91			11,859,243,825.32	1,000,000.00

20. Other equity instrument investments

(1) Details of other equity instruments

Item	Closing balance		
	Initial cost	Fair value	Dividend income recognized in the current period
Guangzhou Development District Water Purification Plant	26,488,688.45	26,488,688.45	
Guangzhou Development Zone Water Supply Management Center	62,098,679.98	62,098,679.98	
Guangzhou Development District Staff Service Center	9,320,000.00	9,320,000.00	
Guangzhou Yuanshengde Municipal Service Co., Ltd.	400,000,000.00	400,000,000.00	
China Securities Inter Agency Quotation System Co., Ltd.	32,141,137.63	32,141,137.63	
Zhengtong Co., Ltd.	11,524,168.08	11,524,168.08	
Guangzhou Chengxing Communication Technology Co., Ltd.	12,000,000.00	12,000,000.00	
Guangzhou Silok polymer Co. Ltd.	15,000,000.00	15,000,000.00	
Guangdong Neofarmer Agricultural Polytron Technologies Co.,Ltd.	4,999,999.20	4,999,999.20	
Huangpu Shiying Kechuang Equity Investment Partnership (Limited Partnership)	60,000,000.00	60,000,000.00	
Guangzhou Hongsheng Venture Capital Partnership (Limited Partnership)	20,000,000.00	20,000,000.00	
Guangzhou Yongnuo Biotechnology Co., Ltd.	19,500,000.00	19,500,000.00	
Hongtu Junsheng (Guangdong) Venture Capital Partnership (Limited Partnership)	30,000,000.00	30,000,000.00	
Guangzhou Flower City Growing Venture Capital Partnership (Limited Partnership)	10,000,000.00	10,000,000.00	
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)	74,745,000.00	74,745,000.00	
Guangzhou Yilin Biological Industry Venture Capital Management Co., Ltd.	225,000.00	225,000.00	
Yichun Rural Commercial Bank Co., Ltd.	94,856,122.21	94,856,122.21	
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center	214,361,838.68	214,361,838.68	
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	400,000,000.00	400,000,000.00	
Guangzhou Development Zone Hengkai Xinxing Equity Investment Partnership (Limited Partnership)	209,181,637.12	209,181,637.12	
Total	1,706,442,271.35	1,706,442,271.35	

(Continued)

Item	Opening balance		
	Initial cost	Fair value	Dividend income recognized in the current period
Guangzhou Development District Water Purification Plant	26,488,688.45	26,488,688.45	
Guangzhou Development Zone Water Supply Management Center	62,098,679.98	62,098,679.98	
Guangzhou Development District Staff Service Center	9,320,000.00	9,320,000.00	
Guangzhou Yuanshengde Municipal Service Co., Ltd.	400,000,000.00	400,000,000.00	
China Securities Inter Agency Quotation System Co., Ltd.	32,141,137.63	32,141,137.63	
Zhengtong Co., Ltd.	11,524,168.08	11,524,168.08	
Guangzhou Chengxing Communication Technology Co., Ltd.	12,000,000.00	12,000,000.00	

Item	Opening balance		
	Initial cost	Fair value	Dividend income recognized in the current period
Guangzhou Constant Force Detection Co.,Ltd.	9,999,999.68	9,999,999.68	
Guangzhou Silok polymer Co. Ltd.	15,000,000.00	15,000,000.00	
Guangdong Neofarmer Agricultural Polytron Technologies Co.,Ltd.	4,999,999.20	4,999,999.20	
Huangpu Shiying Kechuang Equity Investment Partnership (Limited Partnership)	60,000,000.00	60,000,000.00	
Guangzhou Hongsheng Venture Capital Partnership (Limited Partnership)	20,000,000.00	20,000,000.00	
Guangzhou Yongnuo Biotechnology Co., Ltd.	19,500,000.00	19,500,000.00	
Hongtu Junsheng (Guangdong) Venture Capital Partnership (Limited Partnership)	30,000,000.00	30,000,000.00	
Guangzhou Flower City Growing Venture Capital Partnership (Limited Partnership)	10,000,000.00	10,000,000.00	
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)	74,745,000.00	74,745,000.00	
Guangzhou Yilin Biological Industry Venture Capital Management Co., Ltd.	225,000.00	225,000.00	
Yichun Rural Commercial Bank Co., Ltd.	94,856,172.21	94,856,172.21	5,459,328.80
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center	214,361,838.68	214,361,838.68	
Guangzhou Development District State owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	400,000,000.00	400,000,000.00	23,200,000.00
Guangzhou Development Zone Hengkai Xinxing Equity Investment Partnership (Limited Partnership)	149,181,637.12	149,181,637.12	
Total	1,656,442,271.03	1,656,442,271.03	28,659,328.80

21. Other non-current financial assets

Item	Closing fair value	Opening fair value
LG Display (China) Co., Ltd.	2,207,006,003.23	2,044,162,986.31
Guangzhou Chengxing Intelligent Electric Cars Technology Co., Ltd.	1,000,000,000.00	
Guangzhou Development Zone Emerging Industry Investment Fund Management Co., Ltd.	502,348,547.98	502,348,547.98
Guangzhou Development Zone City View Industrial Investment Fund Partnership (Limited Partnership)	500,000,000.00	500,000,000.00
State Investment (Guangdong) Technology Achievements Transformation Venture Capital Fund Partnership (Limited partnership)	400,000,000.00	
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	301,957,929.49	301,957,929.49
Guangzhou GET Qianrun Artificial Intelligence Equity Investment Partnership (Limited Partnership)	300,000,000.00	300,000,000.00
Science City (Guangzhou) Investment Group Limited Public Issue of Renewable Corporate Bonds for Professional Investors in 2020 (Phase I)	300,000,000.00	300,000,000.00
Yunnan Trust Hanfu Bao Stable 1 Pooled Fund Trust Plan	293,000,000.00	293,000,000.00
Guangzhou Haihui Kechuang Venture Capital Partnership (Limited Partnership)	220,400,000.00	220,400,000.00
Guangzhou Mingluo Soft Control Information Technology Co., Ltd.	200,000,000.00	200,000,000.00
Sena Biotechnology (Beijing) Co., Ltd.	170,135,937.35	170,135,937.35
Guangzhou Kunpeng Innovation Investment Partnership (Limited Partnership)	160,000,000.00	
Guangzhou Liding GET Equity Investment Fund Partnership (Limited Partnership)	133,464,300.00	133,464,300.00
Guangzhou Development Zone Hongkai Xinxing Equity Investment Partnership (Limited Partnership)	100,000,000.00	70,000,000.00
Guangzhou NuoCheng Jianhua Pharmaceutical Technology Co., Ltd.	70,000,000.00	70,000,000.00
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	50,000,000.00	50,000,000.00
Guangzhou Baidu Ventures Artificial Intelligence Equity Investment Partnership (Limited Partnership)	50,000,000.00	50,000,000.00

Item	Closing fair value	Opening fair value
Guangwan Chuangke (Guangzhou) Equity Investment Fund Partnership (Limited Partnership)	47,000,000.00	47,000,000.00
Guangzhou National GET Weisheng Equity Investment Partnership (Limited Partnership)	46,000,000.00	
Shenzhen Chunyang Songteng Venture Capital Partnership (Limited Partnership)	45,000,000.00	45,000,000.00
Wuhu Bochen No. 8 Equity Investment Partnership (Limited partnership)	37,250,000.00	
Guangzhou Yuanhe Origin II Venture Capital Partnership (Limited Partnership)	36,000,000.00	36,000,000.00
Guangzhou Lingkang Investment Partnership (Limited Partnership)	30,000,000.00	30,000,000.00
Guangzhou Anyka Microelectronics Co., Ltd.	30,000,000.00	30,000,000.00
Qingdao Guotai Junan Rising No.1 Equity Investment Fund Partnership (limited partnership)	30,000,000.00	30,000,000.00
Suzhou Gaoling Qirui Medical and Health Industry Investment Partnership (Limited Partnership)	28,500,000.00	
Guangzhou Liding GET Equity Investment fund partnership	26,692,800.00	26,692,800.00
Guangzhou GET Gazelle Venture Capital Partnership (Limited partnership)	25,850,000.00	25,850,000.00
Guangzhou No.1 Origin Venture Capital Enterprise (Limited partnership)	25,000,000.00	25,000,000.00
Guangzhou Tech-long Packaging Machinery Co.,Ltd.	23,958,884.21	24,907,539.56
Guangdong Fangyuan Environment Co., Ltd.	21,007,268.81	21,007,268.81
Guangdong Hengping Intelligent Equipment Manufacturing No. 1 Investment Fund Partnership (Limited partnership)	20,000,000.00	20,000,000.00
Guangzhou Jinghua Precision Optics Co., LTD	20,000,000.00	20,000,000.00
BANK OF GUANGZHOU CO.,LTD	14,057,500.00	14,057,500.00
Hootech Inc.	11,730,000.00	11,730,000.00
Guangzhou Fenghua Biological Engineering Co., Ltd.	10,366,864.08	10,366,864.08
Guangdong New CO-OP Joint-Stock Co., Ltd.	10,000,000.00	10,000,000.00
Jiaxing Luanhong Equity Investment Partnership (L.P.)	10,000,000.00	10,000,000.00
Techtolop Microelectronics Technology Co., Ltd.	10,000,000.00	10,000,000.00
Beijing Smart Cloud City Investment Fund Center (L.P.)	10,000,000.00	10,000,000.00
Guangzhou Yimi GET Industry Investment Funds Partnership (Limited Partnership)	9,600,000.00	9,600,000.00
Guangzhou Yimi GET Industry Investment Funds Partnership (Limited Partnership)	9,463,985.97	9,463,985.97
Jiaxing Force Tripod I Venture Investment Funds	9,000,000.00	9,000,000.00
Guangzhou Pulisi Technology Co., Ltd.	8,000,000.00	8,000,000.00
Guangzhou Ruili Kormee Automotive Electronic Co., Ltd.	6,412,330.10	6,412,330.10
GUANGZHOU LEADER BIO-TECHNOLOGY Co., Ltd.	6,000,000.00	6,000,000.00
Guangdong Phomi MCM Co., Ltd.	5,636,087.00	5,636,087.00
Sun Yat-sen University	5,000,000.00	5,000,000.00
Lizheng Technology (Guangzhou) Co., Ltd	4,000,000.00	4,000,000.00
Guangzhou Keyi Technology Co., Ltd.	4,000,000.00	4,000,000.00
Guangzhou Zeli Pharmaceutical Technology Co., LTD	3,000,000.00	3,000,000.00
Guangzhou Vesber Biotechnology Co., Ltd.	3,000,000.00	3,000,000.00
Guangdong Kaiao Venture Capital Partnership (Limited Partnership)	3,000,000.00	
Guangzhou GET Yuehao Private Fund Management Co., Ltd.	2,450,000.00	
Guangdong Maike Medical Technology Co., Ltd.	2,000,000.00	2,000,000.00
Guangzhou Maijun Medical Science and Technology Development Co., Ltd.	1,750,000.00	1,750,000.00
Beaver Biosciences Inc.	1,402,143.36	1,402,143.36
Guangzhou Yingbo Optoelectronics Technology Co., Ltd.	1,274,818.67	1,274,818.67
Guangzhou Kaide Investment Promotion Service Partnership (Limited Partnership)	1,100,000.00	1,100,000.00
Guangzhou Intellectual Property Trading Center Co., Ltd.	1,095,143.50	1,095,143.50
Guangzhou Yifudi Medicine Appliance Co., Ltd.	1,091,257.06	1,091,257.06

Item	Closing fair value	Opening fair value
Guangzhou Value Innovation Park Industrial Investment Fund Partnership (Limited Partnership)	1,014,267.20	1,000,000.00
Guangzhou Hexin Instrument Co.,LTD.	1,000,000.00	1,000,000.00
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	971,582.92	965,253.82
Guangdong Spectrastar Instrument co.ltd.	812,588.95	812,588.95
Guangzhou Liding GET Investment Management Co., Ltd.	420,000.00	420,000.00
Guangzhou HF BIOTECH INC	256,288.96	256,288.96
New Development Joint Venture Company	250,049.99	250,049.99
Guangzhou Industry and Information Technology Innovation Industry Development Research Institute	232,044.91	232,044.91
Guangzhou Yimi GET Equity Investment Management Partnership (Limited Partnership)	175,789.14	175,789.14
Guangzhou Jinkai Changqing Information Technology Co., LTD	135,111.14	135,111.14
Guangzhou Zhifang Automation Technology Co., Ltd.	103,769.69	103,769.69
Guangzhou Hantou Kaide Investment Consulting Co., Ltd.	40,000.00	40,000.00
Guangdong Huayang Environmental Protection Technology Co., Ltd.		4,110,120.00
Total	7,620,413,353.71	5,755,408,457.84

22. Investment properties

(1) Investment properties measured at cost

Item	Houses, buildings	Land use rights	Construction in progress	Total
I. Total gross carrying amount				
1. Opening balance	10,078,252,965.96	32,468,129.63		10,110,721,095.59
2. Increase during the current period	1,136,813,412.13			1,136,813,412.13
(1) Inventoris and construction under Process transfer	1,136,813,412.13			1,136,813,412.13
3. Increase during the current period	478,815,267.48			478,815,267.48
(1) Transfer to fixed assets	466,002,404.58			466,002,404.58
(2) Disposal or scrap	12,812,862.90			12,812,862.90
4. Closing balance	10,736,251,110.61	32,468,129.63		10,768,719,240.24
II. Total accumulated depreciation (amortization)				
1. Opening balance	1,471,861,104.87	3,480,921.38		1,475,342,026.25
2. Increase during the current period	126,151,755.80	411,963.73		126,563,719.53
1) Depreciation or amortization	126,151,755.80	411,963.73		126,563,719.53
3. Decrease during the current period	6,945,052.51			6,945,052.51
1) Transfer to Fixed Assets	5,033,625.24			5,033,625.24
2) Disposal or scrap	1,911,427.27			1,911,427.27
4. Closing balance	1,591,067,808.16	3,892,885.11		1,594,960,693.27
III. Provision for impairment				
1. Opening balance	9,289,324.94			9,289,324.94
2. Increase during the current period				
3. Decrease during the current period	9,289,324.94			9,289,324.94
1) Disposal	9,289,324.94			9,289,324.94
4. Closing balance				
IV Book value				
1. Closing book value	9,145,183,302.45	28,575,244.52		9,173,758,546.97

Item	Houses, buildings	Land use rights	Construction in progress	Total
2. Opening book value	8597102536	28987208.25		8626089744

(2) Investment properties not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Parking Space in Zone C1 of Greenland Central Plaza	36,664,613.63	The project is in the process of settlement, and the property certificate is being processed
Parking Space in Zone C2 of Greenland Central Plaza	29,251,074.73	The project is in the process of settlement, and the property certificate is being processed
Building 5B, Greenland Central Plaza	31,819,191.43	The project is in the process of settlement, and the property certificate is being processed
House-Pauli Roland Building 7	325,012,868.66	The project is in the process of settlement, and the property certificate is being processed
House-Pauli Roland Building 6	351,290,788.55	The project is in the process of settlement, and the property certificate is being processed
House-Pauli Roland Building 5	351,152,909.89	The project is in the process of settlement, and the property certificate is being processed
Total	1,125,191,446.89	

23. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	4,349,406,638.35	4,053,051,740.11
Disposal of fixed assets		73,635.08
Total	4,349,406,638.35	4,053,125,375.19

(1) Details of fixed assets

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
I. Total gross carrying amount	8,147,176,190.02	529,770,975.93	31,339,198.41	8,645,607,967.54
Including: Land assets				
Houses and buildings	2,797,802,333.54	474,257,221.32	12,047,019.66	3,260,012,535.20
Machinery equipment	4,977,935,548.83	27,512,707.10	3,900,113.34	5,001,558,142.59
Transportation equipment	57,978,375.43	4,515,314.23	5,418,313.42	57,075,376.24
Electronic equipment	194,535,127.34	10,385,727.94	4,468,112.62	200,452,742.66
Office equipment	15,262,677.73	2,023,626.23	1,689,416.14	15,596,887.82
Hotel Industry Furniture				
Other equipment	103,662,127.15	11,066,379.11	3,816,223.23	110,912,283.03
II. Total accumulated depreciation	4,090,292,078.38	215,040,848.77	12,963,969.49	4,292,368,957.66
Including: Land assets				
Houses and buildings	1,057,942,209.76	55,942,855.01	2,596,188.50	1,111,288,876.27
Machinery equipment	2,762,527,178.70	142,273,376.09	1,537,571.45	2,903,262,983.34
Transportation equipment	50,383,421.80	2,369,190.29	4,443,976.26	48,308,635.83
Electronic equipment	126,469,987.68	10,421,893.38	842,416.59	136,049,464.47
Office equipment	9,177,851.33	1,385,370.05	679,195.65	9,884,025.73
Hotel Industry Furniture				
Other equipment	83,791,429.11	2,648,163.95	2,864,621.04	83,574,972.02
III. Total net book value of fixed assets	4,056,884,111.64	——	——	4,353,239,009.88
Including: Land assets		——	——	
Houses and buildings	1,739,860,123.78	——	——	2,148,723,658.93
Machinery equipment	2,215,408,370.13	——	——	2,098,295,159.25

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Transportation equipment	7,594,953.63	——	——	8,766,740.41
Electronic equipment	68,065,139.66	——	——	64,403,278.19
Office equipment	6,084,826.40	——	——	5,712,862.09
Hotel Industry Furniture		——	——	
Other equipment	19,870,698.04	——	——	27,337,311.01
IV. Total provision for impairment	3,832,371.53			3,832,371.53
Including: Land assets				
Houses and buildings	3,287,237.18			3,287,237.18
Machinery equipment	163,498.00			163,498.00
Transportation equipment	370,250.00			370,250.00
Electronic equipment	5,570.35			5,570.35
Office equipment	5,816.00			5,816.00
Hotel Industry Furniture				
Other equipment				
V. Total book value of fixed assets	4,053,051,740.11	——	——	4,349,406,638.35
Including: Land assets		——	——	
Houses and buildings	1,736,572,886.60	——	——	2,145,436,421.75
Machinery equipment	2,215,244,872.13	——	——	2,098,131,661.25
Transportation equipment	7,224,703.63	——	——	8,396,490.41
Electronic equipment	68,059,569.31	——	——	64,397,707.84
Office equipment	6,079,010.40	——	——	5,707,046.09
Hotel Industry Furniture		——	——	
Other equipment	19,870,698.04		——	27,337,311.01

(2) Fixed assetsFixed assets temporarily idle

None.

(3) Fixed assets not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Room 1508, 18 Jianguomen St, Dongcheng District, Beijing	7,355,298.80	Unregistered
Room 315,104 Qingnian St	18,392.90	Historical reasons
Room 802,74 Qingnian St	18,392.90	Historical reasons
Room 807,74 Qingnian St	18,392.90	Historical reasons
Room 314,104 Qingnian St	18,213.92	Historical reasons
Room 801,104 Qingnian St	18,213.92	Historical reasons
Room 802,104 Qingnian St	18,213.92	Historical reasons
Room 803,104 Qingnian St	18,213.92	Historical reasons
Room 804,104 Qingnian St	18,213.92	Historical reasons
Room 805,104 Qingnian St	18,213.92	Historical reasons
Room 806,104 Qingnian St	18,213.92	Historical reasons
Room 807,104 Qingnian St	18,213.92	Historical reasons
Room 808,104 Qingnian St	18,213.92	Historical reasons
Room 833,104 Qingnian St	18,213.92	Historical reasons
Room 834,104 Qingnian St	18,213.92	Historical reasons

Item	Book value	Reasons for non-completion of title certificates
Room 835,104 Qingnian St	18,213.92	Historical reasons
Room836,104 Qingnian St	18,213.92	Historical reasons
Room 837,104 Qingnian St	18,213.92	Historical reasons
Room 838,104 Qingnian St	18,213.92	Historical reasons
Room 839,104 Qingnian St	18,213.92	Historical reasons
Room 840,104 Qingnian St	18,213.92	Historical reasons
Room 801,74 Qingnian St	18,213.92	Historical reasons
Room 803,74 Qingnian St	18,213.92	Historical reasons
Room 804,74 Qingnian St	18,213.92	Historical reasons
Room 805,74 Qingnian St	18,213.92	Historical reasons
Room 806,74 Qingnian St	18,213.92	Historical reasons
Room 808,74 Qingnian St	18,213.92	Historical reasons
Total	7,829,397.66	

(4) Disposal of fixed assets

Item	Closing book value	Opening book value
Fixed assets to be scrapped		73,635.08
Total		73,635.08

24. Construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Xiaopeng Automobile Intelligent network connected automobile intelligent manufacturing Base project	389,679,460.65		389,679,460.65	0.00		0.00
Taishan Fishery Photovoltaic Power Generation Project	388,715,609.53		388,715,609.53	151,808,410.92		151,808,410.92
2 × 460MW "Gas for Coal" Cogeneration Project	302,514,527.06		302,514,527.06	292,961,182.97		292,961,182.97
Guangdong-Hong Kong-Macao Greater Bay Area Academician Exchange Activity Center (Kaixing Building) Project	227,562,347.60		227,562,347.60	151,660,232.78		151,660,232.78
West-East LongDistance Project (Phase I)	140,320,399.83		140,320,399.83	120,211,629.07		120,211,629.07
Huangpu International Convention Center Phase II project	54,727,229.73		54,727,229.73	0.00		0.00
East District-Science City Planning 11th Road Central Heating Pipeline Project	25,505,592.76		25,505,592.76	24,904,413.54		24,904,413.54
Relocation of centralized heating pipes (line A1, line A2, line A3, line C1) in	23,104,691.68		23,104,691.68	21,001,434.53		21,001,434.53

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Lianyun Road Building-A1 and Public Area Upgrading project	21,857,314.57		21,857,314.57	0.00		0.00
Renovation and Expansion to Kaida Building-A Project	18,322,444.19		18,322,444.19	0.00		0.00
Distributed energy station setting-up project for Starting Area of Northern Sino-Singapore Guangzhou Knowledge City	16,214,136.03		16,214,136.03	16,148,130.12		16,148,130.12
Renovation on All-in-One Service Center Exhibition Hall	14,528,280.00		14,528,280.00	0.00		0.00
Construction on Laboratory	12,498,482.08		12,498,482.08	0.00		0.00
West District HengYun A, B Line Trunk Pipe (DN500) Xingang Station overhead pipeline renovation project	10,349,980.86		10,349,980.86	10,091,743.12		10,091,743.12
Foreign Activity Center Project Reconstruction Project	0.00		0.00	417,510,726.02		417,510,726.02
Pauli Zhongjun Plaza Building 6 Renovation Project	0.00		0.00	11,319,555.82		11,319,555.82
Sporadic engineering	85,413,926.86		85,413,926.86	38,545,498.03		38,545,498.03
Total	1,731,314,423.43		1,731,314,423.43	1,256,162,956.92		1,256,162,956.92

(1) Provision for impairment of construction in progress

None.

(2) Engineering materials

None.

25. Right of use assets

Item	Land use rights	Houses, buildings	Machinery equipment,transportation facilities,office equipment	Total
I. Book balance				
1. Opening balance	72,302,490.97	162,168,304.50	148,103.53	234,618,899.00
2. Increase during the current period	1,632,493.69	20,205,534.00		21,838,027.69
3. Decrease during the current period		39,327,125.00		39,327,125.00
4. Opening balance	73,934,984.66	143,046,713.50	148,103.53	217,129,801.69
II. Accumulated depreciation and accumulated amortization				
1. Opening balance				
2. Increase during the current	2,077,506.50	21,154,138.97	29,790.78	23,261,436.25

Item	Land use rights	Houses, buildings	Machinery equipment,transportation facilities,office equipment	Total
period				
3. Decrease during the current period		1,235,657.30		1,235,657.30
4. Opening balance	2,077,506.50	19,918,481.67	29,790.78	22,025,778.95
III. Provision for impairment				
1. Opening balance				
2. Increase during the current period				
3. Decrease during the current period				
4. Opening balance				
IV. Book value				
1. Closing book value	71,857,478.16	123,128,231.83	118,312.75	195,104,022.74
2. Opening book value	72,302,490.97	162,168,304.50	148,103.53	234,618,899.00

26. Intangible assets

(1) Classification of intangible assets

Item	Software	Land use rights	Patent	Trademark	Franchise rights	Transaction seat fees	Total
I. Book balance							
1. Opening balance	144,793,974.00	529,204,208.63	145,646,458.98	34,337,700.77	108,855,182.23	9,400,000.00	972,243,524.61
2. Increase during the current period	14,327,442.42	648,013,568.41			100,683.58		662,441,694.41
(1) Purchase	9,935,833.96	240,924,714.28					250,860,548.24
(2) Other increase	4,391,608.46	407,088,854.13			100,683.58		411,581,146.17
3. Decrease during the current period	9,936,312.24						9,936,312.24
(1) Disposal	9,936,312.24						9,936,312.24
4. closing balance	149,191,104.18	1,177,217,777.04	145,646,458.98	34,337,700.77	108,955,865.81	9,400,000.00	1,624,748,906.78
II. accumulated amortization							
1. Opening balance	69,601,766.81	90,914,978.98	12,726,537.28	16,533,300.01	5,698,196.03	7,628,333.44	203,103,112.55
2. Increase during the current period	13,078,048.89	33,881,300.97	2,096,527.66		2,735,135.50		51,791,013.02
(1) Accrual	13,078,048.89	16,601,770.78	2,096,527.66		2,735,135.50		34,511,482.83
(2) Other increase		17,279,530.19					17,279,530.19
3. Increase during the current period	373,387.45						373,387.45
(1) Disposal	373,387.45						373,387.45
4. Closing balance	82,306,428.25	124,796,279.95	14,823,064.94	16,533,300.01	8,433,331.53	7,628,333.44	254,520,738.12
III. Increase during the year							
1. Opening balance						1,374,124.91	1,374,124.91
2. Increase during the current period							
3. Decrease during the current period							
4. Closing balance						1,374,124.91	1,374,124.91
IV. Bool value							

Item	Software	Land use rights	Patent	Trademark	Franchise rights	Transaction seat fees	Total
1. Transaction seat fees	66,884,675.93	1,052,421,497.09	130,823,394.04	17,904,400.76	100,522,534.28	397,541.65	1,368,854,043.75
2. Carbon emission trading quotas	75,198,207.19	438,289,229.65	132,919,921.70	17,804,400.76	103,156,986.20	397,541.65	767,766,287.15

(2) Land use rights not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Land ZXCXN-C1	101,040,916.67	Materials summited, under process
Land ZXCXN-B4	48,159,600.00	Materials summited, under process
Total	149,200,516.67	

27. Goodwill

Investee	Closing amount	Opening balance
Guangzhou GET Construction Engineering Co., Ltd.	3,563,698.14	3,563,698.14
Guangzhou Hengyun Equity Investment Co., Ltd.	10,565,751.96	10,565,751.96
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	0.00	0.00
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	133,105,875.82	133,105,875.82
Beijing Leadman Biochemistry Co., Ltd.	291,754,523.09	291,754,523.09
Shanghai Shituo Industrial Co., Ltd.	77,379,515.34	77,379,515.34
Premium on acquisition of Business Department	0.00	0.00
YUEKAI SECURITIES CO., LTD.	2,022,571,679.66	2,022,571,679.66
Yichun Weirun Technology Co., LTD	73,970,868.67	
Guangzhou Yuekai Investment Co., Ltd.	5,787,642.08	
Total	2,618,699,554.76	2,538,941,044.01

(1) Original value of goodwill

Investee or items forming goodwill	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Guangzhou GET Construction Engineering Co., Ltd.	3,563,698.14			3,563,698.14
Guangzhou Hengyun Equity Investment Co., Ltd.	10,565,751.96			10,565,751.96
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	13,171,068.62			13,171,068.62
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	142,558,889.00			142,558,889.00
Beijing Leadman Biochemistry Co., Ltd	377,286,523.09			377,286,523.09
Shanghai Shituo Industrial Co., Ltd.	77,379,515.34			77,379,515.34
Premium on acquisition of Business Department	7,350,000.10			7,350,000.10
YUEKAI SECURITIES CO., LTD	2,022,571,679.66			2,022,571,679.66
Yichun Weirun Technology Co., LTD		73,970,868.67		73,970,868.67
Guangzhou Yuekai Investment Co., Ltd.		5,787,642.08		5,787,642.08
Total	2,654,447,125.91	79,758,510.75		2,734,205,636.66

(2) Provision for impairment of goodwill

Investee or items forming goodwill	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Guangzhou GET Construction Engineering Co., Ltd.				
Guangzhou Hengyun Equity Investment Co., Ltd.				
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	13,171,068.62			13,171,068.62
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	9,453,013.18			9,453,013.18
Beijing Leadman Biochemistry Co., Ltd.	85,532,000.00			85,532,000.00
Shanghai Shituo Industrial Co., Ltd.				
Premium on acquisition of Business Department	7,350,000.10			7,350,000.10
YUEKAI SECURITIES CO., LTD.				
Yichun Weirun Technology Co., LTD				
Guangzhou Yuekai Investment Co., Ltd.				
Total	115,506,081.90			115,506,081.90

28. Long-term prepayment

Item	Opening balance	Increase during the current period	Amortization during the current period	Other decrease	Closing balance
Alternative capacity compensation	56,135,668.73		2,431,860.09		53,703,808.64
Renovation cost	54,257,967.98	28,714,246.43	12,202,980.59	975,047.51	69,794,186.31
The foundation supplies	2,954,162.60	16,259,522.66	204,094.94		19,009,590.32
Consulting service fees	6,517,770.74		1,072,411.78		5,445,358.96
Pipe network renovation project	2,054,924.92				2,054,924.92
Registration fees	2,012,315.00		367,890.00		1,644,425.00
Plant Land Leveling Project	704,530.22		254,220.60		450,309.62
others	540,130.24	2,204,736.12	429,681.26		2,315,185.10
Total	125,177,470.43	47,178,505.21	16,963,139.28	975,047.51	154,417,788.87

29. Deferred tax assets and deferred tax liablitles

(1) Deferred tax assets and deferred tax liabilities before offsetting

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
Deferred tax assets				
Employee benefits payable	62,202,505.55	248,810,022.20	60,615,148.33	242,460,593.37
Provision for impairment of assets	31,412,112.84	157,494,943.10	33,873,525.19	168,376,778.34
Investment income elated to equity not derecognized	36,600,211.58	146,400,846.32	36,600,211.58	146,400,846.32
Provision for impairment of buyback of the financial assets sold	12,342,243.44	49,368,973.74	20,318,644.80	81,274,579.19
Provision for impairment of financing funds	2,739,001.69	10,956,006.77	1,467,161.92	5,868,647.68
Government grants	2,394,074.53	15,960,496.89	2,475,166.40	16,507,776.02
Deferred income	1,135,421.08	4,541,684.31		
Deductible losses	53,660,696.89	235,569,752.78	34,255,498.22	158,049,956.02
Change in fair value of financial assets held for trading			2,304,454.28	9,217,817.10
Guaranteed compensation reserves	12,403,000.00	49,612,000.00	10,670,625.00	42,682,500.00
Estimated profits from advances from customers	1,670,781.36	6,683,125.51	28,572,452.06	114,289,808.33
Land value-added tax	90,334,026.49	361,336,105.89	77,983,085.16	311,932,340.65
Changes in fair value of other debt instruments	8,244,295.45	32,977,181.78	9,642,275.98	38,569,103.91
Changes in the fair value of other non-current financial assets	7,689,663.58	32,076,531.32	7,689,663.58	30,758,654.32
Time difference of long-term equity investment	401,429,579.50	1,605,718,318.00	401,759,048.75	1,607,036,195.00
Others	2,973,987.86	12,280,746.85	2,520,954.20	10,127,018.35
Total	727,231,601.84	2,969,786,735.46	730,697,915.45	2,983,212,614.60
Deferred tax liabilities				
Change in fair value of available-for-sale financial assets/ financing bonds	18,365,184.52	73,460,738.04	23,099,282.91	92,397,131.64
Change in fair value of financial assets held for trading	143,686,386.60	574,745,546.37	86,151,894.50	344,607,577.97
Construction in progress commissioning gains and losses	1,305,238.36	5,220,953.44	1,348,376.42	5,393,505.56
Asset amortization difference	234,935.71	939,742.84	225,484.91	901,939.68
Appreciation of asset valuation of	216,900,904.46	1,166,372,002.54	127,391,526.31	818,536,725.24

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
business combinations not under common control				
Deferred income from transfer of non-monetary assets	195,545,708.63	782,182,834.52	195,545,708.63	782,182,834.52
Changes in the fair value of other equity instrument investments	48,314,235.03	193,256,940.12	107,174,232.84	428,696,931.37
Withholding interest on shareholder loans	142,093,008.32	568,372,033.28	33,284,318.72	133,137,274.88
Total	766,445,601.63	3,363,550,791.15	574,220,815.14	2,605,853,920.86

(2) Net amount after offset of Deferred tax assets and deferred tax liabilities: None.

30. Other non-current assets

Item	Closing balance	Opening balance
Prepaid engineering, equipment, land funds	339,438,617.98	1,006,403,578.15
Public welfare state-owned assets (houses and buildings)	1,397,960,313.48	1,388,255,710.10
Trust financing, bank financing	4,000,000.00	
Debt assets	2,611,803.21	2,611,803.21
Intelligent Property Management System	1,775,091.24	1,590,092.08
Prepaid equity	585,506,283.23	585,506,283.23
Capital borrowing	360,000,000.00	360,000,000.00
Property maintenance funds		265,811.27
Total	2,691,291,109.14	3,344,633,278.04

31. Short-term borrowings

(1) Classification of short-term borrowings

Categories of loans	Closing balance	Opening balance
Mortgage loans		39,043,791.67
Guaranteed loans	901,393,036.94	560,000,000.00
Credit loans	9,414,825,608.51	6,935,383,532.86
Total	10,316,218,645.45	7,534,427,324.53

(2) Details of outstanding short-term borrowings overdue: None.

32. Financial liabilities held for trading

Item	Closing fair value	Opening fair value
Financial liabilities held for trading	290,520,930.00	221,702,132.00
Including: Trading bonds issued		
Financial liabilities designated as at fair value through current profit or loss		
Others	127,470,226.69	
Total	417,991,156.69	221,702,132.00

33. Derivative financial liabilities

Item	Closing balance	Opening balance
CSI 300 index option	4,262,160.00	
Total	4,262,160.00	

34. Notes payable

Categories	Closing balance	Opening balance
Commercial acceptance bills		10,845,341.68
Bank acceptance bills	510,481.10	3,189,447.77
Total	510,481.10	14,034,789.45

35. Accounts payable

(1) Aging of accounts payable

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	949,035,988.46	725,359,670.98
1-2 years	77,026,020.87	78,224,380.42
2-3 years	30,179,252.07	15,503,708.25
Over 3 years	23,951,839.87	19,507,071.11
Total	1,080,193,101.27	838,594,830.76

(2) Significant accounts payable aged over 1 year

Name of creditor	Closing balance	Reason for non-payment
Guangzhou Jierui Real Estate Co., Ltd.	17,388,354.09	Unsettled
Guangxi Construction Engineering Group Metallurgical Construction Co., Ltd.	9,490,428.02	Unsettled
Guangdong Dianbai Construction Engineering Corporation	6,564,978.18	Unsettled
Zhuzhou AECC PST Nanfang Gas Turbine Co., Ltd.	6,180,584.73	Unsettled
Nanjing Suxia Design Group Co. LTD	4,274,547.71	Unsettled
Liaoning Zhongyu Construction (Group) Co., Ltd.	3,848,758.43	Unsettled
GUANGDONG DIANBAI ERJIAN GROUP CO., LTD.	3,230,145.25	Unsettled
Guangzhou Electric Power Engineering Co., Ltd.	2,930,873.04	Unsettled
Guangdong Qishang Construction Engineering Co., Ltd.	2,893,228.22	Unsettled
Guangdong Siyilingshan Garden Construction Co., Ltd.	2,401,365.33	Unsettled
Guangzhou Nanfang Engineering Co., Ltd.	1,765,532.97	Unsettled
Shantou Construction & Installation (Group) Co.	1,420,111.48	Unsettled
Hantong Holding Group Co., Ltd.	1,094,290.12	Unsettled
Shantou Chaoyang First Construction & Installation Corporation	1,052,045.29	Unsettled
Total	64,535,242.84	

36. Advances from customers

(1) Aging of advances from customers

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	14,217,854.44	10,939,751.35
Over 1 year	206,383,846.30	216,383,243.58
Total	220,601,700.74	227,322,994.93

(2) Significant advances from customers aged over 1 year

Name of creditor	Closing balance	Reasons for non- carryforward
Guangzhou Haihui Kechuang Venture Capital Partnership (Limited Partnership)	206,383,846.30	Control not transferred

Guangzhou Intelligent Equipment Research Institute Co., Ltd.	11,422,033.97	Prepaid rent
Total	217,805,880.27	

37. Contract liabilities

(1) Aging of contract liabilities

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	93,016,377.23	267,908,692.98
Over 1 year	2,866,288.16	31,064,236.03
Total	95,882,665.39	298,972,929.01

(2) Contract liabilities aged over 1 year

None.

38. Sale of the financial liabilities bought back

(1) Details by subject type

Subject category	Closing balance	Opening balance
Bond	2,847,164,000.00	2,552,046,849.31
Subtotal	2,847,164,000.00	2,552,046,849.31
Add: interest payable	1,948,205.77	3,112,553.37
Total	2,849,112,205.77	2,555,159,402.68

(2) Details by business type

Item	Closing balance	Opening balance
Bond pledge positive repurchase	2,847,164,000.00	2,310,000,000.00
Bond buyout positive repurchase		242,046,849.31
Subtotal	2,847,164,000.00	2,552,046,849.31
Add: interest payable	1,948,205.77	3,112,553.37
Total	2,849,112,205.77	2,555,159,402.68

(3) Details by fair value of the collaterals

Item	Closing balance	Opening balance
Bond pledge positive repurchase		255,858,350.00
Bond buyout positive repurchase	3,339,104,739.21	2,659,358,294.00
Total	3,339,104,739.21	2,915,216,644.00

39. Funds for securities trading

Item	Closing balance	Opening balance
General brokerage business	4,306,948,885.79	4,151,055,181.23
Including: Individual	4,028,766,767.39	3,934,220,838.99
Institution	278,182,118.40	216,834,142.24
Credit business	427,433,681.67	415,254,200.32
Including: Individual	409,853,054.25	402,179,563.98
Institution	17,580,627.42	13,074,636.34
Individual stock options business	21,128,548.97	15,800,839.24
Including: Individual	19,068,711.81	14,201,531.54
Institution	2,059,837.16	1,599,307.70

Item	Closing balance	Opening balance
Subtotal	4,755,511,116.43	4,582,110,220.79
Add: Interest payable	456,733.71	455,012.34
Total	4,755,967,850.14	4,582,565,233.13

40. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Short-term remuneration	348,540,024.46	524,923,105.84	587,403,645.37	286,059,484.93
Post-employment benefits-defined contribution plan	5,214,951.93	49,161,394.90	49,676,711.42	4,699,635.41
Termination benefits		6,289,331.17	289,331.17	6,000,000.00
Others	690,000.00			690,000.00
Total	354,444,976.39	580,373,831.91	637,369,687.96	297,449,120.34

(2) Short-term remuneration

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Salaries, bonus, allowances and subsidies	342,338,747.65	440,871,405.13	501,458,875.42	281,751,277.36
Staff welfare	1,041,108.92	19,596,935.84	19,809,935.84	828,108.92
Social security	313,511.87	21,843,520.24	21,939,860.53	217,171.53
Including: Medical insurance	295,346.31	19,439,181.89	19,537,160.59	197,367.61
Work injury insurance	2,812.75	643,954.52	642,643.04	4,124.23
Maternity insurance	15,352.76	1,760,383.83	1,760,056.90	15,679.69
Housing funds	447,904.68	31,643,882.26	31,677,952.26	413,834.68
Labor union operating funds and employee education costs	4,398,751.39	8,776,691.23	10,326,350.18	2,849,092.44
Other short-term remuneration		2,190,671.14	2,190,671.14	
Total	348,540,024.46	524,923,105.84	587,403,645.37	286,059,484.93

(3) Defined contribution plan

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Basic pension insurance	172,605.51	36,017,340.38	35,974,942.79	215,003.10
Unemployment insurance	6,237.20	1,199,568.86	1,197,406.59	8,399.47
Contribution to pension fund	5,036,109.22	11,944,485.66	12,504,272.04	4,476,332.84
Total	5,214,951.93	49,161,394.90	49,676,711.42	4,699,635.41

41. Taxes payable

Item	Opening balance	Closing balance
VAT	49,523,338.72	86,174,922.47
Land value-added tax	362,002,693.62	313,430,539.04
Corporate income tax	52,297,807.01	262,581,274.28
Urban maintenance and construction tax	2,647,882.62	4,410,764.59
Property tax	11,526,293.45	6,285,419.43
Land use tax	451,216.09	65,834.63
Individual income tax	5,121,589.88	8,792,742.71
Education surtax	1,906,244.73	3,131,259.00
Deed tax	2,889,891.01	2,889,891.01

Item	Opening balance	Closing balance
Stamp duty	1,026,132.01	2,033,788.13
Others	3,705,721.85	1,632,569.79
Total	493,040,810.99	681,429,005.08

42. Other payables

Item	Closing balance	Opening balance
Interest payable	461,502,036.52	320,679,535.10
Dividends payable	45,586,636.52	71,554,034.01
Other payables	1,856,499,005.71	979,140,282.75
Total	2,363,587,678.75	1,371,373,851.86

(1) Interest payable

1) Classification of interest payable

Item	Closing balance	Opening balance
Long-term loan with interest by monthly installment and principal due to pay	37,065,763.70	33,466,230.81
Interest on corporate bonds	403,007,323.18	260,181,781.02
Interest on short-term borrowings	13,072,985.72	26,405,540.34
Preferred shares/interest on perpetual bonds, classified as financial liabilities		
Interest on customer deposits	625,982.93	625,982.93
Interest payable on finance lease		
Other Interest	12,779,980.99	
Total	461,502,036.52	320,679,535.10

2) Significant overdue and unpaid interest

None.

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends on ordinary shares	45,586,636.52	71,554,034.01
Preferred shares/interest on perpetual bonds, classified as financial liabilities		
Others		
Total	45,586,636.52	71,554,034.01

Dividends payable unpaid for over 1 year:None.

(3) Other payables

1) Other payables classified by nature of payment

Nature of payment	Closing balance	Opening balance
Lease deposit, deposits	303,649,651.99	246,954,116.44
Unit contacts	1,125,383,152.48	294,794,662.14
Agency funds	13,216,650.79	12,160,102.25
Accrued costs	2,216,452.72	4,835,970.81
Project funds		8,629.74
Financial funds	388,446,560.94	388,629,662.06
Employee reimbursements	323,722.12	376,321.21

Nature of payment	Closing balance	Opening balance
Others	23,262,814.67	41,410,918.10
Total	1,856,489,005.71	929,140,282.75

2) Significant other payables aged over 1 year

Name of unit	Closing balance	Reason for non-payment
Finance Bureau of Guangzhou Economic and Technological Development Zone	348,584,154.09	Financial funds, collection and payment in lieu
Guangzhou Li Ding Kai Venture Capital Limited Partnership (limited Partnership)	80,360,030.34	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Science Bank Preparation Group	28,249,509.75	Financial funds, projects not completed
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	22,065,963.21	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Guangzhou Finance Bureau	21,581,617.66	Unsettled
Guangzhou Yuanshengde Municipal Service Co., Ltd.	16,531,822.43	Related transactions
Guangzhou Lingkang Investment Partnership (Limited Partnership)	7,860,000.00	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Wang Yixing	5,217,750.00	Not settled repurchase obligations of restricted stock
Guangzhou Detong GET Venture Capital Limited Partnership	4,046,196.00	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Samsung Guangzhou Mobile R&D Center	2,703,325.05	Unexpired rent deposit
Jiaxing Luanhong Equity Investment Partnership(L.P.)	2,235,501.88	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Total	539,435,866.91	

43. Non-current liabilities due within 1 year

Item	Closing balance	Opening balance
Long-term borrowings due within 1 year	1,043,854,297.87	914,818,182.75
Equity payment due within 1 year	15,300,000.00	
Long-term payables due within 1 year	328,256,307.60	120,762,448.04
Lease liabilities due within 1 year	1,356,922.77	3,461,516.54
Total	1,388,767,528.24	1,039,042,147.33

44. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Deposits received	3,916,589.70	4,716,589.70
Short-term bonds payable	2,399,911,339.43	800,000,000.00
Output tax to be transferred	36,861,074.56	43,492,754.86
Accrued costs	1,771,759.29	2,599,912.74
Short-term financing funds payable	1,257,790,509.56	201,914,114.52
Others	365,286,683.24	42.86
Total	4,065,537,955.80	1,052,723,414.68

(2) Details of short-term bonds payable

Bond name	Face value	Issuing date	Bond period	Issued amount	Opening balance

Bond name	Face value	Issuing date	Bond period	Issued amount	Opening balance
21 GDD Holdings SCP001 financing bond	1,000,000,000.00	2021-1-20	166 days	1,000,000,000.00	
21 GDD Holdings SCP002 financing bond	1,000,000,000.00	2021-4-28	89 days	1,000,000,000.00	
21 Hengyun SCP001 Ultra-short-term financing bond	400,000,000.00	2021-1-20	270 days	400,000,000.00	
20 Hengyun SCP001 Ultra-short-term financing bond	400,000,000.00	2020-4-22	270 days	400,000,000.00	400,000,000.00
20 Hengyun SCP002 Ultra-short-term financing bond	400,000,000.00	2020-5-8	270 days	400,000,000.00	400,000,000.00
Total	3,200,000,000.00			3,200,000,000.00	800,000,000.00

(Continued)

Bond name	Issued during the current period	Interest accrued at face value	Amortization	Repaid during the current period	Closing balance
21 GDD Holdings SCP001 financing bond	1,000,000,000.00	13,189,041.10	16,438.35	13,189,041.10	999,983,561.65
21 GDD Holdings SCP002 financing bond	1,000,000,000.00	6,583,561.64	72,222.22	6,583,561.64	999,927,777.78
21 Hengyun SCP001 Ultra-short-term financing bond	400,000,000.00				400,000,000.00
20 Hengyun SCP001 Ultra-short-term financing bond				400,000,000.00	
20 Hengyun SCP002 Ultra-short-term financing bond				400,000,000.00	
Total	2,400,000,000.00	19,772,602.74	88,660.57	819,772,602.74	2,399,911,339.43

45. Long-term borrowings

Categories of loans	Closing balance	Opening balance
Pledged loans	724,760,662.32	807,719,961.98
Mortgage loans	936,380,893.94	222,850,785.01
Guaranteed loans	1,653,548,962.01	3,564,315,653.60
Credit loans	11,737,892,230.59	12,067,695,980.79
Total	17,052,582,748.86	16,662,582,381.38

46. Bonds payable

(1)Classification of bonds payable

Item	Closing balance	Opening balance
Corporate bonds	10,193,380,382.42	13,255,810,290.29
Medium-term notes	4,024,627,074.56	4,493,785,474.25
ABS intellectual property securitization	4,714,691,628.41	148,338,289.03
Get's oversea bond	3,279,951,483.81	3,310,316,642.45
Total	22,212,650,569.20	21,208,250,696.02

(2) Changes in bonds payable (excluding other financial instruments such as preferred stocksclassified as financial liabilities, perpetual bonds, etc.)

Bond name	Face value	Issuing date	Bond period	Issued amount	Opening balance
18 Guangzhou Development 01	1,500,000,000.00	2018-7-23	5years	1,500,000,000.00	1,498,006,114.50
18 Guangzhou Development 02	3,500,000,000.00	2018-7-23	3+2years	3,500,000,000.00	3,495,354,175.79
19 Guangzhou Financial Holdings MTN001	3,000,000,000.00	2019-10-21	3+2years	3,000,000,000.00	2,995,869,415.07
19 Guangzhou Financial Holdings MTN002	1,500,000,000.00	2019-11-1	3+2years	1,500,000,000.00	1,497,916,059.18
20 Guangzhou Development 01	2,000,000,000.00	2020-4-15	3+2years	2,000,000,000.00	2,000,000,000.00
20 Guangzhou Development 03	1,000,000,000.00	2020-5-6	3+2years	1,000,000,000.00	1,000,000,000.00
20 Guangzhou Development 04	2,000,000,000.00	2020-6-19	3+2years	2,000,000,000.00	2,000,000,000.00
20Oversea Financing Bond01	3,267,750,000.00	2020-12-16	3years	3,267,750,000.00	3,262,450,000.00
ABS intellectual property securitization	301,000,000.00	2019-9-11	Not more than 5 years	285,950,000.00	148,338,289.03
GET INTERNATIONAL INVESTMENT HOLDINGS LIMITED's 500Million dollar Covered Bond with 3.75% rate due 2022	3,488,100,000.00	2019-7-18	3years	3,488,100,000.00	3,310,316,642.45
Yuekai-Guangzhou Development District Financial Holdings-Biological medicine patent licensing asset support special plan (phase 1)	203,000,000.00	2021-1-6	3years	203,000,000.00	
Creditor's Rights Plannning of Huaxia's rmb 200 million.	200,000,000.00	2021-5-31	3years	200,000,000.00	
Corporate bonds of 2021	800,000,000.00	2021-3-30	3years	800,000,000.00	
Total	22,759,850,000.00			22,744,800,000.00	21,208,250,696.02

(Continued)

Bond name	Issued during the current period	Interest accrued at face value	Amortization	Repaid during the current period	Other changes	Closing balance
18 Guangzhou Development 01		37,125,000.00	387,266.80	37,125,000.00		1,498,393,381.30
18 Guangzhou Development 02		83,125,000.00	902,465.68	83,125,000.00		3,496,256,641.47
19 Guangzhou Financial Holdings MTN001		59,700,000.00	519,716.95	59,700,000.00		2,996,389,132.02
19 Guangzhou Financial Holdings MTN002		29,625,000.00	259,525.37	29,625,000.00		1,498,175,584.55
20 Guangzhou Development 01		31,600,000.00	344,826.87	31,600,000.00		2,000,344,826.87
20 Guangzhou Development 03		15,450,000.00	172,243.12	15,450,000.00		1,000,172,243.12
20 Guangzhou Development 04		38,500,000.00	339,900.11	38,500,000.00		2,000,339,900.11

Bond name	Issued during the current period	Interest accrued at face value	Amortization	Repaid during the current period	Other changes	Closing balance
20Oversea Financing Bond01		42,043,083.21	1,049,636.99	74,443,083.21	6,472,562.43	3,224,627,074.56
ABS Intellectual property securitization		2,987,716.72	522,012.60	39,579,162.74	-1,437,536.00	113,706,391.61
GET INTERNATIONAL INVESTMENT HOLDINGS LIMITED's 500Million dollar Covered Bond with 3.75% rate due 2022		60,769,088.93	2,585,752.38	61,320,000.00	32,400,000.00	3,279,951,483.81
Yuekai-Guangzhou Development District Financial Holdings-Biological medicine patent licensing asset support special plan (phase 1)	203,000,000.00	4,398,402.71	-750,034.17	37,713,708.28	62,514,140.03	106,420,520.23
Creditor's Rights Plannning of Huaxia's rmb 200 million.	200,000,000.00				2,126,610.45	197,873,389.55
Corporate bonds of 2021	800,000,000.00					800,000,000.00
Total	1,203,000,000.00	405,323,291.62	6,333,312.70	508,180,954.23	102,075,778.91	22,212,650,568.20

47. Lease liabilities

Item	Closing balance	Opening balance
Total: Lease liabilities	158,254,989.92	191,549,278.78
Less: Lease liabilities due within 1 year	1,356,922.77	3,461,516.54
Lease liabilities due over 1 year	156,898,067.15	188,087,762.24

48. Long-term payables

Item	Closing balance	Opening balance
Long-term payables	854,495,752.59	1,139,595,106.75
Special payables	2,311,313.10	10,478.80
Total	856,807,065.69	1,139,605,585.55

(1) The top five long-term payables

Item	Closing balance	Opening balance
1 Sale and leaseback payments	917,481,147.83	1,023,168,850.46
Less: Unrecognized financing expenses	118,088,314.99	143,230,857.82
2. Other long-term payables	398,659,227.35	380,419,562.15
Less: Part due within 1 year	343,556,307.60	120,762,448.04
Total	854,495,752.59	1,139,595,106.75

(2) The top five special payables

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Others	10,478.80	7,578,500.00	5,277,665.70	2,311,313.10
Total	10,478.80	7,578,500.00	5,277,665.70	2,311,313.10

49. Provisions

Item	Closing balance	Opening balance
Pending litigation Note1	1,107,298.44	1,107,298.44
Others	343,442.73	343,442.73
Total	1,450,741.17	1,450,741.17

Note1: Labor arbitration was aplied on December 14th,2018 by employee Li Chunming to Beijing Chaoyang District Labor and Personnel Dispute Arbitration Committee, due to labor dispute between the company, requiring revoke of Notice of rescission(termination) of labor contract from the company, and asking for sallary, allowance, and unfinished annual leave payment. And the Committee (above mentioned) decided the revoke of Notice of rescission(termination) of labor contract, and the proceeding of the labor contract, with sallary, allowance, and unfinished annual leave payment totally rmb 1,057,298.44 on August 14th,2019. Unsatisfied with the arbitration award, the company refuse the decide made by the Committee, and prosecuted in People's Court of Huicheng District in Huizhou City. Yet Provisions was accrued rmb1,057,298.44 on the date of the financial statement then, according to the arbitration award.

50. Deferred income

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Government grants	245,051,215.79	68,860,000.00	61,171,643.91	252,739,571.88
Rental fees	564,601.75		76,991.16	487,610.59
R&D funds	7,900,965.40	160,000.00	800,000.00	7,260,965.40
Total	253,516,782.94	69,020,000.00	62,048,635.07	260,488,147.87

Government grants:

Categories of government grants	Opening balance	Amount of newly subsidy for the current period	Amount included in other income for the current period	Amount included in non-operating revenue for the current period	Other changes	Closing balance	Related to assets/income
OLED project financial discount	46,733,520.21				-46,733,520.21	-	Related to income
Guarantee risk compensation subsidy	27,803,900.00					27,803,900.00	Related to income
New financial corporations	24,791,667.00		1,458,333.67			23,333,333.33	Related to income
Thematic funding for post-incentive awards for integrated upgrades to units #8 and #9	24,402,575.25		1,068,725.92			23,333,849.33	Related to assets
X53 project discount	16,167,776.02		207,279.18			15,960,496.84	Related to assets
Compensation for circular economy	15,056,250.00	13,500,000.00	581,250.00			27,975,000.00	Related to assets
Special energy saving project of heating transformation	14,458,292.69		672,478.74			13,785,813.95	Related to assets
Subsidies for technical transformation project of boiler denitration	12,632,437.63		425,812.52			12,206,625.11	Related to assets
West to east long-distance heating pipeline	12,500,000.00		6,930,000.00			5,570,000.00	Related to assets
Subsidies for technical transformation project of boiler denitration	11,027,279.55		384,672.54			10,642,607.01	Related to assets
Special funds for ultra clean emission transformation for #8, 9 Furnace	8,698,639.93		380,060.02			8,318,579.91	Related to assets
Special investment in the central budget of ecological civilization construction in 2019	4,744,119.05		124,999.98			4,619,119.07	Related to assets
Chemiluminescence project	3,513,950.91		113,734.36			3,400,216.55	Related to assets
#8, 9 Furnace Integrated Upgrade Special Funding Grant	3,417,564.52		142,143.12			3,275,421.40	Related to assets
Relocation subsidies for financial institutions		20,000,000.00				20,000,000.00	Related to income
Rewards for settling down of Financial Institutions		30,000,000.00				30,000,000.00	Related to income
Operational Contributions Reward for Venture Capital Institutions		5,360,000.00				5,360,000.00	Related to income
Others	19,103,243.03		1,948,633.65			17,154,609.38	
Total	245,051,215.79	68,860,000.00	14,438,123.70		-46,733,520.21	252,739,571.88	

51. Other non-current liabilities

Item	Closing balance	Opening balance
Unexpired liabilities reserves	7,431,949.31	7,277,951.06
Guaranteed compensation reserves	56,185,334.07	54,149,000.00
Property maintenance funds		265,811.27
Output tax to be transferred	10,204,482.13	8,392,432.11
Total	73,821,765.51	70,085,194.44

52. Paid-in capital

Investor	Opening balance		Increase during the current period	Decrease during the current period	Closing balance	
	Investment amount	Ratio (%)			Investment amount	Ratio (%)
Guangzhou Economic and Technological Development Zone Management Committee	10,363,233,809.64	100.00			10,363,233,809.64	100.00
Total	10,363,233,809.64	100.00			10,363,233,809.64	100.00

53. Other equity instruments

Financial instruments issued	Closing		Increase during the current period		Decrease during the current period		Opening	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value
GDD Financial Holding Group Co., LTD Public Issue of Renewable Corporate Bonds (Phase I) (Variety 1)	10,000,000.00	999,341,132.07					10,000,000.00	999,341,132.07
GDD Financial Holding Group Co., LTD Public Issue of Renewable Corporate Bonds (Phase 2) (Variety 1)	10,000,000.00	999,307,169.81					10,000,000.00	999,307,169.81
GDD Financial Holding Group Co., LTD Public Issue of Renewable Corporate Bonds (Phase 3)	20,000,000.00	1,998,609,132.08		89,660.38			20,000,000.00	1,998,698,792.46
HWABAO-HWABAO Ansheng No.5 Pooled fund trust plan on Renewable Debt Investment		409,000,000.00						409,000,000.00

GDD Financial Holding Group Co., LTD Public Issue of Renewable Corporate Bonds (Phase 4)	10,000,000.00	999,284,528.30		40,375.47			10,000,000.00	999,324,603.77
Total	50,000,000.00	5,406,541,962.26		129,735.85			50,000,000.00	5,406,671,698.11

54. Capital reserves

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Capital premiums	5,240,168,104.78	794,980,000.00	0.00	6,035,148,104.78
Others capital reserves	211,411,002.62	7,827,885.36	39,151,500.83	180,087,387.15
Total	5,451,579,107.40	802,807,885.36	39,151,500.83	6,215,235,491.93

Note:

Reasons for the increase in capital reserves:

The cumulative capital injection of rmb794,980,000.00 received from Finance Bureau resulted in an increase in capital reserve of rmb794,980,000.00.

55. Other comprehensive income

Item	Opening balance	Incurred during the current period						Closing balance
		Incurred before the Income tax	Less: Amount recognized in other comprehensive income in the previous period and recognized in profit and loss in current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority interests after tax	Other adjustments	
Other comprehensive income to be reclassified into profit or loss	-9,337,374.23	-6,175,530.24	639,231.47	2,176,276.55	-3,852,065.83	-6,138,972.43		-13,189,440.06
Including: 1. Shares of other comprehensive income that will be reclassified into profit and loss in the investee under equity method	-752,412.39	-12,366,111.29		1,421,047.45	-6,117,753.14	-7,669,405.60		-6,870,165.53
2. Profit and loss on changes in fair value of available-for-sale financial assets	-0.01							-0.01
3. Change in fair value of other	-23,042,704.90	5,418,799.51	564,451.91	660,406.00	1,981,218.01	2,212,723.59		-21,061,486.89

Item	Opening balance	Incurred during the current period						Closing balance
		Incurred before the income tax	Less: Amount recognized in other comprehensive income in the previous period and recognized in profit and loss in current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority interests after tax	Other adjustments	
debt instruments								
4. Provision for credit impairment on other debt instruments	14,457,743.07	771,781.54	74,779.56	94,823.10	284,469.30	317,709.58		14,742,212.37
Other comprehensive income that cannot be reclassified subsequently to profit or loss	5,488,357.43							5,488,357.43
1. Including: Changes in fair value of investments in other equity instruments (as applicable under the new standard)	5,488,357.43							5,488,357.43
Total other comprehensive income	-3,849,016.80	-6,175,530.24	639,231.47	2,176,276.55	-3,852,065.83	-5,138,972.43		-7,701,082.63

56. General risk provisions

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
General risk provisions	47,955,706.50			47,955,706.50
Total	47,955,706.50			47,955,706.50

57. Retained earnings

Item	Amount during the current period	Amount in previous period
Closing balance in the prior year before adjustment	1,070,833,662.21	1,008,056,498.47
Adjustment for openning balance in total retained earnings(add for "+", less for "-")	499,241,770.30	0.00
Openning balance in total retained earnings after adjustment	1,570,075,432.51	1,008,056,498.47
adds: Transfer in of net profit attributable to owners of the parent company in the current period	165,824,737.53	174,910,074.80
Other adjustment factors		-60,702,628.09
Subtract: Statutory surplus reserves		
Discretionary surplus reserve		
Appropriation to general risk provisions		14,415,830.64
Dividends payable on common shares	53,116,698.18	37,014,452.33
Dividends on ordinary shares converted to share capital		
Calibri	1,682,783,471.86	1,070,833,662.21

58. Total operating revenue and total operating cost

Item	Amount in current period		Amount in previous period	
	Revenue	cost	Revenue	cost
Total operating revenue and total operating cost	3,725,500,854.14	2,655,299,441.66	2,681,154,968.01	1,706,414,140.10
Including: Operating revenue and cost	3,159,341,251.02	2,532,877,686.27	2,126,731,338.18	1,527,522,255.30
Interest income and cost	286,911,460.65	60,270,721.19	267,403,811.44	109,424,280.79
Handling fees and commission income and costs	279,248,142.47	62,151,034.20	287,019,818.39	69,467,604.01

(1) Operating revenue and cost

Item	Amount during the current period		Amount in previous period	
	Revenue	cost	Revenue	cost
(1) Subtotal of main businesses	2,917,768,115.14	2,360,678,031.92	2,064,654,314.88	1,508,494,167.39
(2) Subtotal of other businesses	241,573,135.88	172,199,654.35	62,077,023.30	19,028,087.91
Total	3,159,341,251.02	2,532,877,686.27	2,126,731,338.18	1,527,522,255.30

(2) Net interest income

Item	Amount in current period	Amount in previous period
(1) Interest income	286,911,460.65	267,403,811.44
Including: Interest income from monetary funds and settlement provisions	54,432,197.68	66,438,155.70
Interest income from margin trading	129,357,350.64	84,507,884.25
Buyback of the financial assets sold	13,649,530.73	33,388,655.12
Including: Interest income from stock pledge repurchase	10,806,917.90	30,711,469.21
Interest income from other debt instruments	89,472,381.60	83,069,116.37
(2) Interest expenses	60,270,721.19	109,424,280.79

Item	Amount in current period	Amount in previous period
Including: Interest expenses on sale and repurchase	30,709,635.32	45,991,050.68
Interest expense on transferred funds	567,900.00	
Interest expenses payable on shortterm financing funds	11,883,037.26	5,216,711.93
Interest expense on securities purchased and sold by agents	8,787,858.01	9,037,900.18
Interest payable on bond expenditures		17,564,435.34
Interest expenses payable on subordinated debts	4,943,356.91	31,607,333.34
Others	3,378,933.69	6,849.32
(3) Net interest income	226,640,739.46	157,979,530.65

(3) NetIncome from handling fees and commission

Item	Amount in current period	Amount in previous period
(1) Income from handling fees and commission	279,248,142.47	287,019,818.39
Income from brokerage business	219,311,336.74	193,227,427.29
Including: Income from bond brokerage business	219,311,336.74	193,227,427.29
Including: Deputy securities trading business	185,102,689.60	183,474,292.21
Trading unit seat lease	22,091,697.34	5,522,911.15
Financial products distribution business	12,116,949.80	4,230,223.93
Income from investment banking	30,922,316.95	43,385,671.74
Including: Securities underwriting business	16,755,418.42	35,443,396.22
Securities Sponsoring Business	849,056.60	566,037.74
Financial advisory business	13,317,841.93	7,376,237.78
Income from asset management business	6,500,928.30	18,753,978.81
Income from fund management business	2,722,772.39	2,490,757.21
Income from investment advisory business	19,614,984.48	28,977,361.50
Others	175,803.61	184,621.84
(2) Expenses on handling fees and commission	62,151,034.20	69,467,604.01
Expenses on brokerage business	61,860,929.29	64,107,046.94
Including: Expenses on securities brokerage business	61,860,929.29	64,107,046.94
Including: Deputy Securities Trading Business	61,860,929.29	64,107,046.94
Expenses on investment banking	290,104.91	5,360,557.07
Including: Securities underwriting business	290,104.91	5,360,557.07
(3) Net income from handling fees and commission	217,097,108.27	217,552,214.38
Including: Net income from financial advisory business		

59. Taxes and surcharges

Item	Amount in current period	Amount in previous period
Urban Construction Tax	11,422,306.72	8,793,584.33
Property tax	33,914,043.39	12,922,506.49
Land use tax	1,805,525.55	131,807.65
Land value-added tax	55,116,843.50	73,025,832.71
Education surtax	5,030,370.94	3,835,220.30
Local education surcharge	3,354,212.38	2,556,813.54
Vehicle use tax	41,070.96	45,012.12
Stamp duty	3,484,410.73	3,513,674.99
Others		702,723.50
Total	114,168,784.17	105,527,175.63

60. Selling expenses

Item	Amount in current period	Amount in previous period
Employee benefits	25,259,066.61	14,934,643.10
Business entertainment expenses	4,992,238.22	2,604,141.20
Advertising costs	1,872,284.56	1,476,444.07
Agency service fees	8,746,598.85	331,691.49
Transport costs	960,457.92	3,744,481.51
Marketing and travel expenses	148,050.54	1,660,069.35
Depreciation and amortisation expenses	8,930,011.96	6,219,195.96
Rental fees	1,391,898.57	2,740,581.56
Material consumption expenses	717,889.14	1,429,588.80
Other	17,969,037.37	5,495,803.51
Total	70,987,533.74	40,636,640.55

61. General and administrative expenses

Item	Amount in current period	Amount in previous period
Employee benefits	381,142,172.78	330,277,639.10
Property insurance premium	2,968,439.50	273,205.67
Office expenses	2,907,780.75	3,222,627.65
Advertising and business promotion expenses	5,535,941.42	415,248.48
Transportation costs	400,458.74	865,524.40
Rent and property management fees	30,517,170.56	38,892,112.39
Communication expenses	7,385,945.62	5,663,522.89
Business entertainment expenses	4,911,090.19	3,347,657.38
Depreciation and amortisation expenses	64,593,241.10	79,150,802.41
Consulting and brokerage fees	20,709,142.38	8,593,008.06
Utilities	127,863.69	144,309.05
Maintenance and material consumption	573,011.22	1,205,567.42
Travel expenses	632,553.76	155,726.17
conference fee	557,922.84	618,875.49
Labor fee	5,363,176.30	1,273,009.02
Vehicle usage costs	1,036,668.67	1,349,454.71
Litigation costs	211,056.95	85,396.96
Other	66,390,212.22	64,465,151.52
Total	595,462,848.19	539,999,238.26

62. Research & development expenses

Item	Amount in current period	Amount in previous period
Employee benefits	15,617,077.31	19,408,613.16
Depreciation and amortisation expenses	4,539,861.91	6,991,249.03
Other	5,625,949.59	6,144,766.68
Total	25,782,888.81	32,544,628.87

63. Financial expenses

Item	Amount in current period	Amount in previous period
Interest expenses	889,283,341.70	850,591,509.82
Less: Interest income	384,607,476.46	190,278,313.48
Add: Net exchange losses	-66,384,603.34	48,363,781.69

Item	Amount in current period	Amount in previous period
Add: Other expenditures	3,187,710.90	2,883,578.50
Total	441,978,972.80	711,580,556.53

64. Other Income

Item	Amount in current period	Amount in previous period
Operation Contribution Award of Guangzhou Development District for Promoting advanced Manufacturing Development	8,460,000.00	
North Start Zone Subsidy	7,363,087.20	6,848,604.90
Rental subsidy	3,739,864.04	
Subsidy for technical renovation works	2,389,753.44	1,220,622.92
Emerging financial incentives for financial institutions	2,160,000.00	0
Value-added tax rebate and add-on deduction	2,517,075.97	1,069,005.94
Rewards for settling down of Financial Institutions	1,357,090.52	
Bond financing business subsidy	1,078,520.00	
Thematic funding for post-incentive awards for integrated upgrades to units #8 and #9	1,068,725.92	1,815,795.80
Counterpart Funds for Further promotion on advanced manufacturing development	1,000,000.00	
Subsidy of ICC from Guangzhou Municipal Local Financial Supervision and Administration	975,000.00	
Financial assistance for operating expenses	869,580.28	490,060.00
Employment stabilization subsidy	695,190.10	997,830.53
Subsidy for photovoltaic power generation projects	219,961.02	434,932.97
Subsidy for Supporting Funds	11,500.00	761,470.94
Others	2,203,346.23	3,003,661.12
Total	35,608,694.22	16,631,985.12

65. Investment income

Item	Amount in current period	Amount in previous period
Income from long-term equity investments accounted for under the equity method	27,544,824.40	588,744,369.29
Investment income from the disposal of long-term equity investments	10,987,866.18	3,404,889.42
Investment income obtained during the holding of held for trading financial assets	128,957,058.40	13,595,405.78
Investment income earned while holding available-for-sale financial assets		27,114,383.28
Investment income obtained during the investment period of holding other equity instruments	6,264,579.60	5,459,378.80
Investment Income during holding other non-current financial assets	6,528,245.68	
Investment income from disposal of other non current financial assets	55,945,186.16	
Investment gains from disposal of held for trading financial assets	70,663,693.27	46,748,086.63
Investment income from disposal of other creditor's rights investments	564,451.91	1,250,216.71
Investment Income from disposal of available-for-sale financial assets		
Investment income acquired on disposal of derivative financial instruments		-18,450,856.34
Investment Income from financial products		93,934.39
Interest Income from related-party borrowings		64,774,970.40
Others	-1,557,967.86	79,637,788.92
Total	305,897,935.74	812,372,417.28

66. Income from change in fair value

Source of income from change in fair value	Amount in current period	Amount in previous period
Trading financial assets	420,988,389.60	91,714,990.52
Financial liabilities measured at fair value and whose changes are recorded in current profits and losses		66,132,836.00
Derivative financial instruments	5,848,441.56	-5,197,420.00
Financial liabilities held for trading	-68,818,798.00	
Derivative financial liabilities	-1,513,947.69	
Others	2,238,650.94	
Total	358,743,336.41	152,650,406.52

67. Impairmentloss of credit

Item	Amount in current period	Amount in previous period
Provision for bad debt	4,070,536.11	647,562.49
Impairment loss of other debt instruments	-877,684.73	-13,237,746.26
Provision for bad debt for financing funds	-5,087,359.09	1,713,273.90
Provision for bad debt on buyback of the financial assets sold	31,905,605.45	3,394,945.76
Provision for bad debt of financing bonds		
Total	21,870,025.52	-10,908,511.91

68. Impairment loss of assets

Item	Amount in current period	Amount in previous period
Provision for bad debt		-16,048.27
Impairment loss of investments in provision for depreciation of inventories	-107,090.44	
Total	-107,090.44	-16,048.27

69. Income from disposal of assets

Item	Amount in current period	Amount in previous period	Extraordinary profit and loss taken as amount in current period
Income from disposal of held for sale disposal group	129,542.11		129,542.11
Income from disposal of non-current assets	2,120,364.68	-430,329.12	2,120,364.68
Including: Income from disposal of non current assets classified as held for sale	1,522,232.65		1,522,232.65
Including: Income from disposal of fixed assets	1,522,232.65		1,522,232.65
Including: Income from disposal of non-current assets not classified as held for sale	598,132.03	-430,329.12	598,132.03
Including: Income from disposal of fixed assets	598,132.03	-430,329.12	598,132.03
Total	2,249,906.79	-430,329.12	2,249,906.79

70. Non-operating revenue

(1) Details of non-operating revenue

Item	Amount in current period	Amount in previous period	Extraordinary profit and loss taken as amount in current period
Total gains from damage and scrap of non-current assets	1,198,574.25	18,813.70	1,198,574.25
Including: Gains from damage and scrap of fixed assets	1,103,374.25	18,813.70	1,103,374.25
Payments not required	45,471.90	918,240.58	45,471.90

Item	Amount in current period	Amount in previous period	Extraordinary profit and loss taken as amount in current period
Government grants	4,968,577.46	3,946,312.39	4,968,577.46
Compensation and penalty income	303,582.39	49,089.30	303,582.39
Gain on disposal of carbon assets		30,583,194.65	
Others	12,730,687.33	1,790,543.93	12,730,687.33
Total	19,246,893.33	37,306,594.55	19,246,893.33

(2) Details of government grants

Item	Amount in current period	Amount in previous period
Securitization issuance incentive	1,396,318.33	
NATIONAL EQUITIES EXCHANGE AND QUOTATIONS	1,000,000.00	
Land requisition compensation project of reconstruction to west road partition (West exit)	603,349.00	
Fees for issuing anti-COVID-19 related bonds	500,000.00	
Business Contribution Award	970,000.00	2,160,000.00
Special tax subsidy for specific enterprises		400,000.00
Settlement subsidy		544,176.06
Key projects resumption of work and production fees		440,000.00
Others	498,910.13	402,136.33
Total	4,968,577.46	3,946,312.39

71. Non-operating revenue

Item	Amount in current period	Amount in previous period	Extraordinary profit and loss taken as amount in current period
Gains from damage and scrap of non-current assets	278,598.78	5,830,313.82	278,598.78
External donations	924,432.34	9,083,207.31	924,432.34
Fines, late payment fees	139,643.54	59,769.23	139,643.54
Performance compensation		6,000,000.00	
Liquidated damages	2,260,992.52	3,372,591.60	2,260,992.52
Others	692,873.87	180,769.86	692,873.87
Total	4,296,541.05	24,526,651.82	4,296,541.05

72. Income tax expenses

(1) Income tax expenses

Item	Amount in current period	Amount in previous period
Current tax expenses calculated in accordance with tax laws and related regulations	111,391,349.78	105,863,023.99
Deferred tax adjustments	68,396,035.67	15,940,555.34
Total	179,787,385.45	121,803,579.33

(2) Accounting profit and income tax expenses adjustment process

Item	Amount in current period
Total consolidated profits for the current period	561,533,445.29
Income tax expenses measured at statutory / applicable tax rates	140,383,361.34
Effect of different tax rates applicable to subsidiaries	-365,629.96
Effect of adjusting income tax in prior periods	1,339,970.06

Item	Amount in current period
Effect of non-taxable income	6,284,500.69
Effect of non-deductible costs, expenses and losses	-5,989,040.85
Effect of using deductible losses of deferred tax assets not recognized in the prior period	4,631,981.41
Effect of deductible temporary differences or deductible losses of deferred tax assets not recognized in the current period	46,025,349.61
Others[Note1]	-3,263,144.03
Income tax expenses	179,787,385.46

Note1: Others consist of additional deduction for R&D expenses and preferential income tax reduction

73. Consolidated cash flow statement

(1) Supplement toconsolidated cash flow statement

Item	Amount in current period
1.Adjustment from net profits to cash flows from operating activities	
Net profits	381,746,059.84
Add: Provision for impairment of assets	107,090.44
Impairment loss of credit	-21,870,025.52
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	364,392,059.21
Amortization of intangible assets	34,511,482.83
Amortization of long-term prepaid expenses	16,563,139.26
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains listed with "-")	-2,120,364.68
Losses on scrap of fixed assets (gains listed with "-")	-824,775.47
Losses on changes in fair values (gains listed with "-")	-358,743,236.41
Financial expenses (gains listed with "-")	504,675,805.24
Investment losses (gains listed with "-")	-305,897,935.74
Decrease in deferred tax assets (Increase listed with "-")	3,466,313.61
Increase in deferred tax liabilities (Decrease listed with "-")	192,224,776.39
Decrease in inventories (Increase listed with "-")	-689,121,054.49
Decrease in operating receivables	-446,299,605.95
Increase in operating payables	968,459,386.25
Others	
Net cash flow from operating activities	641,668,274.83
2. Significant investing and financing activities that do not involve cash receipts and disbursements	
Transfer of debt to capital	
Convertible corporate bonds due within 1 year	
Finance leased fixed assets	
3. Changes in cash and cash equivalents	
Closing balance of cash	24,270,821,809.76
Less: Opening balance of cash	20,482,726,760.45
Add: Closing balance of cash equivalents	
Less: Opening balance of cash equivalents	
Net increase in cash and cash equivalents	3,788,095,049.31

(2) Net cash paid by subsidiaries in the current period: None.

(3) Net cash received for disposal of subsidiaries in the current period: None

(4) Cash and cash equivalents

Item	Amount in current period	Amount in previous period
Cash	24,270,821,809.76	23,422,276,634.86
Including: Cash on hand	108,260.96	182,953.77
Cash at bank available for payment	20,264,644,546.11	21,071,578,405.95
Other monetary funds available for payment	3,365,137,020.24	1,657,799,181.79
Central bank deposits available for payment		
Settlement reserves	640,931,982.45	692,716,093.35
Cash equivalents		
Including: Bond investments due within 3 months		
Closing balance of cash and cash equivalents	24,270,821,809.76	23,422,276,634.86
Including: Restricted cash and cash equivalents used by the parent company or a subsidiary of the Group	325,663,696.16	1,840,235,159.92

74. Foreign currency monetary items

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Monetary funds			38,687,763.05
Including: USD	5,328,331.44	6.4601	34,421,941.55
GBP	21.39	8.9410	191.25
HKD	4,978,004.89	0.8321	4,142,197.87
EUR	16,058.96	7.6862	123,432.38
Bonds payable			3,279,951,483.81
Including: USD	507,724,568.32	6.4601	3,279,951,483.81

75. Assets with restrictions in titles or use rights

Item	Closing book value	Reason for restriction
Monetary funds	325,663,696.16	Investment custody funds, restricted time deposits, security deposits, special loans, judicially frozen funds
Accounts receivable	28,325,842.00	Pledges
Inventories	636,110,000.00	Land (development cost) bank mortgage
Investment properties	1,917,227,931.93	Legal proceedings for security of action, release of pledge in progress, bank mortgage borrowing
Fixed assets	206,497,403.30	Bank mortgage loans
Intangible assets	142,532,348.46	Bank mortgage loans
Long-term receivables	409,991,511.38	Loan pledge
Other non-current assets	65,304,945.38	Transfer of transfer for buy-back business, pledge for pledged repo business
Trading financial assets	603,611,546.92	
Including: Bonds	432,062,957.00	pledge for pledged repo business
Stock	72,078,444.28	Trading restricted for 1 year for transfer board business, half year for directional add-issuance
Others	99,480,165.64	including the Group 's investment on pooled joint venture management plan and wealth management products, due to no opening period or restriction within the restricted sales commitment period

IX. Interest in subsidiaries

1. Structured entities included in the scope of consolidation

For details of the structured entities included in the consolidation scope of the Group, please refer to "Note VII. 1 Basic information on subsidiaries included in the scope of the consolidated statements".

2.Equity in structured entities not included in consolidated financial statements

(1) Basic information of structured entities not included in consolidated financial statements

At the end of current reporting period, the structural entity associated with The Group but not included in the scope of The Group's consolidated financial statements is asset management plans initiated by the Group. The income from these structured entities, which are not included in the consolidated financial statements, consists primarily of income from holding investments directly or earning management fees through the management of these structured entities. The Group' return on a consolidated assessment of its shareholding and its remuneration as administrator of the asset management plan are not included in the scope of consolidation due to the insignificant impact of variable returns on the Group.

(2) Book value and maximum loss exposure of equity-related assets and liabilities

Item	Item presented in financial statements	Book value		Maximum loss exposure	
		Closing amount	Opening amount	Closing amount	Opening amount
Asset management plan	Trading financial assets	2,989,526.98	68,133,246.04	2,989,526.98	68,133,246.04

(3) Details of structured entities not included in the scope of the consolidated financial statements

Item	Closing amount	Opening amount
LianxunTianxing capital No.1 collective asset management plan	1,698,110.58	1,718,275.27
LianxunTianxing capital No.2 collective asset management plan	669,447.20	620,300.66
LianxunTianxing capital No.3 collective asset management plan	291,548.41	296,718.36
LianxunSecurities pledge bao No. 7 collective asset management plan		81,087,944.84
Lianli No 2 collective asset management plan	330,420.79	4,361,153.41
Total	2,989,526.98	88,084,392.54

X. Significant commitment and contingencies

1. Significant commitment

(1) The Group, Guangzhou Development District Investment Holdings Group Co., Ltd. (hereinafter referred to as "Guangkai Investment") , and China Life Insurance Co., Ltd. (hereinafter referred to as "China Life Insurance") signed the "Agreement of Acquisition of Trust Income of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan" (hereinafter referred to as "Acquisition Agreement") , and the "Difference replenishment agreement of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan" (hereinafter referred to as the " Balance replenishment agreement") , which constitute the difference replenishment obligation and the acquisition obligation.

Zhongrong International Trust Co., Ltd. (hereinafter referred to as "Zhongrong Trust Company"), on behalf of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Scheme (hereinafter referred to as "trust plan") , participated in the establishment of industrial investment fund as a priority limited partner. For the partnership, Zhongrong Trust Company subscribed for a capital contribution of RMB 7.001 billion.

The total size of the trust plan is RMB 7.001 billion, which was initiated by Zhongrong Trust Company. China Life Insurance subscribed RMB 7 billion as a Class A beneficiary. Up to the reporting date, Zhongrong Trust Company has represented the "Partnership Capital" of the trust plan paid fund of RMB 3.001 billion.

①Difference replenishment obligation

The Group and Guangkai Investment and China Life Insurance signed the "Supply Balance Agreement for Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan", and the agreement stipulates that Zhongrong Trust Company will transfer to China Life Insurance during any distribution period of the trust plan. The distribution of the trust income of Life Insurance failed to enable China Life to obtain sufficient current trust income for the trust unit under the trust plan during the accounting period. The contractual difference between the current trust income of the current life and the actual distribution of the trust income of the China Life Insurance period is supplemented until the China Life Insurance obtains the current trust income that can be allocated in full.

②Acquisition obligation

The Group and Guangkai Investment and China Life Insurance signed the "Agreement of Acquisition of Trust Income of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan", The acquisition agreement stipulates that any accounting after the trust plan is established for 8 years, the actual principal allocated to China Life on the date of distribution is less than 20% of the historical maximum of the investment trust principal of China Life, or during the duration of the trust plan, and China Life may not receive the full amount of the current trust income available for distribution and other agreed conditions of China Life during the accounting period, China Life may initiated the delivery process when the condition of the current trust income, such as the current trust income, are allocated, and require the Group or Guangka Investment or the Group and Guangkai Investment to acquire the trust usufruct under the trust plan held by China Life Insurance.

(2) The Company signed the "Letter of Guarantee for the First Phase Asset Support Special Plan of Guojun-Guangzhou Talent Leasing" The Company was appointed as the guarantor of the "First Phase Asset Support Special Plan of Guojun-Guangzhou Talent Leasing", with Guangzhou Development District Talent Work Group Limited as the difference paye, in accordance with the " Gujun-Guangzhou Talent Leasing Phase I asset support special plan difference payment agreement", the difference payment obligation shall be paid by providing an unlimited joint and several liability guarantee to Shanghai GuotaiJunanSecurities Asset Management Co., Ltd. (the plan administrator). As at June 30th, 2021, the balance of the guarantee is RMB 504.0 million and the guarantee period is from April 25th, 2019 to February 26th, 2039.

(3) The Company's holding subsidiary, Guangzhou Hengyun Construction Investment Co., Ltd. provided mortgage loan guarantee to the purchasers of commercial properties in accordance with the practice of real estate operatio, the guarantee period is from the date of signing the loan contract between the Bank and the purchaser to the date when the mortgage of the house purchased by the purchaser is duly registered and the title deeds and real estate other rights certificates are handed over to the Bank for execution. The balance of guarantees assumed by Guangzhou Hengyun Construction Investment Co., Ltd. up to June 30th 2021 is RMB 275.21 million.

(4) In 2014, Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of The Group, signed "Amended and Restated Cooperative Business Agreement of DiaSys Diagnostic Systems (Shanghai) Co., Ltd." with Germany DiaSys Diagnostic Systems Co., Ltd., Ms. Qian Yingying and Mr. Ding Yaoliang in the acquisition of the equity of DiaSys Systems Co. Ltd. under non-identical merger of control. The DiaSys Diagnostic Systems (Shanghai) Co., Ltd. has been revised and the cooperative operation contract described in the contract stipulates the terms of the minority shareholder's compulsory sale right, namely: "Whether or not there are other contrary provisions in this contract, if the following event occurs (exit event) , Germany DiaSys Diagnostic Systems Co., Ltd., Ms, Qian Yingying and Mr. Ding Yaoliang (collectively referred to as "Exit Shareholders") have the right (but not the obligation) to require Leadman Company to purchase part or all of the shares held by the existingshareholders at the price specified in the contract at any time thereafter, The Group's equity, and it is able to send a written notice to the buyer indicating its willingness to initiate mandatory sale process, Exit event: After the lock-up period expires, the combined net profit growth of the Group and DiaSys Diagnostic Products (Shanghai) Co., Ltd. will increase to zero or negative for two consecutive years."

(5) In 2014, Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of The Group, signed a contract with Germany DiaSys Diagnostic Systems Co., Ltd. in the acquisition of the equity of DiaSysProduct Co.,Ltd. under non-identical merger of control. The contract stipulates the terms of the minority shareholder's compulsory sale right, namely: "Whether or not there are other contrary provisions in this contract, if the following event occurs (exit event) , Germany DiaSys Diagnostic Systems Co., Ltd. have the right (but not the obligation) to require Leadman Company to purchase part or all of the shares held by the sellers at the price specified in the contract at any time thereafter, and it is able to send a written notice to the buyer indicating its willingness to initiate mandatory sale process. Exit event: After the lock-up period expires, the combined net profit growth of The Company and DiaSys Diagnostic Products (Shanghai) Co., Ltd. will increase to zero or negative for two consecutive years."

(6) DiaSys Diagnostic Systems (Shanghai) Co., Ltd. and DiaSys Diagnostic Products (Shanghai) Co., Ltd. reported consolidated net income growth of RMB -2,062,568.97 in 2019 and consolidated net income growth for fiscal year 2020 was RMB -29,282,288.47.

(7) On May 4th, 2020, Beijing Leadman Biochemistry Co., Ltd., a subsidiary of the Group, received a written notice from Germany DiaSys Diagnostic Systems Co., Ltd., a shareholder holding 22% of DiaSys Diagnostic Systems (Shanghai) Co., Ltd., requesting the start of the compulsory sale procedure. On April 19th, 2020, Mr. Ding Yaoliang (holding 5%), a minority shareholder of DiaSys Systems, and Ms. Qian Yingying (holding 3%) on May 19th, 2020, submitted a written notice requesting the start of the compulsory sale procedure to the company. On July 1st, 2020, The company received a written notice from Germany DiaSys Diagnostic Systems Co., Ltd. requesting to start the compulsory sale of the equity of DiaSys products. At the end of the current reporting period, the company, DiaSys Systems and the minority shareholders of DiaSys Products, in accordance with the requirements of the relevant clauses of the cooperative operation contracts signed, the evaluation agency is still in the selection stage.

2. Contingencies

(1) Significant contingencies existing on the balance sheet date

On December 29th2019, Sinopharm (Guangzhou) Medical Equipment Co., Ltd.issued a commercial promissory note in the amount of RMB 35.6 million to Beijing Leadman Biochemistry Co., Ltd., a subsidiary of the Group, for partial payment of the outstanding purchase price, which expired on 28th December 2020 with no settlement from the drawer. In this situation urge for collection, as well as communication, was performed by Beijing Leadman Biochemistry Co., Ltd., failed at last. The Company has filed a lawsuit in the Beijing Municipal Daxing District People's Court, on April 1st2021. Leadman received the "Case Acceptance Notice" from the Court on April 9, 2021. The case is still in trial stage, and judgement has not been made yet at first instance.

(2) Sinopharm (Guangzhou) Medical Device Co., Ltd. filed a lawsuit in Beijing Daxing District People's Court over a dispute on the sales contract, demanding Beijing Leadman Biochemistry Co., Ltd. to return the principal amount and fund occupancy fees of RMB 22.17 million, which had been paid for the goods. Beijing Daxing District People's Court has officially registered the case on April 29th, 2021. At present, still in the trial stage, and first-instance judgment has not been made yet.

(3) ProfitGreat Group Limited (hereinafter referred as to "PGG") filed a case in High Court, Hong Kong Special Administrative Region against Beijing Leadman Biochemistry Co., Ltd., over dispute on equity, requesting Beijing Leadman Biochemistry Co., Ltd., which is a subsidiary of the Group, paying 8.94 million US dollar(revisedly 8.94 million US dollar in July 16th,2021 by PGG) and compensation for damage, interests, expense, and other relief. At the end of the current reporting periodd, the case has not been at court for trial yet.

(4) On October 29th 2020, Hangzhou Bank Co., Ltd. filed a lawsuit against YUEKAI SECURITIES CO., LTD. in the Guangzhou Intermediate People's Court in a contract dispute and pre-litigation property preservation measures have been taken.As of the current reporting period, the case's still been in trial process.

XI. Subsequent events after the balance sheet date

1. Significant non-adjustment

(1) Guangzhou GET Investment Holdings Co., Ltd. (hereinafter referred to as "Get Investment Holdings"), a secondary wholly owned subsidiary of the Group, signed the "Conditionally Effective Share Transfer Agreement" on July 23rd, 2021, and plans to acquire Shanghai Taisheng Wind Power Equipment Co.,Ltd. (hereinafter referred to "Taisheng Wind Power") , whose actual controller team includes Liu Zhicheng, Huang Jingming, Zhang Jinnan, Zhang Fulin, and shareholder Zhang Shuxiao (hereinafter referred to "Transferor") who holds 36,033,927shares, up to 5.011% of the total equity of the company. On the same day, the Group signed the "Conditionally Effective Share Subscription Agreement", which stipulates that Taisheng Wind Power intends to issue 215,745,976 shares to Get Investment Holdings by method of issuance to specific targets. After the completion of this equity change, Get Investment Holdings will hold a total of 251,779,903 shares of Taisheng Wind Power, accounting for 26.93%, and Get Investment Holdings will become the controlling shareholder of Taisheng Wind Power.

(2) On August 6th, 2021, The Group increased another shareholder, Department of Finance of Guangdong Province, with its holding 10% of The Group's total shares, while 90% held by Guangzhou Economic and Technological Development Zone Management Committee.

(3) Guangzhou Development District Holdings Group Co., Ltd. (hereinafter referred as to the issuer) issued corporate bonds going a maximum issuance scale within RMB 4 billion yuan to the public, approved by China Securities Regulatory Commission with approval document Securities Regulatory License【2021】No.2290. According to the Public Notice on Guangzhou Development District Holdings Group Co., Ltd.'s public issue of corporate bonds (the first phase) to professional investors, the first phase of the corporate bonds (hereinafter referred as to the current bond) from the issuer goes a maximum issuance scale within RMB 2 billion yuan, with a price RMB 100 yuan each peace, adopting the method of inquiring and alloting to professional investors under the Internet.

The current bond had been issued from August 11th to August 12th, 2021. In the end, the actual number of the first product issued offline was 1.3 billion yuan, wiht the coupon rate 3.09%.

2. Profit distribution

None.

3. Other events

None.

XII. Related party relationships and transactions

1. Related party relationships

(1) Controlling shareholder and final controlling party

Name of controlling shareholder and final controlling party	Registered address	Nature of business	Registered capital	Proportion of ownership	Proportion of voting power (%)
Guangzhou Economic and Technological Development Zone Management	Guangzhou			100.00	100.00

(2) Subsidiaries

For details of The Group's subsidiaries, please refer to "Note VII 1 Basic information of subsidiaries included in the scope of consolidated statements".

(3) Joint ventures and associates

For details of the Group's joint ventures and associates, please refer to the relevant information disclosed in note VIII 20 Long term equity investments.

(4) Other related parties

Name of other related parties	Relationship with The Group
Guangdong Finance Trust Co., Ltd.	a subsidiary of YUEKAI SECURITIES CO., LTD. shareholder Guangdong Yuekai Investment Holding Co., Ltd.
Chongqing Dingrui Real Estate Development Co., Ltd.	together with YUEKAI SECURITIES CO., LTD. shareholder Grand China Air Co., Ltd. is also a holding company of HNA Group
Hainan HNA Property Management Co., Ltd.	HNA Group's indirect shareholding companies, and YUEKAI SECURITIES CO., LTD. shareholders Grand China Air Co., Ltd. have a relationship with HNA Group.
Huizhou LiankunDewei Investment Partnership (Limited Partnership)	An enterprise invested by subsidiary Yuekai Capital Investment Co., Ltd.
Tibet Lianxun North Glass Venture Capital Partnership	An enterprise invested by subsidiary Yuekai Capital Investment

Name of other related parties	Relationship with The Group
(Limited Partnership)	Co., Ltd.
Hefei Lianxun Xingtai Automobile Industry Equity Investment Partnership (Limited Partnership)	An enterprise invested by subsidiary Yuekai Capital Investment Co., Ltd.
Huizhou Xunwei Equity Investment Partnership(limited Partnership)	An enterprise invested by subsidiary Yuekai Capital Investment Co., Ltd.
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	Participating company
LG Display Optical Electronic Technology (China) Co., Ltd.	associates
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	associates
Guangzhou Liding GET Venture Capital Partnership (Limited Partnership)	associates
Guangzhou Detong GET Investment Management Co., Ltd.	associates
Guangzhou Detong GET Venture Capital Co., Ltd. (Limited Partnership)	associates
Guangzhou Keith Fund Management Co., Ltd.	associates
Guangzhou Liding GET Fund Management Co., Ltd.	associates
Guangzhou Wong Real Estate Development Co., Ltd.	associates
Guangzhou Wong Real Estate Co., Ltd.	associates
China Association for Science and Technology Guangzhou Science and Technology Park Joint Development Co., Ltd.	associates
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	Significant participating companies with more than 5% shareholding
Guangzhou Constant Force Detection Co.,Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Yuanshengde Municipal Service Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Zhifang Automation Technology Co., Ltd.	Significant participating companies with more than 5% shareholding
LG Display (China) Co., Ltd.	Significant participating companies with more than 5% shareholding

2. Related transactions

(1) Market making for related parties stocks

Related party	Content of related transaction	Incurred during the current period (10 thousand shares)	Incurred in previous period (10 thousand shares)
Hainan New Generation Media Co.,Ltd.	Market making for related parties stocks		462.05
Tianjin Hilogicloud Co.,Ltd.	Market making for related parties stocks		49.6

(2) Purchase of goods

Related party	Content of related transaction	Amount in current period	Amount in previous period
Guangzhou Broadband Backbone Network Co., Ltd.	Provision of network services	239,831.05	97,768.62
Guangzhou Broadband Backbone Network Co., Ltd.	Network usage fee		19,584.52
Chongqing Dingrui Real Estate Development Co., Ltd.	Rental, Property management fee	241,292.66	252,959.52
Hainan HNA Property Management Co., Ltd.	Access Card, Property management fee,Utilities	213,008.41	3,667.33
Total		694,132.12	373,979.99

(3) Sales of goods/provision of labor services:

Related party	Content of related transaction	Amount in current period	Amount in previous period

Related party	Content of related transaction	Amount in current period	Amount in previous period
Guangzhou Broadband Backbone Network Co., Ltd.	Property fees	254,949.06	219,185.47
Guangdong Finance Trust Co., Ltd.	Brokerage transaction services business		54,137.42
Huizhou Liankun Dewei Investment Partnership (Limited Partnership)	Provision of fund management services		787,899.09
Guangzhou GET Small Loan Co., Ltd.	Service fees, property management fee		63,544.89
Guangzhou Delong GET Investment Management Co., Ltd.	Service fees, property management fee	8,767.86	
Guangzhou Liding GET Fund Management Co., Ltd.	Service fees, property management fee	33,875.11	
LG Display (China) Co., Ltd.	Service fees, property management fee	200,883.49	
LG Display Optical Electronic Technology (China) Co., Ltd.	Service fees, property management fee	4,647,530.40	
Hefei Liankun Xingtai Automobile Industry Equity Investment Partnership (Limited Partnership)	Provision of fund management services		1,549,392.76
Huizhou Xunwei Equity Investment Partnership(Limited Partnership)	Provision of fund management services		153,465.36
Guangdong Equity Trading Center Co., Ltd.	Property fees	153,335.56	
Guangzhou Financial Assets Trading Center Co., Ltd.	Property fees	99,985.41	
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	Property fees	32,039.15	
Guangzhou Keith Fund Management Co., Ltd.	Property fees	7,547.15	
ICT Academy Industrial Internet Innovation Centre (Guangdong) Co., Ltd.	Property fees	216,586.15	
Guangzhou Minglue Soft Control Information Technology Co., Ltd.	Property fees	74,143.69	
Guangzhou Liding GET Investment Management Co., Ltd.	Property fees	16,304.85	
Total		5,745,947.88	2,867,624.99

(4) Details of related lease (Company as a leaser)

Name of lessee	Lease income recognized during current period	Lease income recognized in previous period
Guangzhou Broadband Backbone Network Co., Ltd.	1,007,322.33	837,232.51
Guangzhou Liding GET Fund Management Co., Ltd.		34,282.90
LG Display Optical Electronic Technology (China) Co., Ltd.	364,159.98	595,096.08
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)		12,045.30
Guangzhou Liding GET Venture Capital Partnership (Limited Partnership)		12,045.30
Guangzhou Liding GET Investment Management Co., Ltd.		8,030.20
Total	1,371,482.31	1,498,732.29

(5) Details of related guarantees

1) Company as a guarantor

Name of guaranteed party	Guarantee amount	Guarantee start date	Guarantee due date	Whether the guarantee has been fulfilled
Guangdong Huayang Environmental Protection Technology Co., Ltd.	9,000,000.00	2018-01	2021-01	Yes

2) Company as a guaranteed party

Name of guaranteed party	Guarantee amount	Guarantee start date	Guarantee due date	Whether the guarantee has been fulfilled
Guangzhou Jierui Real Estate Co., Ltd.	424,851,140.44	2018-10-25	2028-10-21	No

(6) Related party fund borrowing

Name of related party	Borrowing amount	Start date	Due date	Note
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	21,200,000.00	2020-9-1	2021-6-21	Totall Returned
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	13,200,000.00	2020-9-2	2021-6-21	Totall Returned
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	3,600,000.00	2020-11-2	2021-6-21	Totall Returned
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	2,000,000.00	2020-12-14	2021-6-21	Totall Returned
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	28,800,000.00	2021-1-25	2022-1-24	7,276,000.00 returned
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	10,400,000.00	2021-4-9	2022-1-24	
Guangzhou Ivlong Real Estate Development Co., Ltd.	354,932,000.00	2019-1-16	2022-1-15	Totall Returned
Guangzhou Ivlong Real Estate Development Co., Ltd.	32,000,000.00	2020-1-16	2021-1-15	Totall Returned
Guangzhou Ivlong Real Estate Development Co., Ltd.	362,866,209.08	2019-6-28	2022-6-27	7,148,000.00 returned in June
Guangzhou Ivkong Real Estate Co., Ltd.	563,559,031.46	2019-9-27	2022-9-26	
Guangzhou Ivkong Real Estate Co., Ltd.	9,800,000.00	2020-1-21	2023-1-20	
Guangzhou Ivkong Real Estate Co., Ltd.	19,539,385.00	2020-1-21	2023-1-20	
Guangzhou Ivkong Real Estate Co., Ltd.	1,000,000.00	2020-6-29	2023-6-28	
Guangzhou Ivkong Real Estate Co., Ltd.	10,937,400.00	2020-7-21	2023-7-20	
Guangzhou Ivkong Real Estate Co., Ltd.	1,899,885.00	2020-8-14	2023-8-13	
Guangzhou Ivkong Real Estate Co., Ltd.	8,202,770.00	2020-10-30	2023-10-29	
Guangzhou Ivkong Real Estate Co., Ltd.	680,000.00	2020-11-26	2023-11-25	
Guangzhou Ivkong Real Estate Co., Ltd.	5,800,000.00	2020-12-22	2023-12-21	
Guangzhou Ivkong Real Estate Co., Ltd.	5,390,000.00	2020-12-29	2021-12-28	
Guangzhou Ivkong Real Estate Co., Ltd.	4,070,000.00	2021-1-28	2024-1-27	
Guangzhou Ivkong Real Estate Co., Ltd.	34,300,000.00	2021-2-4	2024-2-3	
Guangzhou Ivkong Real Estate Co., Ltd.	4,950,000.00	2021-2-7	2024-2-6	
Guangzhou Ivkong Real Estate Co., Ltd.	9,800,000.00	2021-2-23	2024-2-22	
Guangzhou Ivkong Real Estate Co., Ltd.	1,960,000.00	2021-3-9	2024-3-8	
Guangzhou Ivkong Real Estate Co., Ltd.	34,230,600.00	2021-3-10	2024-3-9	
Guangzhou Ivkong Real Estate Co., Ltd.	490,000.00	2021-4-20	2024-4-19	
Guangzhou Ivkong Real Estate Co., Ltd.	5,880,000.00	2021-6-18	2024-6-17	

(7) Related transactions for the collection of fund occupancy fees

Name of guaranteed party	Types of related transactions	Amount during the current period	Amount in previous period
Guangzhou Ivlong Real Estate Development Co., Ltd.	Income from fund occupancy	15,684,326.13	1,064,307.53
Guangzhou Ivkong Real Estate Co., Ltd.	Income from fund occupancy	18,702,673.35	14,720,779.96

Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	Income from funds occupancy	842,396.54	462,040.35
Guangzhou GET Small Loan Co., Ltd.	Interest on loans		1,457,416.12
Total		35,229,396.02	17,704,543.96

3. Balance of related party transactions

(1) Accounts receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Ivkong Real Estate Co., Ltd.	60,000,000.00	60,000,000.00
Guangdong Equity Trading Center Co., Ltd.	15,224.34	
LeJin Display Optoelectronic Technology (China) Co., Ltd.	997,994.30	
Guangzhou Broadband Backbone Network Co., Ltd.	15,800.00	
Total	61,029,018.64	60,000,000.00

(2) Interest receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Ivkong Real Estate Development Co., Ltd.	87,501,137.25	72,223,673.69
Guangzhou Ivkong Real Estate Co., Ltd.	63,064,074.09	43,239,240.34
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	47,055.55	47,055.55
Guangzhou Broadband Backbone Network Co., Ltd.	51,932.04	90,791.25
Total	150,664,198.93	115,600,760.83

(3) Dividends receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Development Zone State Enterprise Industrial Investment Fund Partnership (Limited Partnership)		23,200,000.00
Total		23,200,000.00

(4) Other receivables of related parties

Related party	Closing balance	Opening balance
Guangzhou Ivkong Real Estate Development Co., Ltd.	355,718,209.08	707,798,209.08
Guangzhou Ivkong Real Estate Co., Ltd.	722,489,071.46	626,808,471.46
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.	31,924,000.00	40,000,000.00
Guangzhou GET Small Loan Co., Ltd.		100,091,666.67
Guangzhou Xiongtao Hydrogen Technology Co., Ltd.		287,207.91
Guangzhou Yuanshengde Municipal Service Co., Ltd.		13,540.00
Total	1,110,131,280.54	1,474,999,095.12

(5) Non-current assets due within one year

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co., Ltd.	4,682,440.82	8,086,342.86
Total	4,682,440.82	8,086,342.86

(6) Long-term receivables of related parties

Related party	Closing balance	Opening balance
LG Display Optical Electronic Technology (China) Co., Ltd.	60,693.33	57,798.35
Total	60,693.33	57,798.35

(7) Advances from customers of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co., Ltd.	91,509.42	183,018.84
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.		24,151.38
Guangzhou GET Small Loan Co., Ltd.		8,907.50
Total	91,509.42	216,077.72

(8) Dividends payable of related parties

Related party	Closing balance	Opening balance
Guangzhou Zhisheng Investment Co., Ltd.	43,983,333.33	43,983,333.33
Total	43,983,333.33	43,983,333.33

(9) Other payables of related parties

Related party	Closing balance	Opening balance
Guangzhou Li Ding Kai Venture Capital Limited Partnership (limited Partnership)	28,634,178.41	82,260,030.34
Guangzhou Yuanshengde Municipal Service Co., Ltd.		16,531,822.43
Guangzhou Detong GET Venture Capital Limited Partnership	11,862,670.00	11,862,670.00
Guangzhou Broadband Backbone Network Co., Ltd.	1,521,531.66	1,236,023.50
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	2,250.00	
Lejin Display Optoelectronic Technology (China) Co., Ltd	330,988.24	
Total	42,351,818.31	111,890,546.27

XIII. Notes to key items of parent company's financial statements

1. Notes to key items of financial statements

(1) Accounts receivable

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant but with provision for bad debt made on an individual basis	5,100,484.14	29.43	3,263,470.03	63.98
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	10,269,052.29	59.24	1,151.10	0.01
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	1,964,227.55	11.33	1,696,062.18	86.35
Total	17,333,763.98	100.00	4,960,683.31	28.62

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant but with provision for bad debt made on an individual basis	4,733,264.96	61.77	3,406,160.15	71.96
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	2,929,709.21	38.23		
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis				
Total	7,662,974.17	100.00	3,406,160.15	44.45

(1) Accounts receivable that are individually significant and with provision for bad debt made on an individual basis as at current period end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Guangzhou Jinjian Medical Equipment Co., Ltd.	1,426,455.92	1,426,455.92	2-3 years	100.00	Expected to be unrecoverable
Guangzhou Hongqi Optical Instrument Technology Co., Ltd.	1,543,014.43	771,507.21	Within 2 years	50.00	Overdue and untrustworthy
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd.	2,131,013.79	1,065,506.90	Within 3 years	50.00	Overdue and untrustworthy
Total	5,100,484.14	3,263,470.03		63.98	

(2) Accounts receivable subject to provision for bad debt on credit risk characteristics basis

1) Accounts receivable with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(including 1 year)	10,257,541.29	99.89		2,929,709.21	100.00	
1-2years	11,511.00	0.11	1,151.10			
2-3years						
Total	10,269,052.29	100.00	1,151.10	2,929,709.21	100.00	

(3) Provision for bad debt recovered or reversed

None.

(4) Accounts receivable actually written off during the current period

None.

(5) The top five accounts receivable collected by debtors

Debtor	Book balance	Ratio to total accounts receivable (%)	Provision for bad debt
Guangzhou Baoyun Information Technology Co., LTD	2,333,487.93	13.46	0.00
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd.	2,131,013.79	12.29	1,065,506.90
Huanan Industrial Technology Research Institute of Zhejiang University	1,960,176.78	11.31	0.00
Guangzhou Hongqi Optical Instrument Technology Co., Ltd.	1,543,014.43	8.90	771,507.22
Guangzhou Jinjian Medical Equipment Co., Ltd.	1,426,455.92	8.23	1,426,455.92
Total	9,394,148.85	54.19	3,263,470.04

2. Other receivables

Item	Closing balance	Opening balance
Dividends receivable	1,500,000.00	167,491,235.18
Other receivables	24,200,475,621.19	22,324,758,489.35
Total	24,201,975,621.19	22,492,249,724.53

(1) Interest receivable

None.

(2) Dividends receivable

Item	Closing balance	Opening balance	Reason for not recovery	Whether impairment has occurred
Dividends receivable aged within 1 year	1,500,000.00	167,491,235.18		
Including: Guangzhou Financial Assets Trading Center Co., Ltd.	1,500,000.00		Not paid yet	None
GDD Investment Holdings Co., Ltd.		156,815,888.02		
Guangzhou GET Investment Holdings Co., Ltd.		2,776,864.63		
Guangzhou GET Capital Management Co., Ltd.		4,411,018.80		
Guangzhou GET Financial Leasing Co., Ltd.		3,487,463.73		
Total	1,500,000.00	167,491,235.18		

(3) Other receivables

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant but with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	24,200,475,621.19	100.00		
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis				
Total	24,200,475,621.19	100.00		

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant but with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	22,324,758,489.35	100.00		
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis				
Total	22,324,758,489.35	100.00		

1) Other receivables subject to provision for bad debt on credit risk characteristics basis

a.Other receivables with the provision for bad debt made under aging methods:None.

b.Other receivables with the provision for bad debt made under other combination methods

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Provision for bad debt	Book balance	Accrual ratio (%)	Provision for bad debt
Combination 2	24,200,475,621.19			22,324,758,489.35		

Total	24,200,475,621.19			22,324,758,489.35		

2) The top five other receivable collected by debtors

Debtor	Nature of payment	Book balance	Ratio of total other accounts receivable (%)	Provision for bad debt
Guangzhou GET Venture Capital Co., Ltd.	Intercourse funds	4,050,335,549.09	16.74	
YUEKAI SECURITIES CO., LTD.	Intercourse funds	3,505,104,166.68	14.48	
Guangzhou GET Investment Holdings Co., Ltd.	Intercourse funds	3,486,124,722.21	14.41	
Guangzhou Development District Industrial Fund Investment Group Co., Ltd.	Intercourse funds	3,168,736,675.27	13.09	
Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	Intercourse funds	2,463,986,190.33	10.18	
Total	—	16,674,287,304.47	68.90	

3. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Investments in subsidiaries	23,002,741,644.40	2,013,000,000.00	4,000,000.00	25,011,741,644.40
Investments in associates	1,528,103,057.19	7,574,303.40	7,877,723.41	1,527,799,637.18
Subtotal	24,530,844,701.59	2,020,574,303.40	11,877,723.41	26,539,541,281.58
Less: Provision for impairment of long-term equity investments				
Total	24,530,844,701.59	2,020,574,303.40	11,877,723.41	26,539,541,281.58

(2) Details of long-term equity investments

1) Investments in subsidiaries

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance	Provision for impairment accrued during the current period
GDD Investment Holdings Co., Ltd.	3,868,188,938.60	29,000,000.00		3,897,188,938.60	
GUANGZHOU GET FINANCING & GUARANTEE CO.,LTD.	314,614,400.00			314,614,400.00	
Guangzhou Venture Capital Ltd	343,743,739.29		343,743,739.29		
Guangzhou GET Venture Capital Co., Ltd.	865,158,847.01	30,000,000.00		895,158,847.01	
Guangzhou GET Trading Co., Ltd.	374,004,631.29			374,004,631.29	
Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	6,982,610,626.02			6,982,610,626.02	
Guangzhou Hengyun Enterprises Holding Ltd.	222,364,048.00			222,364,048.00	
Guangzhou GET Investment Holdings Co., Ltd.	4,995,000,000.00	1,200,000,000.00		6,195,000,000.00	
Guangzhou GET Financial Services Co., Ltd.		487,743,739.29		487,743,739.29	
Guangzhou GET Asset Operation Co., Ltd.	333,568,915.67		4,000,000.00	329,568,915.67	
Guangzhou GET Financial Leasing Co., Ltd.	150,000,000.00			150,000,000.00	
Guangzhou Development Zone (Hong Kong) Investment Co., Ltd.	992,216.40			992,216.40	
Guangzhou Kaiyun Development Co., Ltd.	65,716,932.12			65,716,932.12	
Guangzhou High-tech Zone Industrial Investment Fund Co., Ltd.	140,000,000.00		140,000,000.00		
YUEKAI SECURITIES CO., LTD.	4,336,778,350.00			4,336,778,350.00	
Guangzhou Get Capital Operation Co., Ltd.	10,000,000.00			10,000,000.00	
Guangkai Desheng (Tianjin) Investment Partnership (Limited Partnership)		750,000,000.00		750,000,000.00	
Total	23,002,741,644.40	2,496,743,739.29	487,743,739.29	25,011,741,644.40	

2) Long-term equity investments under the equity method

Investee	Opening balance	Change in the current period								Closing balance	Provision for Impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for Impairment accrued	Others		
I. Joint ventures											
II. Associates											
Guangzhou Financial Assets Trading Center Co., Ltd.	22,707,339.16			641,560.62			1,500,000.00			21,848,899.78	
Zhongcheng Automobile Insurance Co., Ltd.	931,203,639.22			11,796,481.79	-4,541,684.31					938,458,436.70	
Guangdong Equity Trading Center Co., Ltd.	65,052,532.24			-889,637.86						64,162,894.38	
Suigang Technology Investment (Guangzhou) Co., Ltd.	104,913,841.96			-948,820.24						103,965,021.72	
SuigangZhizao (Guangzhou) Investment Co., Ltd.	104,795,381.19			-129,742.30						104,665,638.89	
Guangzhou Broadband Backbone Network Co., Ltd.	194,872,505.75			-2,139,770.50						192,732,735.25	
Guangzhou GET Small Loan Co., Ltd.	104,557,817.67			5,285,916.20			7,877,723.41			101,966,010.46	
Total	1,528,103,057.19			13,615,987.71	-4,541,684.31		9,377,723.41			1,527,799,637.18	

4. Operating revenue and cost

(1) Operating revenue and cost

Item	Amount during the current period		Amount in previous period	
	Revenue	Cost	Revenue	Cost
Lease income	107,118,812.39	51,191,256.31	53,783,750.20	53,314,683.34
Other revenue	446,255.31			
Total	**107,565,067.70**	**51,191,256.31**	**53,783,750.20**	**53,314,683.34**

5. Investment income

Source of investment income	Amount during the current period	Amount in previous period
Gain on long-term equity investments accounted for under the cost method	44,728,677.50	32,660,071.67
Income from long-term equity investments accounted for under the equity method	13,615,987.71	16,078,054.96
Investment income earned while holding trading financial assets	10,009,108.48	
Investment income earned while holding other non-current financial assets	18,900,000.00	
Investment income from disposal of trading financial assets	2,954,734.57	
Investment income from available-for-sale financial assets		25,393,029.60
Total	**90,208,508.26**	**74,131,156.23**

Guangzhou Development District Holdings Group Co., Ltd.

August 30th, 2021

统一社会信用代码

91110101085530788XF

营业执照

（副 本）(10-1)

名　　称　中喜会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　张增刚

经营范围　审查企业会计报表、出具审计报告；验证企业资本、出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。（市场主体依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

成立日期　2013年11月28日

合伙期限　2013年11月28日至 长期

主要经营场所　北京市东城区崇文门外大街11号11层1101室

扫描二维码登录“国家企业信用信息公示系统”了解更多登记、备案、许可、监管信息。

登记机关

北京市东城区市场监督管理局

2020年 12月 15日

国家企业信用信息公示系统网址： http://www.gsxt.gov.cn

市场主体应当于每年1月1日至6月30日通过国家企业信用信息公示系统报送公示年度报告。

国家市场监督管理总局监制

会计师事务所

执业证书

名　　称：中喜会计师事务所（特殊普通合伙）

首席合伙人：张增刚

主任会计师：

经营场所：北京市东城区崇文门外大街11号11层1101室

组织形式：特殊普通合伙

执业证书编号：11000168

批准执业文号：京财会许可〔2013〕0071号

批准执业日期：2013年11月08日

证书序号：0000058

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

二〇一八年二月二十五日

中华人民共和国财政部制

证书序号：000356

会计师事务所
证券、期货相关业务许可证

经财政部、中国证券监督管理委员会审查，批准

中喜会计师事务所（特殊普通合伙） 执行证券、期货相关业务。

首席合伙人：张增刚

证书号：04 发证时间：二〇一九年十二月二十[illegible]日

证书有效期至：二〇二一年十二月二十三日

姓名 Full name 关健成

性别 Sex 男

出生日期 Date of birth 1977-02-26

工作单位 Working unit 中喜会计师事务所（特殊普通合伙）广东分所

身份证号码 Identity card No. 44078319770226733X

中喜会计师事务所（特殊普通合伙）

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

关健成(110003280021)，已通过广东省注册会计师协会2020年任职资格检查。通过文号：粤注协〔2020〕132号。

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

年 月 日

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
中国注册会计师协会

姓名 Full name: 刘超
性别 Sex: 男
出生日期 Date of birth: 1992-08-19
工作单位 Working unit: 中喜会计师事务所(特殊普通合伙)广东分所
身份证号码 Identity card No.: 441781199208190211

中喜会计师事务所(特殊普通合伙)
11010107310842

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

刘超(110001680197)，已通过广东省注册会计师协会2020年任职资格检查。通过文号：粤注协（2020）132号。

110001680197

证书编号：
No. of Certificate: 110001680197

批准注册协会：
Authorized Institute of CPAs: 广东省注册会计师协会

发证日期：
Date of Issuance: 2019 年 03 月 12 日

4

Guangzhou Development District Holdings Group Co., Ltd.

2020 Independent Auditor's Report

CONTENTS	PAGE
Independent Auditor's Report	
Audited Financial Statements	
— Consolidated Balance Sheet	1-2
— Parent Company's Balance Sheet	3-4
— Consolidated Income Statement	5
— Parent Company's Income Statement	6
— Consolidated Cash Flow Statement	7
— Parent Company's Cash Flow Statement	8
— Consolidated Statement of Changes in Shareholders' Equity	9-10
— Parent Company's Statement of Changes in Shareholders' Equity	11-12
— Notes to the Financial Statements	13-161

信永中和
ShineWing

信永中和会计师事务所
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Auditor's Report

XYZH/2021GZAA10277

To the Board of Guangzhou Development District Holdings Group Co., Ltd.,

I. Audit opinion

We have audited the accompanying financial statements of Guangzhou Development District Holdings Group Co., Ltd. (hereinafter to be referred as Development District Holdings) which comprise the consolidated and parent company's balance sheet as at December 31st, 2020, and the consolidated and parent compnay's income statement, consolidated and parent company's cash flow statement and consolidated and parent company's statement of changes in shareholders' equity, and notes to the relevant financial statements.

In our opinion, the appended financial statements present fairly, in all material respects, the consolidated and parent company financial position of Development District Holdings as of December 31st, 2020, and the consolidated and parent company results of operations and cash flows for the year 2020, prepared in accordance with the provisions of the Accounting Standards for Business Enterprises.

II. The basis of audit opinion

We conducted our audition in accordance with the Chinese Certified Public Accountants Auditing Standards. The Responsibility for Auditor of Financial Statements in the audit report further elaborates on our responsibilities under these standards. According to the CPA Code of Ethics, we are independent of Development District Holdings, and performing other responsibilities in respect of professional ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion.

III. The Management and those charged with governance responsibility for Financial Statements

The Management is responsible for preparing the financial statements according to the requirements of the Accounting Standards for Business Enterprises so as to achieve a fair presentation and to design, implement and maintain the necessary internal control so that the financial statements are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing the sustainability of Development District Holdings, disclosing, as applicable, going-concern-related issues and applying the going-concern assumption unless the management plans to liquidate Development District Holdings, discontinue operations or have no other realistic choice

Those charged with governance is responsible for overseeing the financial reporting process for Development District Holdings.

IV. The Responsibility for Auditor of Financial Statements

Our goal is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue audit reports that contain audit opinions. Reasonable assurance is a high level of assurance, but there is no guarantee that an audit performed in accordance with the auditing standards will always be found when a material misstatement exists. Misstatements can be caused by fraud or error. Misstatement is generally considered to be material if it is reasonably expected that the misstatement, alone or aggregated, may affect the financial decision making by the users of the financial statements based on the financial statements.

In carrying out the audit in accordance with the auditing standards, we exercise professional judgment and maintain professional suspicion. At the same time, we also perform the following tasks:

1. Identify and assess the risk of material misstatement of financial statements due to fraud or error, design and implement audit procedures to address these risks, and obtain adequate and appropriate audit evidence as a basis for the publication of audit opinion. As fraud may involve collusion, forgery, willful omission, misrepresentation or override of internal control, the risk of not discovering a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement resulting from a mistake.

2. Understand the internal controls related to auditing in order to design appropriate auditing procedures, but not for the purpose of expressing an opinion on the effectiveness of internal control.

3. Appraise the appropriateness of the accounting policies selected by management and the reasonableness of making accounting estimates and related disclosures.

4. Conclude on the Management's appropriateness to using the going concern assumption. In the meantime, based on the audit evidence obtained, it concludes with regard to whether there is any material uncertainty about the matters or circumstances that may cast significant doubts on the ability of Development District Holdings to continue as a going concern. If we conclude that there is a significant uncertainty, the auditing standards require us to draw the attention of the users of the statements to the relevant disclosures in the consolidated financial statements in the audit report. If the disclosures are not sufficient, we should issue an unqualified opinion. Our conclusion is based on the information available up to the date of the audit report. However, future events or conditions may result in Development District Holdings not being able to continue as a going concern.

5. The overall presentation, structure and content of the consolidated financial statements are reviewed and the financial statements are assessed as to whether the transactions and events are fairly reflected.

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

We communicate with the management about the issues such as the scope of the audit, the timing and major audit findings, including communicating the notable shortcomings of internal control identified by our audit.

ShineWing Certified Public Accountants

Chinese Certified Public Accountants:

Chinese Certified Public Accountants:

Beijing·China

April 29th, 2021

Consolidated Balance Sheet

As of December 31st, 2020

Prepared by: Guangzhou Development District Holding Group Co., Ltd. Currency: RMB Yuan

Item	Note	December 31st, 2020	January 1st, 2020	December 31st, 2019
Current assets:				
Cash and cash equivalents	VIII. 1	20,190,110,336.74	15,909,727,393.15	15,909,727,393.15
△ Settlement reserves	VIII. 2	697,911,634.82	487,681,166.83	487,681,166.83
△ Lending funds				
☆ Trading financial assets	VIII. 3	1,813,068,425.75	2,261,721,924.32	2,261,721,924.32
Financial assets at fair value through profit or loss	VIII. 4	1,819,604,805.67		
Derivative financial assets	VIII. 5	97,073,515.82		
Notes receivable	VIII. 6	11,407,858.84	34,840,000.00	34,840,000.00
Accounts receivable	VIII. 7	1,265,466,499.27	810,420,918.32	810,420,918.32
☆ Receivables financing	VIII. 8	3,000,000.00	25,849,362.71	25,849,362.71
Prepayments	VIII. 9	125,752,258.73	48,809,717.34	48,809,717.34
△ Premium receivable				
△ Reinsurance accounts receivable				
△ Provision of cession receivable				
Other receivables	VIII. 10	8,543,070,312.11	7,233,174,458.60	7,233,174,458.60
Including: Dividends receivable	VIII. 10	23,200,000.00	23,200,000.00	23,200,000.00
△ Buyback of the financial assets sold	VIII. 11	613,158,902.48	2,585,705,786.97	2,585,705,786.97
Inventories	VIII. 12	6,632,381,985.18	2,819,181,300.71	2,819,181,300.71
Including: Raw materials	VIII. 12	116,944,456.53	137,301,543.41	137,301,543.41
Goods in stock (finished goods)	VIII. 12	276,218,546.82	175,969,321.26	175,969,321.26
☆Contract assets	VIII. 13	3,600,590.39		
Held-for-sale assets	VIII. 14	92,576,700.00		
Non-current assets due within 1 year	VIII. 15	889,214,234.59	441,785,717.17	441,785,717.17
Other current assets	VIII. 16	4,658,469,202.71	2,886,131,875.27	2,886,131,875.27
Total current assets		47,255,887,575.60	35,539,029,621.38	35,539,029,621.38
Non-current assets:				
△ Loans and advances				
☆Debt instruments				
Available-for-sale financial assets	VIII. 17	8,670,773,562.34	7,774,191,309.03	7,774,191,309.03
☆Other debt instruments	VIII. 18	3,081,615,065.00	2,712,113,867.00	2,712,113,867.00
Held-to-maturity investments				
Long-term receivables	VIII. 19	2,174,787,412.29	3,007,259,282.98	3,007,259,282.98
Long-term equity investments	VIII. 20	13,275,004,811.06	8,890,250,830.04	8,890,250,830.04
☆ Other equity instrument investments	VIII. 21	977,046,529.71	723,139,798.70	723,139,798.70
☆ Other non-current financial assets	VIII. 22	1,905,259.82		
Investment properties	VIII. 23	8,026,089,744.40	9,734,748,455.33	9,734,748,455.33
Fixed assets	VIII. 24	4,053,125,475.19	4,499,255,794.88	4,499,255,794.88
Including: Original value of fixed assets	VIII. 24	8,147,176,250.02	8,258,227,284.69	8,258,227,284.69
Accumulated depreciation	VIII. 24	4,090,292,070.38	3,749,506,159.22	3,749,506,159.22
Provision for impairment of fixed assets	VIII. 24	3,812,371.53	9,527,185.67	9,527,185.67
Construction in progress	VIII. 25	1,282,162,956.85	1,386,908,703.79	1,386,908,703.79
Productive biological assets				
Oil and gas assets				
☆ Right-of-use assets				
Intangible assets	VIII. 26	767,360,287.15	555,339,852.34	555,339,852.34
Development costs				
Goodwill	VIII. 27	2,530,941,044.03	2,626,285,361.24	2,626,285,361.24
Long-term prepayment	VIII. 28	125,544,348.83	122,847,177.91	122,847,177.91
Deferred tax assets	VIII. 29	723,633,253.87	311,135,640.31	311,135,640.31
Other non-current assets	VIII. 30	3,954,258,057.04	2,988,512,748.84	2,988,512,748.84
Including: special reserve materials				
Total non-current assets		48,652,443,689.55	44,631,788,802.39	44,631,788,802.39
Total assets		95,908,331,265.15	80,170,818,423.77	80,170,818,423.77

Legal representation: CFO: Controller: 赵石梅

1

Consolidated Balance Sheet (Continued)

As at December 31st, 2020

Prepared by: Guangzhou Development District Holdings Group Co., Ltd. | Currency: RMB Yuan

Item	Note	December 31st, 2020	January 1st, 2020	December 31st, 2019
Current liabilities:				
Short-term borrowings	VIII. 32	7,334,427,924.53	9,843,035,906.42	9,843,035,906.42
△ Loans from the central bank				
△ Borrowing funds				
☆ Financial liabilities held for trading				
Financial liabilities at fair value through profit or loss	VIII. 33	331,302,132.00	26,948,576.00	26,948,576.00
Derivative financial liabilities				
Notes payable	VIII. 34	14,034,789.45	1,960,518.00	1,960,518.00
Accounts payable	VIII. 35	835,345,066.65	850,890,536.53	850,890,536.53
Advances from customers	VIII. 36	248,309,773.84	258,367,259.77	414,037,373.87
☆ Contract liabilities	VIII. 37	278,517,508.94	144,618,418.51	
△ Sale of the financial liabilities bought back	VIII. 38	2,555,159,403.60	4,095,646,665.47	4,095,646,665.47
△ Deposits from customers and the interbank				
△ Funds for securities trading	VIII. 39	4,583,565,233.13	4,048,867,287.58	4,048,867,287.58
△ Securities underwriting brokerage deposits				
Employee benefits payable	VIII. 40	354,444,970.30	197,654,595.92	197,654,595.92
Including: Wage payable	VIII. 40	343,338,747.65	185,874,277.75	185,874,277.75
Welfare payable	VIII. 40	1,041,208.92	1,612,703.60	1,612,703.60
#Including: employee bonus and welfare fund				
Taxes payable	VIII. 41	881,429,005.08	351,900,677.24	351,900,677.24
Including: Taxes payable	VIII. 41	678,297,740.08	349,527,102.08	349,527,102.08
Other payables	VIII. 42	1,321,375,851.86	2,331,503,823.59	2,031,503,823.59
Including: Dividends payable	VIII. 42	71,554,034.01	18,669,841.85	18,669,841.85
△ Handling charges and commissions payable				
△ Dividend payable for reinsurance				
Liabilities held for sale				
Non-current liabilities due within 1 year	VIII.43	1,035,580,030.79	2,690,092,678.27	2,690,092,678.27
Other current liabilities	VIII.44	1,052,102,055.84	203,302,708.24	190,391,124.85
Total current liabilities		20,719,581,771.18	25,042,589,464.34	25,042,589,464.34
Non-current liabilities:				
△ Provision for insurance contracts				
Long-term borrowings	VIII. 45	16,662,582,381.38	7,585,733,605.81	7,585,733,605.81
Bonds payable	VIII. 46	21,208,250,556.02	13,185,247,542.82	13,185,247,542.82
Including: Preferred shares				
Perpetual bonds				
☆ Lease liabilities				
Long-term payables	VIII. 47	1,138,605,585.55	2,976,256,755.07	2,976,256,755.07
Long-term payroll payable				
Provisions	VIII. 48	1,450,741.17	1,097,885.69	1,097,885.69
Deferred income	VIII. 49	253,536,782.98	209,845,764.01	209,845,764.01
Deferred tax liabilities	VIII. 29	489,040,125.74	412,587,054.84	412,587,054.84
Other non-current liabilities	VIII. 50	70,085,194.44	66,374,253.77	66,374,253.77
Including: special reserve funds				
Total non-current liabilities		39,824,531,507.24	24,337,142,911.01	24,337,142,911.01
Total liabilities		60,544,113,278.42	49,380,132,375.35	49,380,132,375.35
Shareholders' equity:				
Paid-in capital	VIII. 51	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
State capital	VIII. 55	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
State-owned legal capital				
Collective capital				
Private capital				
Foreign capital				
#Less: Returned investment				
Net amount of paid-in capital	VIII. 55	10,363,233,809.64	10,363,233,809.64	10,363,233,809.64
Other equity instruments	VIII. 52	5,405,541,962.26		
Including: Preference shares				
Perpetual bonds	VIII. 52	5,405,541,962.26		
Capital reserves	VIII. 53	5,451,579,107.40	7,249,211,911.06	7,249,211,911.06
Less: Treasury shares				
Other comprehensive income	VIII. 54	253,937,050.13	383,311,167.84	383,311,167.84
Including: Translation difference of foreign currency statements				
Special reserves				
Surplus reserves				
Including: Statutory provident fund				
Arbitrary provident fund				
#Reserve fund				
#Enterprise development fund				
#Profit return investment				
△ General risk provisions	VIII. 55	47,955,706.50	33,539,875.86	33,539,875.86
Retained earnings	VIII. 56	1,070,833,662.21	1,008,056,498.47	1,008,056,498.47
Total equities attributable to owners of parent company		22,593,081,344.14	19,031,353,262.87	19,031,353,262.87
* Non-controlling interest		12,771,336,647.59	11,759,332,785.55	11,759,332,785.55
Total shareholders' equities		35,364,417,986.73	30,790,686,048.42	30,790,686,048.42
Total liabilities and shareholders' equity		95,908,531,265.15	80,170,818,423.77	80,170,818,423.77

Legal representative: CEO: Controller: 赵石梅

Parent Company's Balance Sheet

As at December 31st, 2020

Prepared by: Guangzhou Development District Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	December 31st, 2020	January 1st, 2020	December 31st, 2019
Current assets:				
Cash and cash equivalents		5,267,257,554.94	6,126,418,416.72	6,126,418,416.72
☆ Trading financial assets				
Financial assets at fair value through profit or loss				
Derivative financial assets				
Notes receivable				
Accounts receivable	XIII. 1.(1)	4,256,814.02	6,850,132.21	6,850,132.21
☆ Receivables financing				
Prepayments		620,947.50	140,000.00	140,000.00
Other receivables	XIII. 1.(2)	22,492,249,724.53	12,853,489,506.68	12,853,489,506.68
Including: Dividends receivable	XIII. 1.(2)	167,491,235.18	84,962,679.09	84,962,679.09
Inventories				
Including: Raw materials				
Goods in stock (finished goods)				
☆Contract assets				
Held-for-sale assets				
Non-current assets due within 1 year				
Other current assets		17,405.67		
Total current assets		27,764,402,446.66	18,986,898,055.61	18,986,898,055.61
Non-current assets:				
☆ Debt instruments				
Available-for-sale financial assets		1,805,589,439.88	1,757,024,666.05	1,757,024,666.05
☆ Other debt instruments				
Held-to-maturity investments				
Long-term receivables				
Long-term equity investments	XIII. 1.(3)	24,530,844,701.59	19,085,189,235.72	19,085,189,235.72
☆ Other equity instrument investments				
☆ Other non-current financial assets				
Investment properties		2,098,172,849.78	1,956,828,046.17	1,956,828,046.17
Fixed assets		21,894,384.94	126,641,472.14	126,641,472.14
Including: Original value of fixed assets		29,180,250.13	152,349,039.74	152,349,039.74
Accumulated depreciation		7,297,605.19	25,707,567.60	25,707,567.60
Provision for impairment of fixed assets				
Construction in progress		3,963,667.97	24,616,292.21	24,616,292.21
Productive biological assets				
Oil and gas assets				
☆ Right-of-use assets				
Intangible assets		746,531.71	349,514.57	349,514.57
Development costs				
Goodwill				
Long-term prepaid expenses				
Deferred tax assets		3,173,871.27	356,614.00	356,614.00
Other non-current assets		470,522,765.21	470,458,843.24	470,458,843.24
Including: special reserve materials				
Total non-current assets		28,934,908,207.35	23,421,464,684.10	23,421,464,684.10
Total assets		56,699,310,654.01	42,408,362,739.71	42,408,362,739.71

Legal representative: CFO: Controller:

Parent Company's Balance Sheet (Continued)

As at December 31st, 2020

Prepared by: Chengdu Hi-tech Development District Holding Group Co., Ltd. Currency: RMB Yuan

Item	Note	December 31st, 2020	January 1st, 2020	December 31st, 2019
Current liabilities:				
Short-term loans		2,434,500,916.66	3,565,400,446.38	3,565,400,446.38
☆ Trading financial liabilities				
Financial liabilities at fair value through profit or loss		225,702,132.00	20,948,576.00	20,948,576.00
Derivative financial liabilities				
Notes payable				
Accounts payable		53,374,480.30	58,604,254.70	58,604,254.70
Advances from customers		20,320.20	366,901.54	366,901.54
☆ Contract liabilities				
Payroll payable		37,948,036.95	17,820,920.28	17,820,920.28
Including: Wage payable		36,880,157.06	17,472,263.03	17,472,263.03
Welfare payable				
#Including: employee bonus and welfare fund				
Taxes payable		30,049,527.31	19,014,120.76	19,014,120.76
Including: Taxes payable		29,696,352.24	18,250,798.15	18,250,798.15
Other payables		4,750,889,010.57	7,791,009,740.38	7,791,009,740.38
Including: Dividends payable				
Liabilities held for sale				
Non-current liabilities due within 1 year		500,000,000.00	1,352,864,857.93	1,352,864,857.93
Other current liabilities				
Total current liabilities		8,029,462,432.79	12,832,098,797.97	12,832,098,797.97
Non-current liabilities:				
Long-term borrowings		11,427,178,218.46	3,231,000,000.00	3,231,000,000.00
Bonds payable		17,742,228,576.86	9,483,145,938.07	9,483,145,938.07
Including: Preferred shares				
Perpetual bonds				
☆ Lease liabilities				
Long-term payables			756,870,880.01	756,870,880.01
Long-term payroll payable				
Provision				
Deferred income		3,722,107.71	6,739,275.71	6,739,275.71
Deferred tax liabilities		63,053,189.31	100,714,500.55	100,714,500.55
Other non-current liabilities				
Including: special reserve funds				
Total non-current liabilities		29,236,182,092.34	13,578,470,594.34	13,578,470,594.34
Total liabilities		37,265,644,525.13	26,410,569,392.31	26,410,569,392.31
Shareholders' equity:				
Paid-in capital		10,363,233,909.64	10,363,233,909.64	10,363,233,909.64
State capital		10,363,233,909.64	10,363,233,909.64	10,363,233,909.64
State-owned legal capital				
Collective capital				
Private capital				
Foreign capital				
#Less: Returned investment				
Net amount of paid-in capital		10,363,233,909.64	10,363,233,909.64	10,363,233,909.64
Other equity instruments		5,404,119,320.75		
Including: Preferred shares				
Perpetual bonds		5,404,119,320.75		
Capital reserves		3,612,408,880.61	5,462,687,149.48	5,462,687,149.48
Less: Treasury shares				
Other comprehensive income		149,159,369.71	302,143,501.61	302,143,501.61
Including: Translation difference of foreign currency statements				
Special reserves				
Surplus reserves				
Including: Statutory provident fund				
Arbitrary provident fund				
#Reserve fund				
#Enterprise development fund				
#Profit return investment				
Retained earnings		-135,775,554.43	-130,271,113.33	-130,271,113.33
Total shareholders' equities		19,433,346,126.28	15,997,793,347.40	15,997,793,347.40
Total liabilities and shareholders' equity		56,699,410,654.01	42,408,362,739.71	42,408,362,739.71

Legal representative: [illegible] CFO: [illegible] Controller: 赵石梅

4

Consolidated Income Statement

FY 2020

Prepared by: Guangzhou Development District Holdings Group Co., Ltd.　　　　Currency: RMB Yuan

	Note	2020	2019
I. Total operating income		6,348,904,940.00	6,441,192,013.01
Including: Operating revenue	VIII.57	5,168,884,815.44	5,882,011,067.03
△ Interest income	VIII.57	559,446,053.73	308,476,085.32
△ Insurance premium earned			
△ Handling charge and commission income	VIII.57	620,574,071.83	250,704,860.81
II. Total operating cost		8,547,683,648.07	6,719,811,954.59
Including: Operating cost	VIII.57	3,777,635,281.17	3,653,091,851.81
△ Interest expenses	VIII.57	245,225,695.29	141,301,388.34
△ Handling charge and commission expenses	VIII.57	142,851,408.46	55,184,615.28
△ Insurance termination refund			
△ Net compensation expenses			
△ Net withdrawal of insurance liability reserve			
△ Policy dividend payments			
△ Reinsurance costs			
Taxes and surcharges	VIII.58	268,527,634.85	477,630,668.41
Selling expenses	VIII.59	104,538,195.72	126,195,838.59
General and administrative expenses	VIII.60	1,185,215,853.81	823,160,450.20
Research & development expenses	VIII.61	59,220,862.83	79,321,890.43
Finance expenses	VIII.62	813,665,837.90	857,962,211.47
Including: Interest expenses	VIII.62	1,675,804,280.58	1,296,524,650.41
Interest income	VIII.62	644,385,984.97	411,295,245.57
Net exchange loss (Loss marked with"-")	VIII.62	-237,192,910.32	-17,262,133.75
Others			
Add: Other incomes	VIII.63	30,011,897.76	29,045,083.65
Investment incomes (Loss marked with"-")	VIII.64	1,562,035,949.18	695,820,888.85
Including: Investment income from associates and joint ventures	VIII.64	706,717,582.81	201,887,702.94
☆ Derecognition of gains on financial assets at amortized cost			
△ Exchange earnings(Loss marked with "-")			
☆ Net exposure hedging gain(Loss marked with "-")			
Income from changes in fair value(Loss marked with "-")	VIII.65	-89,689,657.59	-18,984,577.79
☆ Impairment loss of credit(Loss marked with "-")	VIII.66	-147,183,581.08	-67,968,293.12
Impairment loss of assets (Loss marked with "-")	VIII.67	-109,246,890.93	-14,273,844.85
Income from disposal of assets(Loss marked with "-")	VIII.68	-1,322,728.65	43,884,687.11
III. Operating income (Loss marked with "-")		1,156,816,272.02	905,583,997.77
Add: Non-operating revenue	VIII.69	65,518,412.79	87,484,384.39
Including: Government grants	VIII.69	21,839,462.94	75,604,511.27
Less: Non-operating expenses	VIII.70	108,772,027.68	158,611,038.50
IV. Profit before tax (Total losses marked with "-")		1,113,562,657.15	834,657,327.76
Less: Income tax expenses	VIII.71	270,230,888.22	334,176,412.17
V. Profit after tax (Net losses marked with "-")		843,331,768.93	500,480,915.09
(I) Classified by the attribution of ownership			
Net profits attributable to the owner of parent company		174,910,074.80	68,545,282.10
*Non-controlling interests		668,421,694.13	431,935,632.98
(II) Classified by continuity of operations			
Net profits from continuing operations		843,331,768.93	500,480,915.09
Net profits of discontinuing operations			
VI. Net after-tax amount of other comprehensive income		-137,132,400.75	140,163,083.74
The net after-tax value of other comprehensive incomes attributable to the owner of parent company	VIII.72	-129,374,071.71	137,385,382.37
(I) Other comprehensive income that cannot be reclassified into profit or loss	VIII.72	5,488,357.43	-
1.Remeasurement of changes in defined benefit plans			
2.Other comprehensive income not converted into profit or loss under equity method			
☆3. Fair value changes of other equity instrument investments	VIII.72	5,488,357.43	
☆4.Profit and loss from fair value changes of enterprise's own credit risks			
5.Others			
(II) Other comprehensive income reclassified into profit and loss	VIII.72	-134,862,429.14	137,385,382.37
1.Other comprehensive income converted into profit or loss under the equity method	VIII.72	-4,245,848.48	39,226.19
☆2.Fair value changes of other debt instruments	VIII.72	-13,767,606.58	-9,275,098.84
3.Profit and loss from fair value changes of available-for-sale financial assets	VIII.72	-123,211,725.00	138,526,260.71
☆4.Amount reclassified from financial assets to other comprehensive income			
5.Gains and losses for Held-to-maturity investments that are reclassified into available-for-sale financial assets			
☆6.Provision for credit impairment on other debt instruments	VIII.72	6,362,750.75	8094,992.31
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)			
8.Translation difference of foreign currency statements			
9.Others			
* Net other comprehensive income attributable to minority shareholders after tax		-7,758,329.04	2,777,701.37
VII. Total comprehensive income		706,199,368.18	640,643,998.83
Total comprehensive income attributable to owners of the parent company		45,536,003.09	205,930,664.47
*Total comprehensive income attributable to non-controlling interest		660,663,365.09	434,713,334.36
VIII. Earnings per share:			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal representative: 聂宏武　　CFO:　　Controller: 赵石梅

Parent Company's Income Statement

FY 2020

Prepared by: Guangzhou Development District Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	2020	2019
I. Total Operating Income	XIII.1.(4)	349,947,980.33	135,098,836.91
Less: Operating cost	XIII.1.(4)	123,576,527.10	109,544,633.54
Taxes and surcharges		31,865,360.45	20,797,732.71
Selling expenses			
General and administrative expenses		89,250,775.37	83,640,150.58
Research & development expenses			
Finance expenses		390,608,605.13	413,470,834.05
Including: Interest expenses		1,626,244,253.34	1,045,564,832.27
Interest income		1,005,776,814.45	609,552,361.45
Net exchange loss (Loss marked with "-")		-229,919,569.85	-23,518,547.16
Others			
Add: Other incomes		3,003,023.05	2,894,501.15
Investment incomes (Loss marked with "-")	XIII.1.(5)	705,224,163.85	619,641,121.27
Including: Investment income from associates and joint ventures	XIII.1.(5)	23,817,983.24	31,790,635.96
☆ Derecognition of gains on financial assets at amortized cost			
☆ Net exposure hedging gains (Loss marked with "-")			
Income from changes in fair value (Loss marked with "-")		-194,759,556.00	-20,848,576.00
☆Impairment loss of credit (Loss marked with "-")			
Impairment loss of assets (Loss marked with "-")		-11,269,020.09	-1,426,850.00
Income from disposal of assets (Loss marked with "-")			91,248.77
II. Operating income (Loss marked with "-")		27,239,306.09	102,896,504.40
Add: Non-operating income		8,598,075.22	23,635,516.48
Including: Government grants			15,318,320.00
Less: Non-operating costs		7,144,627.35	2,110,247.15
III. Profit before tax (Total losses marked with "-")		28,692,753.96	124,421,773.73
Less: Income tax expenses		-2,817,257.27	-226,787.64
IV. Profit after tax (Net losses marked with "-")		31,510,011.23	124,648,561.37
(I) Net profits from continued operations		31,510,011.23	124,648,561.37
(II) Net profits of discontinued operations			
V. Net after-tax amount of other comprehensive income		-112,983,931.90	127,237,925.57
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1.Remeasurement of changes in defined benefit plans			
2.Other comprehensive income not converted into profit or loss under equity method			
☆3. Fair value changes of other equity instrument investments			
☆4. Fair value changes of enterprise's own credit risks			
5. Others			
(II) Other comprehensive income reclassified into profit and loss		-112,983,931.90	127,237,925.57
1.Other comprehensive income converted into profit or loss under the equity method			
☆2.Fair value changes of other debt instruments			
3.Profit and loss from fair value changes of available-for-sale financial assets		-112,983,931.90	127,237,925.57
☆4.Amount reclassified from financial assets to other comprehensive income			
5.gains and losses for held-to-maturity investments that are reclassified into available-for-sale financial assets			
☆6.Provision for credit impairment on other debt instruments			
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)			
8.Translation difference of foreign currency statements			
9.Others			
VI. Total comprehensive income		-81,473,920.67	251,886,486.94
VII. Earnings per share:			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal representative: 严立诚 CFO: Controller: 赵石梅

Consolidated Cash Flow Statement

FY 2020

Prepared by: Guangzhou Development District Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	2020	2019
I. Cash flow arising from operating activities:			
Cash received from sales of goods or rendering services		5,370,522,861.31	6,212,598,357.53
△Net increase in customer deposits and interbank deposits			
△Net increase in borrowing from the central bank			
△Net increase in borrowing from other financial institutions			
△Cash received from the original insurance contract premium			
△Cash received from reinsurance			
△Net increase in the fund's reserves and investments			
△Net increase in the disposal of financial assets at fair value through profit or loss for the current period		856,120,448.19	-637,091,467.86
△ Cash received from interest, fees and commissions		970,241,540.94	417,763,468.84
△Net increase in borrowed funds		-301,566.36	-1,719,484.45
△ Repurchase business funds net increase		396,146,633.61	-399,217,501.59
△Net cash received from dealers in securities		525,705,312.39	-434,055,014.48
Received tax refunds		16,310,265.97	8,910,196.15
Cash received related to other operating activities		8,969,926,381.58	1,563,673,538.91
Subtotal of cash inflow from operating activities		16,901,528,489.63	7,070,863,333.05
Cash paid for the purchase of goods and services		6,841,778,603.05	4,745,855,675.30
△ Net increase in loans and advances to customers			
△Net increase of deposits in central bank and interbank			
△Cash paid for the original insurance contract			
△Net increase in lending funds		1,520,837,448.20	-
△Cash for paid for interest, fees and commissions		155,284,582.69	69,641,728.69
△Paid policy dividends in cash			
Cash paid to and for employees		1,028,149,671.01	817,918,607.75
Taxes paid		925,476,362.97	1,102,913,240.79
Cash paid related to other operating activities		9,838,417,964.00	2,398,693,062.43
Subtotal of cash outflows from operating activities		20,369,645,011.93	9,134,023,514.50
Net cash flow from operating activities	VIII.74	-3,468,116,522.29	-2,063,160,181.45
II.Cash flow from investment activities:			
Cash received from disinvestment		4,319,695,876.61	2,681,687,957.70
Cash received from the return of investment		1,040,790,964.68	480,430,253.07
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets		85,898,580.42	76,177,076.48
Net cash received from dispose of subsidiaries and other business units		5,019,307.47	5,513,628.45
Cash received related to other investing activities		957,061,443.37	2,030,497,679.89
Subtotal of cash inflow from investing activities		6,408,266,172.55	4,673,105,575.58
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets		2,581,586,577.21	1,453,890,760.36
Cash paid for investment		9,664,212,247.50	5,567,620,713.87
△Net increase in pledge loans			
Net cash paid by subsidiaries and other Business units		-	1,799,842.88
Cash paid related to other investing activities		1,185,348,753.49	2,763,363,141.74
Subtotal of cash outflows from investing activities		13,311,147,578.20	9,786,673,958.85
Net cash flow from investing activities		-6,902,881,405.65	-5,113,568,383.27
III.Cash flow from financing activities:			
Cash received from external investment		4,889,759,500.00	2,535,925,522.84
Including: The subsidiary received cash from minority shareholders' investment		2,599,500.00	2,275,918,301.00
Cash received from loans granted		36,863,914,221.89	20,481,758,931.46
△Cash received from bonds issued			8,217,700,000.00
Cash received relating to other financing activities		951,054,538.30	709,087,620.48
Subtotal cash inflow from financing activities		42,671,808,260.19	31,944,672,074.88
Payment of debt in cash		24,597,253,367.00	14,263,973,932.83
Cash used to pay dividends, profits, or interest payments		2,367,213,917.94	1,526,380,515.45
Including: Dividends and profits paid to non-controlling interests by subsidiaries		61,192,345.99	106,795,503.10
Cash paid related to other financing activities		896,567,857.12	937,566,565.90
Subtotal cash outflow from financing activities		27,861,041,142.06	16,727,921,013.18
Net cash flow from financing activities		14,810,767,118.13	15,216,751,061.70
IV. Impact of exchange rate fluctuations on cash and cash equivalents		-2,858,211.83	83,404,004.20
V. Net increase in cash and cash equivalents	VIII.74	4,379,710,486.36	8,123,614,501.24
Add: Balance of cash and cash equivalents at the beginning of the period	VIII.74	16,103,015,782.09	7,979,401,280.85
VI. Balance of cash and cash equivalents at the end of the period	VIII.74	20,482,726,268.45	16,103,015,782.09

Legal representative: CFO: Controller: 赵石梅

7

Parent Company's Cash Flow Statement

FY 2020

Prepared by: Guangzhou Development District Holdings Group Co., Ltd.　　　　Currency: RMB Yuan

Item	Note	2020	2019
I. Cash flow generated from operating activities:			
Cash received from sales of goods and rendering of services		152,201,808.29	135,782,209.51
Cash received from tax refunds		8,510,889.95	6,830,556.57
Cash received relating to other operating activities		197,767,879.06	103,124,618.07
Subtotal of cash inflow from operating activities		358,480,677.30	245,737,384.15
Cash paid for goods and services		77,852,312.57	56,307,301.58
Cash paid to and on behalf of employees		43,318,759.30	44,576,951.53
Payments of taxes and surcharges		42,132,765.70	35,247,302.47
Cash paid relating to other operating activities		53,054,668.23	45,182,526.07
Subtotal of cash outflows from operating activities		236,368,505.70	181,314,681.65
Net cash flow from operating activities	XIII.1 (2)	121,532,171.60	64,422,702.50
II Cash flow generated by investing activities:			
Cash received from withdrawals of investments		103,678,503.64	806,638,081.77
Cash received from the return of investment		517,788,395.56	597,737,331.56
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		3,586.00	48,624.70
Net cash received from dispose of subsidiaries and other business units			
Cash received related to other investing activities		7,388,340,475.57	3,438,854,746.05
Subtotal of cash inflow from investing activities		8,009,812,022.79	4,843,278,583.58
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets		74,129,357.81	75,082,284.92
Cash paid for investment		7,538,525,665.38	4,405,482,308.56
Net cash paid by subsidiaries and other business units			
Cash paid relating to other investing activities		17,558,554,782.84	10,006,238,288.08
Subtotal of cash outflows from investing activities		25,171,209,645.81	14,485,787,882.56
Net cash flow from investing activities		-17,161,397,623.04	-9,642,511,298.98
III Cash flow generated by financing activities:			
Cash received from external investment		4,455,000,000.00	160,000,000.00
Cash received from loans granted		25,897,673,916.66	14,250,509,446.38
Cash received related to other financing activities		3,030,323,404.15	5,429,055,697.05
Subtotal cash inflow from financing activities		33,382,997,320.81	19,840,024,483.43
Payment of debt in cash		12,195,938,707.80	6,023,757,576.14
Cash used to pay dividends, profits, or interest payments		1,475,875,010.60	713,131,159.07
Cash paid related to other financing activities		3,530,187,036.76	1,328,416,792.70
Subtotal cash outflow from financing activities		17,202,001,855.16	8,065,305,527.71
Net cash flow from financing activities		16,180,995,465.65	11,774,718,955.72
IV. Impact of exchange rate fluctuations on cash and cash equivalents		-293,294.53	-22,432,596.84
V. Net increase in cash and cash equivalents	XIII.1 (3)	-859,188,777.32	2,174,207,762.40
Add: Balance of cash and cash equivalents at the beginning of the period	XIII.1 (3)	6,058,342,022.14	3,884,134,259.74
VI. Balance of cash and cash equivalents at the end of the period	XIII.1 (3)	5,199,153,244.82	6,058,342,022.14

Legal representative: 　　　　CFO: 　　　　Controller: 赵石楠

8

Consolidated Statement of Changes in Shareholders' Equity

FY 2020

Prepared by: [illegible] Group Co., Ltd. Unit: RMB

Column	Line	Paid-in capital	Other equity instruments: Preferred share	Other equity instruments: Perpetual bond	Other equity instruments: Other	Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal	Non-controlling interest	Total shareholders' equity
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Closing balance of last year	1	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Add: Impact from changes in accounting policies	2														
Impact from corrections of errors in prior period	3														
Others	4														
2. Opening balance of current year	5	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3. Movement for current year ("-" for decrease)	6			[illegible]		[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(1) Total comprehensive income	7							[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
(2) Shareholder's contributions and withdrawals of capital	8			[illegible]		[illegible]						[illegible]	[illegible]	[illegible]	[illegible]
1) Common stock contributed by shareholders	9					[illegible]							[illegible]	[illegible]	[illegible]
2) Capital contributed by other equity instruments holders	10			[illegible]									[illegible]		[illegible]
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					[illegible]						[illegible]	[illegible]	[illegible]	[illegible]
(3) Withdrawal and use of special reserve	13														
1. Withdrawal of special reserve	14														
2. Use of special reserve	15														
(4) Profits distribution	16										[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1) Appropriation of surplus reserve	17														
Including: Statutory reserve fund	18														
Discretionary reserve	19														
#Reserve fund	20														
#Enterprise development fund	21														
#Return on investment	22														
2. Extraction of general risk reserves	23										[illegible]	[illegible]			
3. Distribution to shareholders	24											[illegible]	[illegible]	[illegible]	[illegible]
4. Others	25														
(5) Internal transfer within shareholder's equity	26														
1) Conversion of capital reserve into share capital	27														
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive earnings are carried forward to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	[illegible]		[illegible]		[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Legal representative:

CFO:

Controller: 赵石梅

Consolidated Statement of Changes in Shareholder's Equity (Continued)

FY 2020

Prepared by: Guangzhou Development District Holding Group Co., Ltd. | Unit: RMB

Items	Line	Paid-in capital	Other equity instruments: Preferred shares	Perpetual bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholder's equity
		Prior year amount													
		Equity attributable to shareholders of the parent company													
Column		15	16	17	18	19	20	21	22	23	24	25	26	27	28
1. Closing balance of last year	1	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Add: Impact from changes in accounting policies	2							[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
Impact from corrections of errors in prior period	3														
Others	4														
2. Opening balance of current year	5	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3. Movement for current year ("-" for decreases)	6					[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(1) Total comprehensive income	7							[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
(2) Shareholder's contributions and withdrawals of capital	8					[illegible]		[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
1) Common stock contributed by shareholders	9					[illegible]							[illegible]	[illegible]	[illegible]
2) Capital contributed by other equity instruments holders	10														
3) Share-based payment recorded in shareholder's equity	11														
4) Others	12					[illegible]		[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
(3) Withdrawal and use of special reserve	13														
1. Withdrawal of special reserve	14														
2. Use of special reserve	15														
(4) Profits distribution	16										[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1) Appropriation of surplus reserve	17														
Including: Statutory reserve fund	18														
Discretionary reserve	19														
#Reserve fund	20														
#Enterprise development fund	21														
#Return on investment	22														
2) Extraction of general risk reserves	23										[illegible]	[illegible]			
3. Distribution to shareholders	24											[illegible]	[illegible]	[illegible]	[illegible]
4. Others	25														
(5) Internal transfer within shareholder's equity	26														
1) Conversion of capital reserve into share capital	27														
2) Conversion of surplus reserve into share capital	28														
3) Recover of loss by surplus reserve	29														
4) Benefit plans are carried forward to retained earnings	30														
5) Other comprehensive earnings are carried forward to retained earnings	31														
6) Others	32														
4. Closing balance of current year	33	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Legal representative: CFO: Controller:

19

Parent Company's Statement of Changes in Shareholders's Equity

FY 2020

Prepared by: Guangzhou Development District Holding Group Co., Ltd. Unit: RMB

Item	Line	Current year amount: Paid-in capital	Other equity instruments: Preference share	Other equity instruments: Perpetual bond	Other equity instruments: Other	Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
	—	1	2	3	4	5	6	7	8	9	10	11
1. Closing balance of last year	1	10,363,233,809.64				8,442,687,149.48		302,143,501.61			-120,271,113.33	15,997,793,347.40
Add: Impact from changes in accounting policies	2											
Impact from corrections of errors in prior period	3											
Others	4											
2. Opening balance of current year	5	10,363,233,809.64				8,442,687,149.48		302,143,501.61			-120,271,113.33	15,997,793,347.40
3. Movement for current year ("-" for decrease)	6			3,404,119,320.75		-1,849,878,168.87		-112,993,931.90			-5,504,441.10	3,435,752,779.88
(1) Total comprehensive income	7							-112,993,931.90			31,510,011.23	-81,483,920.67
(2) Shareholder's contributions and withdrawals of capital	8			3,404,119,320.75		-1,849,878,168.87						1,554,241,151.88
1) Common stock contributed by shareholders	9					50,000,000.00						50,000,000.00
2) Capital contributed by other equity instruments holders	10			3,404,119,320.75								3,404,119,320.75
3) Share-based payment recorded in shareholder's equity	11											
4) Others	12					-1,899,878,168.87						-1,899,878,168.87
(3) Withdrawal and use of special reserve	13											
1. Withdrawal of special reserve	14											
2. Use of special reserve	15											
(4) Profits distribution	16										-37,014,452.33	-37,014,452.33
1) Appropriation of surplus reserve	17											
Including: Statutory reserve fund	18											
Discretionary reserve	19											
#Reserve fund	20											
#Enterprise development fund	21											
#Return on investment	22											
2. Distribution to shareholders	23										-37,014,452.33	-37,014,452.33
3. Others	24											
(5) Internal transfer within shareholder's equity	25											
1) Conversion of capital reserve into share capital	26											
2) Conversion of surplus reserve into share capital	27											
3) Recover of loss by surplus reserve	28											
4) Benefit plans are carried forward to retained earnings	29											
5) 5) Other comprehensive earnings are carried forward to retained earnings	30											
6) Others	31											
4. Closing balance of current year	32	10,363,233,809.64		3,404,119,320.75		6,592,808,980.61		189,149,569.71			-125,775,554.43	19,433,546,126.28

Legal representative: 王玉荷 CFO: Controller: 赵石梅

11

Parent Company's Statement of Changes in Shareholders's Equity (Continued)
FY 2020

Prepared by: Guangzhou Development District Holding Group Co., Ltd. | Unit: RMB

Item	Line	Prior year amount: Paid-in capital	Other equity instruments: Preference share	Other equity instruments: Perpetual bond	Other equity instruments: Other	Capital reserve	Less: treasury share	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
Column	—	12	13	14	15	16	17	18	19	20	21	22
1. Closing balance of last year	1	10,363,333,809.64				3,225,931,857.22		174,905,376.04			-184,895,299.85	13,580,177,943.05
Add: Impact from changes in accounting policies	2											
Impact from corrections of errors in prior period	3											
Others	4										-30,556,828.47	-30,556,828.47
2. Opening balance of current year	5	10,363,333,809.64				3,225,931,857.22		174,905,376.04			-214,950,228.32	13,550,121,014.18
3. Movement for current year ("-" for decrease)	6					235,755,292.26		127,237,925.57			84,679,114.89	447,672,332.32
(1) Total comprehensive income	7							127,237,925.57			124,348,547.37	251,586,489.94
(2) Shareholders's contributions and withdrawals of capital	8					235,755,292.26						235,755,292.26
1) Common stock contributed by shareholders	9					235,755,292.26						235,755,292.26
2) Capital contributed by other equity instruments holders	10											
3) Share-based payment recorded in shareholder's equity	11											
4) Others	12											
(3) Withdrawal and use of special reserve	13											
1. Withdrawal of special reserve	14											
2. Use of special reserve	15											
(4) Profits distribution	16										-39,669,440.28	-39,669,440.28
1) Appropriation of surplus reserve	17											
Including: Statutory reserve fund	18											
Discretionary reserve	19											
#Reserve fund	20											
#Enterprise development fund	21											
#Return on investment	22											
2. Distribution to shareholders	23										-39,669,440.28	-39,669,440.28
3. Others	24											
(5) Internal transfer within shareholder's equity	25											
1) Conversion of capital reserve into share capital	26											
2) Conversion of surplus reserve into share capital	27											
3) Recover of loss by surplus reserve	28											
4) Benefit plans are carried forward to retained earnings	29											
5) Other comprehensive earnings are carried forward to retained earnings	30											
6) Others	31											
4. Closing balance of current year	32	10,363,333,809.64				3,461,687,149.48		302,143,301.61			-130,271,113.83	13,997,755,247.40

Legal representative: 王玉成 CFO: [signature] Controller: 赵石梅

I. **Background of The Company**

1. History, registration place, organization form and headquarters address

Guangzhou Development District Holdings Group Co., Ltd. (hereinafter referred to as the Group) , formerly known as Guangzhou GET Financial Holdings Co., Ltd. was invested by Guangzhou Economic and Technological Development Zone Management Committee and registered with Guangzhou Administration for Industry and Commerce on November 6th, 1998 as a wholly state-owned company with limited liability. the business license registration number of the enterprise legal person obtained is 4401081100074, on April 12th, 2011, the business license number of the enterprise legal person was changed to 440108000039287; on April 15th, 2016, the unified social credit code was changed to 91440116712402906. The Group changed its name to Guangzhou Development District Holdings Group Co., Ltd. on January 6th, 2021, pursuant to the *Notice on the Change of Name of the Development District Financial Control Group and Adjustment of the Duties of the Capital Contributor by Guangzhou Development District State owned Assets Supervision and Administration Suipu Finance* [2020] No. 342. The registered capital of the Group is RMB 10,363,233,810 and the industry it belongs to: business services.

Registered address and headquarter address: 33/F, 34/F, Financial Control Center, No.60 Science Avenue, Guangzhou Economic and Technological Development Zone.

Legal representative: Yan Yibin.

2. Nature of business and principal activities of the enterprise

Industrial park management service; Business management consulting service; Enterprise management services (excluding those involving licensed business projects) ; Real estate investment (excluding licensed business projects, projects prohibited by laws and regulation) ; Investment advisory services; Enterprise's own capital investment; Asset management (excluding licensing projects) ; Enterprise headquarters management; Providing entrepreneurship management services for entrepreneurs; Real estate leasing operation.

3. Name of the parent company and group headquarters

The controlling shareholder of the Group is the Guangzhou Economic and Technological Development Zone Management Committee and the ultimate controller of the Group is the Guangzhou Economic and Technological Development Zone Management Committee.

The Group consists of 15 secondary subsidiaries, including the Office, Party Group Work Department, Human Resources Department, Discipline Inspection and Audit Office, Finance and Capital Department, Wind Control Department, Capital Operations Department, Property Rights Management Department, Investment Development Department and Park Operations Department.The Group consists of functional management departments such as Office, Party and Group Work Department, Human Resources Department, Discipline Inspection and Audit Office, Finance and Capital Department, Risk Control Department, Capital Operation Department, Property Rights Management Department, Investment and Development Department and Park Operation Department, including 15 secondary subsidiaries.

The Group has a board of directors and a general manager responsible for the management and control of major decisions and daily work under the leadership of the board of directors.

4. Approval and submission of financial reports

The approved preparer of the Group's financial report is the Board of Directors, with an approved filing date of April 29th, 2021.

5. Period of business

November 6th, 1998 to November 6th, 2048.

II. Basis for preparation of financial statement

1. Basis of preparation

The Group's financial statements are presented on a going concern basis, based on actual transactions and events, and were prepared in accordance with the "Accounting Standards for Business Enterprises" relevant rules, and based on accounting policies detailed in Note IV. "Significant accounting policies and accounting estimates".

2. Going concern

The Group has been profitable and supported by financial resources, The Group prepared its financial statements on a going concern basis.

III. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Accounting Standards for Business Enterprises and give a true and complete view of the financial position, results of operations and cash flows of the Group and other relevant information.

IV. Significant accounting policies and accounting estimates

1. Accounting period

The Group accounting period is from January 1st to December 31st of each calendar year.

2. Functional currency

The Group's functional currency is RMB.

3. Basis of bookkeeping and pricing principles

The Group's accounting is based on the accrual basis of accounting, with the exception of trading financial assets, available-for-sale financial assets, other debt investments, other equity instruments and financial liabilities measured at fair value through profit or loss for the current period, which are measured at fair value, which are valued at historical cost.

4. Business combination

Assets and liabilities acquired by the Group as a consolidated party in a business combination under the common control are measured at the consolidated date at the book value of the consolidated party in the consolidated statements of the ultimate control party. The difference between the book value of net assets acquired and the book value of the combined consideration paid is adjusted for capital reserves; if the capital reserves are not sufficient to offset the difference, the retained earnings are adjusted.

Identifiable assets, liabilities and contingent liabilities of the purchaser acquired in a business combination not under the common control are measured at fair value at the acquisition date. The cost of consolidation is the sum of the fair value of cash or non-cash assets, liabilities issued or assumed, equity securities issued, etc., paid by the Group at the date of purchase to acquire control over the purchaser, as well as the costs directly related to each of the expenses incurred in the business combination (where the business combination is achieved in stages through multiple transactions, the cost of consolidation is the sum of the costs of each individual transaction) .The excess of the cost of the consolidation over the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation is recognized as goodwill; If the consolidation costs is less than the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation, the fair value of the identifiable assets, liabilities and contingent liabilities acquired in the consolidation, as well as the fair value of the non-cash assets or equity securities issued in the consolidation consideration, are reviewed first; If, after review, the consolidation costs is still less than the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation, the difference is included in non-operating income in the current period of consolidation.

5. Methodology for the preparation of the consolidated financial statements

(1) Principles for determining the scope of consolidation

The Group includes all controlled subsidiaries and structured entities within the scope of the consolidated financial statements.

(2) Principles, procedures and methodology for the preparation of consolidated financial statements

When preparing consolidated financial statements, if the subsidiary is inconsistent with the accounting policies or accounting periods adopted by the Group, necessary adjustments shall be made to the financial statements of the subsidiary in accordance with the accounting policies or accounting periods of the Group

All significant internal transactions, balances and unrealized gains within the scope of the consolidation are eliminated in the preparation of the consolidated statements. The share of the subsidiary's shareholder's interest that is not attributable to the parent company and the share of net income, other comprehensive income and total comprehensive income attributable to minority shareholders for the current period are shown in the consolidated financial statements under "Minority interest, minority income, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders".

For subsidiaries that are consolidated under the common control, the results of operations and cash flows are included in the consolidated financial statements from the beginning of the period in which they are consolidated. In preparing the comparative consolidated financial statements, adjustments are made to the relevant items in the prior year's financial statements as if the consolidated reporting entity had existed from the point at which the ultimate controlling party commenced control.

For businesses not under the common control that merge to acquire subsidiaries, the results of operations and cash flows are included in the consolidated financial statements from the date the Group acquires control. In preparing the consolidated financial statements, adjustments are made to the financial statements of subsidiaries based on the fair value of each identifiable asset, liability and contingent liability as determined at the date of purchase.

When a step-by-step acquisition of an equity interest in an investee not under common control through multiple transactions eventually results in a business combination, the equity interest in the investee held prior to the date of purchase is remeasured at the fair value of the equity interest at the date of purchase, and the difference between the fair value and its carrying amount is recognized as investment income in the current period; the equity interest in the investee held prior to the date of purchase to which it relates is involved in the equity method of accounting Other comprehensive income under the equity method and changes in shareholders' equity other than net profit or loss, other comprehensive income and profit distribution are recognized as investment income or loss in the period to which they relate, except for other comprehensive income resulting from the remeasurement of the net liabilities or changes in net assets of the defined benefit plans of the investee.

The Group partially disposes of its long term equity investments in subsidiaries without losing control, and adjusts the difference between the disposal price and the disposal price of the long-term equity investments corresponding to the share of the subsidiaries' net assets calculated continuously from the date of purchase or the date of consolidation, adjusted for capital premium or equity premium, and adjusted for retained earnings if the shortfall in capital reserves is eliminated in the consolidated financial statements.

If the Group loses control of an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of the consolidated financial statements. The difference between the consideration received for the disposal of the equity and the fair value of the remaining equity, less the proportionate share of the original subsidiary's net assets calculated on a continuing basis from the date of purchase or consolidation, is included in the investment gain or loss in the period in which control is lost, offset by goodwill. Other comprehensive income, such as other comprehensive income related to equity investments in former subsidiaries, is transferred to current investment gains or losses upon loss of control.

6. Classification of joint venture arrangements and accounting treatment of joint operations

A joint arrangement is an arrangement under the common control of two or more participants, divided into joint operations and joint ventures.

When The Company is a joint venture, the following items are recognized in relation to the share of joint venture interests:

Recognition of assets held separately, as well as recognition of jointly held assets by share of holdings;

Recognition of separately assumed liabilities and recognition of jointly assumed liabilities on the basis of share held;

Recognition of income from the sale of The Company's share of the joint operating output;

Recognition of income from the sale of assets from joint operations on the basis of The Company's share of ownership;

Recognize expenses incurred separately, as well as expenses incurred in joint operations based on The Company's share.

7. Recognition criteria for cash and cash equivalent

Cash in the Group's statement of cash flows represents cash on hand and deposits readily available for payment, while cash equivalents in the statement of cash flows represent investments with a holding period of not more than three months, which are liquid, easily convertible into known amounts of cash and have little risk of changes in value.

8. Foreign currency operations and foreign currency translations

(1) Foreign currency operations

For non-functional currency economic operations, The Group records the accounts in local currency at the mid-point of the market exchange rate published by the People's Bank of China on the date of the operation; the month-end currency balances of foreign currency items are adjusted at the mid-point of the market exchange rate published by the People's Bank of China at year end. The difference between the book amount in local currency translated at the year-end exchange rate and the book amount in local currency is recognized in profit or loss in the current period as "finance costs - exchange gains and losses", exchange gains and losses arising from borrowings related to the purchase of fixed assets are treated in accordance with the principle of capitalization of borrowing costs.

(2) Translation of foreign currency financial statements

If a company's foreign operating subsidiaries, joint ventures, associates and branches use a different local currency from The Company's, The Company's foreign operating financial statements should be translated into The Company's local currency when The Company's foreign operations are included in The Company's financial statements through consolidated statements, equity method accounting, etc. Prior to translation, The Company adjusts its accounting period and accounting policies for foreign operations to conform to those of The Company, prepares financial statements in the corresponding currency based on the adjusted accounting policies and accounting period, and then translates the financial statements for foreign operations as follows:

Balance sheet assets and liabilities are translated using current exchange rates at the balance sheet date, with the exception of "retained earnings" items, which are translated using the current exchange rate at the time of occurrence for items of shareholder interest.

Income statement items are translated using the monthly average exchange rate for the financial period to which they relate.

The resulting foreign currency financial statement translation differences are shown separately as "other comprehensive income" in the consolidated balance sheet under the item of shareholders' equity in the preparation of the consolidated financial statements.

9. Client transaction settlement funds

The funds received by The Company for the settlement of customer transactions are deposited in the special account of the depository bank and managed separately from its own funds, and the funds for the settlement and settlement of securities transactions on behalf of customers are deposited into the clearing agency designated by the exchange and accounted for in the settlement reserve. The Company recognizes assets and liabilities at the same time when it receives payments for securities trading on behalf of its clients, and the handling fee, securities management fee, securities settlement risk fund and other related expenses paid by The Company on behalf of its clients are recognized as handling fee when it clears with the clearing agency, and the handling fee collected from the clients is recognized as handling fee income when it clears with the clients for securities trading.

10. Financial assets and financial liabilities (old financial instruments guidelines)

(1) Financial assets

The Group recognizes a financial asset or financial liability when it becomes a party to a contract for a financial instrument.

1) Classification, basis of recognition and measurement of financial assets

The Group classifies financial assets owned by the Group based on the purpose and economic substance of the investment into financial assets at fair value through profit or loss, held to maturity investments, receivables and available-for-sale financial assets.

Financial assets carried at fair value through profit or loss for the current period, including transactional financial assets and financial assets designated at initial recognition as being carried at fair value through profit or loss for the current period. The Group classifies financial assets as transactional if one of the following conditions is met: the financial asset is acquired for the purpose of sale in the short term; is part of a centrally managed portfolio of identifiable financial instruments and there is objective evidence that The Company has recently managed the portfolio in a short-term profit-making manner; Derivatives, except for those designated as effective hedging instruments, derivatives that are financial security contracts, derivatives linked to Investments in equity Instruments that are not quoted in an active market and whose fair value cannot be reliably measured and that are subject to settlement through delivery of the equity instrument. The Group will designate only those financial instruments that meet one of the following criteria for initial recognition as financial assets at fair value through profit or loss in the current period: The designation eliminates or significantly reduces inconsistencies in the recognition or measurement of related gains or losses resulting from differences in the measurement basis of the financial instrument; The portfolio of financial instruments is managed, evaluated and reported to key management personnel on a fair value basis, as set out in a formal written corporate risk management or investment strategy; A hybrid Instrument that contains one or more embedded derivatives, unless the embedded derivatives do not materially change the cash flows of the hybrid instrument or it is clear that the embedded derivatives should not be separated from the underlying hybrid instrument; A hybrid instrument that contains embedded derivatives that need to be separated but cannot be measured separately at the time of acquisition or subsequent balance sheet date. Such financial assets are subsequently measured using fair value. Changes in fair value are recognized in fair value gains or losses; interest or cash dividends earned during the holding period of the asset are recognized as investment income; on disposal, the difference between its fair value and the amount initially recorded is recognized as investment income or losses, with adjustments for fair value gains or losses.

Held-to-maturity investments are non-derivative financial assets with fixed, recoverable or determinable maturities and which the Group has the express intention and ability to hold to maturity. Held-to-maturity investments are subsequently measured at amortized cost using the effective interest method, and their amortization or impairment, as well as gains or losses arising from derecognition, are recognized in profit or loss in the current period.

Accounts receivable is a non-derivative financial asset that is not quoted in an active market and For which a fixed or determinable recovery amount is available. Amortization or impairment, as well as gains or losses arising from derecognition, are recognized in profit or loss in the current period, using the effective interest method and measured subsequently at amortized cost.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale upon initial recognition, as well as financial assets that are not classified as other. Of these assets, investments in equity Instruments that are not quoted in an active market and whose fair value cannot be reliably measured, as well as derivative financial assets linked to the equity instrument and subject to settlement through delivery of the equity instrument, are subsequently measured at cost; other assets for which quoted prices exist in an active market or whose fair value cannot be reliably measured despite the absence of quoted prices in an active market are measured at fair value, with changes in fair value recognized in other comprehensive income. For these financial assets, the fair value is subsequently measured at fair value. In addition to impairment losses and exchange gains and losses arising from foreign currency financial assets, changes in the fair value of available for sale financial assets are credited directly to shareholders' equity, and upon derecognition of the financial asset, the cumulative amount of changes in fair value originally credited directly to equity is transferred to current income or loss. Interest on investments in available-for-sale debt instruments, calculated using the effective interest method during the holding period, and cash dividends declared by the investee units in respect of investments in available-for-sale equity instruments are recognized in profit or loss for the period as investment income.

Investments in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured are measured at cost.

2) Basis for recognition and measurement of transfers of financial assets

A financial asset is derecognized if one of the following conditions is met: ① the contractual right to receive cash flows from the financial asset is terminated; ② the financial asset is transferred and the Group transfers almost all the risks and rewards of ownership of the financial asset to the transferring party; ③ the financial asset is transferred and the Group relinquishes control of the financial asset even though it neither transfers nor retains almost all the risks and rewards of ownership.

Where an enterprise neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset and has not relinquished control of that financial asset, the financial asset is recognized to the extent that it continues to be involved in the transferred financial asset and the liability is recognized accordingly.

When a transfer of a financial asset as a whole meets the conditions for derecognition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of the change in fair value originally included in other comprehensive income is recognized in profit or loss for the current period.

When a partial transfer of financial assets satisfies the conditions for derecognition, the carrying value of the transferred financial assets as a whole is apportioned between the derecognized and unterminated portions according to their respective relative fair values, and the difference between the consideration received for the transfer and the cumulative amount of the change in fair value originally included in other comprehensive income that should be apportioned to the derecognized portion is recognized in profit or loss in the current period.

3) Test methods for impairment of financial assets and accounting treatment

The Group examines the carrying value of financial assets other than those measured at fair value through profit or loss at the balance sheet date and provides for impairment if there is objective evidence that a financial asset is impaired.

When a financial asset measured at amortized cost is impaired, a provision is made for impairment to the extent that the present value of expected future cash flows (excluding future credit losses not yet incurred) is less than its carrying amount. If there is objective evidence that the value of the financial asset has been restored and is objectively related to events that occurred after the recognition of the loss, the originally recognized impairment loss is reversed and recognized in profit or loss in the current period.

4) When available-for-sale financial assets are impaired, cumulative losses resulting from decreases in fair value that would have been directly attributable to owner's equity are removed and recognized in impairment losses. Investments in available-for-sale debt instruments for which an impairment loss has been recognized are reversed and recognized in profit or loss if their fair value increases after the period in which the impairment loss was recognized and is objectively related to an event that occurred after the original impairment loss was recognized. Investments in available-for-sale equity instruments for which an impairment loss has been recognized are credited directly to owner's equity with an increase in fair value after the period.

(2) Financial liabilities

1) Classification, basis of recognition and measurement of financial liabilities

The Group's financial liabilities are classified at initial recognition as financial liabilities measured at fair value through profit or loss for the current period and other financial liabilities.

Financial liabilities measured at fair value through profit or loss, including transactional financial liabilities and financial liabilities designated at initial recognition as being measured at fair value through profit or loss (the relevant classification is disclosed by reference to the financial asset classification basis). Subsequent measurement at fair value results in gains or losses arising from changes in fair value and dividends and interest expense related to the financial liability being recognized in profit or loss in the current period.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

2) Conditions for derecognition of financial liabilities

Recognition of a financial liability or the part of a financial obligation that has been discharged is terminated when the present obligation of the financial liability has been discharged in whole or in part. An agreement between a company and its creditors to replace an existing financial liability with a new financial liability and to discontinue recognition of the existing financial liability and recognize the new financial liability at the same time if the contractual terms of the new financial liability and the existing financial liability differ materially. A company that materially modifies the contractual terms of all or part of an existing financial liability discontinues recognition of the existing financial liability or part thereof and recognizes the modified financial liability as a new financial liability. The difference between the book value of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

(3) Methodology for determining the fair value of financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the primary market and, where no primary market exists, at prices in the most favorable market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. The inputs used in fair value measurement are divided into three levels, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the underlying assets or liabilities; and level 3 inputs are unobservable inputs for the underlying assets or liabilities. The Group prioritizes the use of the first level of input values and finally the third level of input values. The level at which the fair value measurement result falls is determined by the lowest level at which the inputs that are significant to the fair value measurement as a whole fall.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, the balance sheet is presented as a net set-off when the following conditions are also met: (1) the Group has a legal right to set off the amount recognized and such legal right is currently enforceable; and (2) the Group plans to settle the financial asset and settle the financial liability on a net basis, or both.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid the delivery of cash or other financial assets to meet the obligation. Some financial instruments, while not expressly containing terms and conditions for the obligation to deliver cash or other financial assets, may indirectly create contractual obligations through other terms and conditions. (2) If a financial instrument is to be settled with, or may be settled with, the Group's own equity instrument, consideration needs to be given to whether the Group's own equity instrument used to settle the instrument is a substitute for cash or other financial assets or is intended to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a contract for a financial instrument that requires the Group to settle that financial instrument with, or may be settled with, its own equity instrument, where the amount of the contractual right or contractual obligation is equal to the amount of the own equity instrument available or to be delivered multiplied by its fair value at settlement, whether the amount of the contractual right or obligation is fixed or is based wholly or partly on changes in variables other than the market price of the Group's own equity instrument (such as interest rates, the price of a commodity or the price of a financial instrument), is classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated statements, the Group takes into account all terms and conditions agreed between Group members and holders of financial instruments. An instrument should be classified as a financial liability if the group as a whole has an obligation to deliver cash, other financial assets or settle them in another manner that causes the instrument to become a financial liability.

Where financial instruments or their components are financial liabilities, interest, dividends, gains or losses thereon, and gains or losses arising from redemption or refinancing, are recognized in profit or loss for the current period.

When a financial instrument or a component of an equity instrument is issued (including refinancing) repurchased, sold or written off, the Group treats it as a change in equity and does not recognize changes in the fair value of the equity instrument.

11. Financial assets and financial liabilities (new financial instruments guidelines)

(1) Financial assets

1) Classification, basis of recognition and measurement of financial assets

The Group classifies financial assets into those measured at amortized cost, those measured at fair value through other comprehensive income and those measured at fair value through profit or loss for the current period based on the business model for managing financial assets and the contractual cash flow characteristics of financial assets.

The Group classifies financial assets that also meet the following criteria as financial assets measured at amortized cost: ① The business model for managing such financial assets is to collect contractual cash flows. ② The contractual terms of the financial asset state that the cash flow generated on a particular date is solely for the payment of the principal and interest based on the outstanding principal amount. Such financial assets are initially measured at fair value, with related transaction costs included in the initial recognition amount; they are subsequently measured at amortized cost. The difference between the initial amount and the amount due is amortized using the effective interest method, except for those designated as hedged items, and amortization, impairment, exchange gains or losses and gains or losses arising on derecognition are recognized in profit or loss in the current period.

The Group classifies financial assets that are measured at fair value and whose movements are included in other comprehensive income as follows: ① The business model for managing the financial asset is both to collect contractual cash flows and to sell the financial asset. ② The contractual terms of the financial asset state that the cash flow generated at a particular date is solely for the payment of the principal and interest based on the outstanding principal amount. Such financial assets are initially measured at fair value and the related transaction costs are included in the initial recognition amount. Except for financial assets designated as hedged items, gains or losses on such financial assets other than impairment losses or gains on credit, exchange gains or losses and interest on the financial asset calculated using the effective interest method are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income is removed from other comprehensive income and recognized in profit or loss in the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the carrying amount of the financial asset by the effective interest rate, except: ① in the case of financial assets acquired or derived from which credit impairment has occurred, interest income is determined from initial recognition based on the amortized cost of the financial asset and the effective interest rate adjusted for credit. ② Interest income is determined in subsequent periods on the amortized cost and effective interest rate of financial assets acquired or acquired without credit impairment but which become impaired in subsequent periods.

The Group designates investments in non-trading equity instruments as financial assets that are measured at fair value and whose movements are included in other comprehensive income. Once the designation has been made, it cannot be revoked. Investments in non-trading equity instruments designated by the Group that are measured at fair value and whose movements are included in other comprehensive income are initially measured at fair value and the related transaction costs are included in the initial recognition amount; with the exception of dividends received, which are part of the recovery of investment costs, which are included in current profit or loss, other related gains and losses, including foreign exchange gains and losses, are included in other comprehensive income and are not subsequently transferred to current profit or loss. When it is derecognized, the accumulated gain or loss previously included in other comprehensive income is transferred out of other comprehensive income and included in retained earnings.

Financial assets other than those classified above as financial assets carried at amortized cost and those classified as financial assets carried at fair value through other comprehensive income. The Group classifies them into two financial assets that are measured at fair value and the movements of which are recognized in profit or loss for the current period. These financial assets are initially measured at fair value and the related transaction costs are recognized directly in profit or loss for the current period. Gains or losses on such financial assets are recognized in profit or loss in the current period.

Contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, which is classified as a financial asset at fair value through profit or loss for the current period.

2) Basis for recognition and measurement of transfers of financial assets

The Group will derecognize a financial asset that meets one of the following conditions: ① the contractual right to receive cash flows from the financial asset is terminated; ② the financial asset is transferred and the Group transfers substantially all risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and the Group neither transfers nor retains ownership of substantially all risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

When a transfer of a financial asset as a whole meets the conditions for derecognition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of the change in fair value that would have been included directly in other comprehensive income corresponding to the derecognition portion (the terms of the contract relating to the transferred financial asset stipulate that the cash flows arising at a given date are only payments of principal and interest based on the outstanding principal amount) is recognized in profit or loss for the current period.

When a partial transfer of financial assets satisfies the conditions for derecognition, the carrying value of the transferred financial assets as a whole is apportioned between the derecognized and unterminated portions according to their respective relative fair values, and the difference between the consideration received for the transfer and the amount to be apportioned to the derecognized portion of the cumulative amount of the change in fair value that would have been included in other comprehensive income (under the terms of the contract relating to the transferred financial assets, the cash flows arising on a given date are only payments of principal and interest based on the outstanding principal amount) , and the apportionment of the difference between the carrying value of the aforementioned financial assets as a whole is recognized in profit or loss in the current period.

3) Expected credit losses

a) Application scope

The Group recognizes the following items for impairment and loss on the basis of expected credit losses: ①debt investment; ② lease receivables; ③ contract assets; ④ accounts receivable; ⑤ financial guarantee contracts.

b) Method of determining expected credit losses and accounting treatment (excluding receivables)

Expected credit losses are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses represent the difference between all contractual cash flows receivable under the contracts and all cash flows expected to be received by the Group, discounted at the original effective interest rate, which is the present value of the total cash shortfall.

The Group's provision for loss is always measured at an amount equal to the expected credit loss over the entire duration of the following items: ① Finance operating lease receivable; ② Operating lease receivable.

In addition to the above items, for other items, the Group measures a provision for losses based on the following: ① for financial assets whose credit risk has not increased significantly since initial recognition, the Group measures a provision for losses based on the amount of expected credit losses in the next 12 months; ② for financial assets whose credit risk has increased significantly since initial recognition, the Group measures a provision for losses based on the amount of expected credit losses over the entire lifetime of the financial instrument; ③ for financial assets whose credit impairment has occurred, the Group measures a provision for losses based on the amount of expected credit losses over the entire lifetime.

A determination of whether credit risk has increased significantly since initial recognition. The Group determines whether a financial instrument's credit risk has increased significantly by comparing the amount of the probability of default over the expected life of the instrument as determined at initial recognition with the probability of default over the expected life of the instrument as determined at the balance sheet date. However, if the Group determines that a financial instrument has only low credit risk at the balance sheet date, it can be assumed that the credit risk of the financial instrument has not increased significantly since its initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Group considers reasonable and informed information, including forward looking information, that is available without undue additional cost or effort.

Portfolio-based assessment. The Group is unable to obtain sufficient evidence of a significant increase in credit risk at the level of a single instrument at a reasonable cost, and it is feasible to assess whether credit risk increases significantly on a portfolio basis, so the Group groups financial instruments by type of instrument, credit risk rating, type of collateral, initial confirmation date, remaining contractual term, industry in which the borrower is located, geographic location of the borrower and loan collateralization ratio as common risk characteristics and considers assessing whether credit risk increases significantly on a portfolio basis.

Expected credit loss measurement. ①Debt Investments, where the credit loss is the present value of the difference between the contractual cash flows receivable by the group and the cash flows expected to be receivable. ②Lease receivables, credit losses are the present value of the difference between the contractual cash flows receivable by the Group and the cash flows expected to be received. Of these, the cash flows used to determine expected credit losses are consistent with those used by the Group to measure lease receivables in accordance with the leasing guidelines.

Financial instruments that assess expected credit risk by portfolio and measure expected credit losses

Item	Basis for determining the combination	Methodology for measuring expected credit losses
Other debt investments	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions
Financing	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions
Buying back the sale of financial assets	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions

(2) Financial liabilities

1) Classification, basis of recognition and measurement of financial liabilities

The Group classifies financial liabilities as financial liabilities measured at amortized cost, except for the following: ①Financial liabilities measured at fair value through profit or loss for the current period, including transactional financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as fair value through profit or loss for the current period. ② Financial liabilities arising from the transfer of financial assets that do not meet the conditions for derecognition or from continued involvement in the transferred financial assets. ③ A financial guarantee contract that does not fall under either ① or ② above, and a loan commitment at a below-market interest rate that does not fall under ① above.

Contingent consideration recognized by the Group as a purchaser in a business combination not under common control that results in a financial liability is accounted for at fair value through profit or loss for the current period.

2) Conditions for derecognition of financial liabilities

Recognition of a financial liability or the part of a financial obligation that has been discharged is terminated when the present obligation of the financial liability has been discharged in whole or in part. An agreement between the Group and a creditor to replace an existing financial liability with a new financial liability and to derecognize the existing financial liability and recognize the new financial liability at the same time if the contractual terms of the new financial liability and the existing financial liability differ materially. The Group derecognizes an existing financial liability or part of an existing financial liability when it makes a material change to the contractual terms of the existing financial liability, in whole or in part, and recognizes the modified financial liability as a new financial liability. The difference between the book value of the derecognized portion and the consideration paid is recognized in profit or loss for the current period

(3) Fair value determination for financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the primary market and, where no primary market exists, at prices in the most favorable market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. The inputs used in fair value measurement are divided into three levels, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the underlying assets or liabilities; and level 3 inputs are unobservable inputs for the underlying assets or liabilities. The Group prioritizes the use of the first level of input values and finally the third level of input values. The level at which the fair value measurement result falls is determined by the lowest level at which the inputs that are significant to the fair value measurement as a whole fall.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances, if there is insufficient recent information to determine fair value, or if there is a wide range of possible estimates of fair value and the cost represents the best estimate of fair value within that range, the cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, the balance sheet is presented as a net set-off when the following conditions are also met: (1) the Group has a legal right to set off the amount recognized and such legal right is currently enforceable; and (2) the Group plans to settle the financial asset and settle the financial liability on a net basis, or both.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid the delivery of cash or other financial assets to meet the obligation. Some financial instruments, while not expressly containing terms and conditions for the obligation to deliver cash or other financial assets, may indirectly create contractual obligations through other terms and conditions. (2) If a financial instrument is to be settled with, or may be settled with, the Group's own equity instrument, consideration needs to be given to whether the Group's own equity instrument used to settle the instrument is a substitute for cash or other financial assets or is intended to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a contract for a financial instrument that requires the Group to settle that financial instrument with, or may be settled with, its own equity instrument, where the amount of the contractual right or contractual obligation is equal to the amount of the own equity instrument available or to be delivered multiplied by its fair value at settlement, whether the amount of the contractual right or obligation is fixed or is based wholly or partly on changes in variables other than the market price of the Group's own equity instrument (such as interest rates, the price of a commodity or the price of a financial instrument), is classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated statements, the Group takes into account all terms and conditions agreed between Group members and holders of financial instruments. An instrument should be classified as a financial liability if the group as a whole has an obligation to deliver cash, other financial assets or settle them in another manner that causes the instrument to become a financial liability.

Where financial instruments or their components are financial liabilities, interest, dividends, gains or losses thereon, and gains or losses arising from redemption or refinancing, are recognized in profit or loss for the current period.

When a financial instrument or a component of an equity instrument is issued (including refinancing), repurchased, sold or written off, the Group treats it as a change in equity and does not recognize changes in the fair value of the equity instrument.

12. Provision for bad debts in accounts receivable

(1) Receivables with a single significant amount and a single provision for bad debt

Basis for determining the materiality of an individual amount or monetary criterion	Non-medical devices segment: top 5 year-end balances or other receivables that are not in the top 5, but at the end of the year represent 10 per cent or more of receivables in a single amount;
Method of accruing a single significant amount and a single provision for bad debt	A separate impairment test is performed for receivables that are individually significant, and if an impairment test is performed, an impairment loss is determined and a provision for bad debt is made for the difference between the present value of future cash flows and their carrying value. Where no impairment is detected after separate testing, a provision for bad debts is included in the corresponding portfolio.

(2) Individual evaluation of credit risk for financial assets with significantly different credit risk

Basis or criteria for the individual evaluation of credit risk	In the medical devices section, credit risk is evaluated individually for financial assets with significantly different credit risks, such as: receivables from related parties; receivables that are in dispute with the other party or involved in litigation or arbitration; receivables for which there are clear indications that the debtor is likely to be unable to meet its repayment obligations; etc.
Methodology for credit risk accrual for individual evaluations	Individual evaluation of credit risk

(3) Provisions for bad debt receivables based on a portfolio of credit risk characteristics

Basis for determining the portfolio:

Portfolio name	Basis for determination
Portfolio 1	Aging portfolio
Portfolio 2	Reimbursements receivable, government arrears, staff reserves, deposits, bonds, related transactions, electrical bill receivables, etc. (non-medical devices only)
Portfolio 3	Portfolio of credit risk characteristics of the securities segment, other receivables excluding those within the scope of consolidation

Provisions for bad debt are made on a portfolio basis:

Portfolio name	Accrual method
Portfolio 1	Aging analysis
Portfolio 2	On an individual basis, if there is objective evidence of impairment in the portfolio, an impairment loss is recognized and a provision for bad debt is made based on the difference between the present value of its future cash flows and its carrying amount
Portfolio 3	Expected credit losses are calculated by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions, through default exposure and expected credit loss rates over the entire duration.

1) The proportion of the provision for bad debts on receivables using the ageing analysis method is as follows:

Non-electricity and real estate, medical devices and securities sectors: Except for Guangzhou Hengyun Enterprises Holding Ltd., Beijing Leadman Biochemistry Co., Ltd. and its subsidiaries, Yuekai Securities Co., Ltd.

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
Within 1 year	0.00	0.00
1-2 years	10.00	10.00
2-3 years	30.00	30.00
3-4 years	50.00	50.00
4-5 years	70.00	70.00
Over 5 years	100.00	100.00

Power and investment properties section: Guangzhou Hengyun Enterprises Holding Ltd. and its subsidiaries

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
Within 1 year	0.50	0.50
1-2 years	10.00	10.00
2-3 years	30.00	30.00
3-4 years	50.00	50.00
4-5 years	70.00	70.00
Over 5 years	100.00	100.00

Medical devices section: Beijing Leadman Biochemistry Co., Ltd. and its subsidiaries

Item	Basis for determining the combination	Method of calculation
Non-related party combinations	Aging of accounts receivable, other receivables and commercial promissory notes as credit risk characteristics	Prepare a table comparing the aging of accounts receivable, other receivables, commercial promissory notes and expected credit loss rates over the entire duration of the period, taking into account historical credit loss experience and taking into account current conditions and projections of future economic conditions, to calculate overdue credit losses

(4) Receivables for which a single amount is not material but for which a single provision for bad debts is made

Reasons for a separate provision for bad debts	There is objective evidence of impairment
Method of accrual of provision for bad debts	Separate impairment tests are performed on receivables for which there is objective evidence that the individual amounts are not significant, and impairment losses are determined and bad debt provisions are made

(5) Finance lease combination with provision for bad debt using the risk asset type approach

Risk asset type	Risk description	Percentage of provision for bad debts (%)
Normal	Lessee with reliable credit, strong repayment ability, normal operation in all aspects, no negative factors that affect the full repayment of principal and interest on time and in full.	
Interest	The lessee has good intentions to repay, and occasional delays and late payments do not ultimately affect the recovery of principal and interest. 1 to 3 months (inclusive) past due for normal principal or interest payments. There are a number of factors relating to the lessee, including repayment capacity, liquidity, security capacity, etc., that may adversely affect repayment, the continuation of which will affect the discharge of the claim and require special attention.	1.00--9.00
Secondary	3-6 months (inclusive) overdue payment of principal or interest by the lessee. A clear problem of repayment capacity, which would not allow full repayment of the current principal and interest due solely on its normal operations, which may result in some loss even if the guarantee is enforced	10.00--20.00

Doubt	If the lessee is overdue for more than 6 months for payment of principal or interest, it will not be able to repay the current principal and interest in full and on time, even if the security is enforced, it will cause a large loss, but the amount of loss is not certain because of factors such as the existence of collateral (pledge) disposal	30.00--50.00
Loss	After all the measures or all the necessary legal procedures have been taken, the principal and interest will remain uncollectible, or only a very small part will be recovered.	80.00 --100.00

(6) Notes and prepayments receivable and long-term receivables other than financial leases for which The Company performs a separate impairment test and for which there is objective evidence of impairment are recognized as impairment losses based on the difference between the present value of future cash flows and their carrying amounts, with a provision for impairment.

(7) When a provision for bad debt is made for a receivable and there is objective evidence that the value of the financial asset has been restored and that it is objectively related to an event occurring after the recognition of the loss, the bad debt provision originally recognized should be reversed and recognized in profit or loss for the current period

(8) Provisions for collateral compensation are made for reimbursement of receivables in accordance with industry requirements and no provision for bad debts on accounts receivable is made.

13. Securities underwriting

The Group's securities are underwritten by means of balance underwriting and distribution. Under balance underwriting, unsold securities at the end of the issue period are converted into trading financial assets at the agreed issue price, etc.

The Group recognizes the costs associated with the Issuance of projects prior to their establishment in profit or loss for the current period. After the project is established, separately identifiable issuance costs are charged to the account of pending underwriting costs, and gains and losses are carried forward when the project is successfully issued. All project costs that are confirmed to be unsuccessful in issuance are recorded in profit or loss for the current period.

14. Method of accounting for bond denominated operations

The Group recognizes revenue when it accepts a mandate to honor the maturity of bonds issued by the principal and when the related services provided by the bond-delivery business are completed.

15. Buy-back and sell-back payments

A buy-sell transaction refers to the purchase of related assets (including bonds and notes) from a counterparty at a certain price in accordance with a contract or agreement, and the resale of the same financial products at an agreed price on the maturity date of the contract or agreement. Purchases and sales are accounted for as actual payments made at the time of purchase and sale of the underlying assets and are shown in the balance sheet under "Buying back the sale of financial assets".

A sale and repurchase transaction is the sale of an underlying asset (including bonds and notes) to a counterparty at a price in accordance with a contract or agreement, and the repurchase of the same financial product at the agreed price on the maturity date of the contract or agreement. Sales of repurchases are accounted for on the basis of the amounts actually received at the time of the sale of the repurchased assets and are shown in the balance sheet under the item "Amount of financial assets sold for repurchases". The financial products sold remain on the Group's balance sheet in accordance with their original classification and are accounted for in accordance with the relevant accounting policies.

Interest income and expenditure on buy-backs and sell-backs are recognized at the effective interest rate over the period of the buy-back or sale. Where the difference between the effective interest rate and the contractual rate is small, interest income and expenditure are calculated at the contractual rate.

16. Customer asset management

The Group's Customer asset management business is divided into targeted asset management business, pooled asset management business and special asset management business.

The Group accounts for the different asset management plans it manages, with each product as the accounting subject, with separate accounting and separate financial reporting. The different asset management plans are independent of each other in terms of registering, setting up accounts, transferring funds, keeping books, etc. The accounting for pooled asset management business products is performed on the basis of the accounting for portfolio investment funds and the pooled asset plan is valued at fair value at each valuation date.

17. Financing and financing of securities

The Group's securities financing business refers to the business activities in which the Group lends funds to customers to buy securities or lends securities to customers to sell, and the customers deposit the corresponding collateral. The Group's financing and securities financing business is divided into two categories: financing business and securities financing business.

Financing operations, which are accounted for in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*. The Group's financing, recognizes receivables and recognizes corresponding interest income.

In the securities business, the securities financed are not derecognized and the corresponding interest income is recognized, in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No. 23 - Transfers of Financial Assets.

The Group accounts for its securities brokerage business when it finances and finances securities on behalf of its clients.

The Group reasonably anticipates possible future losses based on the funds lent and the probability of default, fully reflecting the performance risk of the funds lent and securities to be assumed.

18. Inventories

The Group's inventories mainly include raw materials, working materials, consignment materials, packaging, low-value consumables, work-in-progress products, homemade semi-finished goods, finished goods (inventory products), development products, etc.

Inventories are valued at actual cost when acquired; the non-medical equipment segment is accounted for using the weighted average method when inventories are issued and the medical equipment segment is accounted for using the first-in-first-out method; low-value consumables and packaged goods are accounted for using the one-time amortization method.

The inventory system adopts the perpetual inventory system, and a comprehensive inventory count is conducted at the balance sheet date, and if the results of the count do not match the bookkeeping records, the reasons are identified and processed before the year-end closing of the accounts with the approval of the Board of Directors or the shareholders' meeting, in accordance with the Group's management authority.

Inventories are valued at the lower of cost or net realizable value at the end of the year, and a provision is made for the depreciation of inventories to the extent that their cost is not expected to be recoverable because of destruction, total or partial obsolescence, or sale prices below cost. Provision is made for the difference between the cost of individual items of inventory over their net realizable value and the cost of other raw and auxiliary materials in large quantities and at lower unit cost, by category.

The net realizable value of inventories of goods, such as goods in stock, products in process and materials used for sale, which are used directly for sale, is determined by the estimated selling price of the inventory less estimated selling costs and related taxes; the net realizable value of inventories of materials held for production is determined by the estimated selling price of the finished product produced less estimated costs to be incurred at completion, estimated selling costs and related taxes and fees.

Method of accounting for land for development: pure land development projects, the cost of which constitutes a separate cost of land development. If the cost of the project, which is developed together with the property as a whole, can be borne separately, it is generally apportioned according to the actual area and credited to the cost of commercial housing.

Method of accounting for the cost of public facilities: For public facilities that cannot be transferred at a fee, the standard allocation is determined in proportion to the benefit and included in the cost of commercial housing. For public facilities that can be transferred in return for a fee, the costs incurred will be aggregated using each facility item as a costing object.

19. Long-term equity investments

(1) Basis for determining joint control and significant influence

The Group's long-term equity investments mainly consist of equity investments held by the Group that are capable of exercising control and significant influence over the investee units, as well as equity investments in its joint ventures.

Control means that the Group has power over the investee, enjoys variable returns by participating in the investee's related activities, and has the ability to use its power over the investee to influence the amount of its returns.

Joint control is the control shared by agreement over an arrangement, and decisions about the activities of the arrangement must be made with the unanimous consent of the participants who share control. A joint venture arrangement is an arrangement under the joint control of two or more participants. A joint venture is a joint venture arrangement in which the joint venture party has rights only in the net assets of the arrangement.

Significant influence is the power to participate in decision-making on the financial and operating policies of the investee unit, but does not control or have joint control with other parties over the development of those policies. Significant influence is determined primarily by representation on the investee's board of directors or similar authority and by exercising significant influence through a voice in the financial and operational decision-making process of the investee; If there is clear evidence that the Group, directly or indirectly through a subgroup, owns more than 20% but less than 50% of the voting shares of the investee unit, it shall not be able to exercise significant influence if it cannot participate in the production and operation decisions of the investee unit in such cases. In determining whether significant influence can be exerted over the investee unit, the Group will consider, on the one hand, the voting shares of the investee unit held directly or indirectly by the Group and, on the other hand, the effect of current executable potential voting rights held by the Group and others, such as current convertible warrants, stock options and convertible corporate bonds issued by the investee unit, on the assumption of conversion into equity interest in the investee unit.

(2) Methodology for determining the cost of long-term equity investments, subsequent measurement and profit and loss recognition

The initial investment cost of a long-term equity investment at the date of consolidation is based on acquiring the consolidated party's share of the carrying value of the consolidated party's ownership interest in the consolidated financial statements of the ultimate controlling party if the consideration for the consolidation is by way of cash payments, transfers of non-cash assets or incurring debt. The difference between the initial investment cost of long-term equity investments and the book value of cash paid, non cash assets transferred and liabilities assumed is adjusted for the equity premium in the capital reserve; if the equity premium in the capital reserve is not sufficient to offset it, the retained earnings are adjusted.

If equity securities are issued as merger consideration, the initial investment cost of the long-term equity investment at the date of consolidation is treated as equity based on acquiring the consolidated party's share of the book value of the consolidated party's ownership interest in the consolidated financial statements of the ultimate controlling party and the aggregate nominal value of the shares issued, The difference between the initial investment cost of a long-term equity investment and the total nominal value of the shares issued is adjusted for the equity premium in the capital reserves; if the equity premium in the capital reserves is not sufficient to offset it, the retained earnings are adjusted.

Business combinations not under the common control: the Group's initial investment cost for long-term equity investments is based on the cost of consolidation determined at the date of purchase.

The intermediary fees, such as audit, legal services, valuation consulting, and other related management fees incurred in connection with a merger are recognized in profit or loss when incurred; transaction fees for equity or debt securities issued as consideration for a merger are included in the initial recognition amount of the equity or debt securities.

Long-term equity investments acquired through cash payments, other than those acquired through business combinations as described above, are costed as investments based on the actual purchase price paid; Long term equity investments acquired through the issuance of equity securities, which are costed at the fair value of the equity securities issued; Long-term equity investments made by the investor at the cost of the investment, based on the value agreed in the investment contract or agreement; The cost of long-term equity investments acquired through debt restructuring, non-monetary asset swaps, etc., is determined in accordance with the relevant accounting standards.

The Group adopts the cost method of accounting for long-term equity investments in which it is able to exercise control over the investee units and the equity method of accounting for investments in joint ventures and associates.

Under the cost method of accounting, long-term equity investments are valued at the initial investment cost and the cost of long-term equity investments is adjusted when the investments are added or recovered. Profits or cash dividends declared as distributions by the investee units are recognized as investment income.

Under the equity method of accounting, the initial investment cost is greater than the difference between the fair value share of the identifiable net assets of the investee unit at the time of investment, without adjusting the initial investment cost of the long-term equity investment; The cost of the initial investment is less than the difference between the fair value share of the identifiable net assets of the investee unit at the time of investment, which is recognized in profit or loss for the current period, and the cost of the long-term equity investment is adjusted. Upon acquisition of the long-term equity investment, the investment income and other comprehensive income are recognized separately on the basis of the share of the net gain or loss and other comprehensive income realized by the investee for the year to which they are entitled or to which they are entitled, and the carrying value of the long-term equity investment is adjusted; The carrying value of the long-term equity investment is reduced accordingly, based on the investor's share of the profits or cash dividends declared by the investee unit; Investors adjust the carrying value of long-term equity investments and record them in shareholders' equity for changes in shareholders' equity other than net gains or losses, other comprehensive income and distribution of profits of the investee units. In recognizing the share of the net profit or loss of the investee unit, the Group's accounting policies and the accounting period are followed in adjusting the net profit or loss of the investee unit by offsetting the unrealized gain or loss on internal transactions with associates and joint ventures that are attributable to the investee on a proportionate basis.

(3) Changes in long-term equity investments

If, as a result of additional investments or other reasons, the investee is able to exercise common control or significant influence over the investee but does not constitute control, the sum of the fair value of the equity investments previously held and classified as available-for-sale financial assets plus the additional investment costs is transferred to the equity method of accounting as the initial investment cost, the difference between its fair value and book value, and the cumulative change in fair value previously recognized in other comprehensive income to current income or loss. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee units at the date of the additional investment, calculated on the basis of the proportion of the new shares held after the additional investment, is not adjusted for the carrying value of the long-term equity investment if the former is greater than the latter; if the former is less than the latter, the difference is adjusted for the carrying value of the long-term equity investment and recognized in non-operating income in the current period.

For long-term equity investments in which control over investee units not under the same control can be exercised as a result of additional investments, etc., the initial investment cost, which is accounted for under the cost method, is the sum of the book value of the equity investments originally held plus the cost of the new investments in the preparation of the individual financial statements. Other comprehensive income recognized as a result of the equity method of accounting for equity investments existing prior to the date of purchase is accounted for on the same basis as the related assets or liabilities directly disposed of by the investee unit when the investment is disposed of. Where equity investments held prior to the date of purchase are classified as available-for-sale financial assets for accounting purposes, changes in cumulative fair value that were previously included in other comprehensive income are transferred to current profit or loss when they are accounted for using the cost method.

Where the Group no longer has common control or significant influence over an investee unit, including through the disposal of part of the equity investment, and the remaining equity after disposal is classified as available-for-sale financial assets, the difference between fair value and book value at the date of loss of common control or significant influence is recognized in profit or loss for the current period. Other comprehensive income recognized as a result of the equity method of accounting for the original equity investment is accounted for on the same basis as if the related assets or liabilities were disposed of directly by the investee when the equity method of accounting is discontinued;

If the investor loses control of the investee unit due to, for example, the disposal of part of the equity investment, the remaining disposed equity interest that can exercise common control or significant Influence over the investee unit in the preparation of individual financial statements will be accounted for under the equity method, and the remaining equity interest will be adjusted as if it had been acquired under the equity method; The difference between fair value and book value at the date of loss of control is recognized in profit or loss in the current period for those financial assets classified as available-for-sale when the remaining equity interest after disposal does not exercise common control or significant influence over the investee unit.

(4) Disposal of long-term equity investments

Disposal of long-term equity investments, the difference between their carrying value and the actual acquisition price is recognized in current investment income. Long-term equity investments accounted for using the equity method of accounting are disposed of on the same basis as the related assets or liabilities directly disposed of by the investee unit, and the portion originally included in other comprehensive income is accounted for in the corresponding proportion.

20. Held-for-sale assets

The Group classifies a non-current asset or disposal group as held for sale if it has recovered its book value primarily through sale (including the exchange of non-monetary assets of a commercial nature, as described below) rather than ongoing use. The specific criteria are that the following conditions are also met: a non-current asset or disposal group is ready for immediate sale in its current condition in accordance with the practice of selling such assets or disposal groups in similar transactions; the Group has resolved on a plan of sale and secured a firm purchase commitment; and the sale is expected to be completed within one year. Of these, a disposal group is a group of assets that are disposed of as a whole in a transaction, whether by sale or otherwise, and liabilities directly related to those assets that are transferred in that transaction. Where a disposal group belongs to an asset group or combination of asset groups that apportions goodwill acquired in a business combination in accordance with Accounting Standards for Business Enterprises No.8 - Impairment of Assets, the disposal group shall contain the goodwill apportioned to the disposal group.

If the Group's initial measurement or remeasurement at the balance sheet date is classified as non-current Held-for-sale assets and disposal group, the carrying value of which is higher than the net of fair value less costs to sell, the carrying value is written down to the net of fair value less costs to sell, and the amount written down is recognized as an asset impairment loss, which is recognized in profit or loss in the current period, with a provision for impairment of Held-for-sale assets. For disposal groups, the asset impairment losses recognized are offset against the book value of goodwill in the disposal group and then against the book value of each non-current asset in the disposal group that is subject to the measurement provisions of Accounting Standards for Business Enterprises No.42 - Non-current Held-for-sale assets, disposal groups and discontinued operations (hereinafter referred to as the "held for sale standard") on a pro rata basis. Any subsequent increase in the net fair value of the disposal group held for sale less costs to sell at the balance sheet date shall be restored to the amount of the previous impairment and reversed to the amount of the impairment loss recognized on the non-current Held-for-sale assets that were measured using the held for sale criteria after being classified as held for sale; the reversed amount is recognized in profit or loss for the current period and increased proportionately to the carrying value of each of the non-current assets in the disposal group other than goodwill that were measured using the held for sale criteria; the reduced carrying value of goodwill and the impairment loss recognized on the non-current assets that were measured using the held for sale criteria before being classified as held for sale are not reversed.

Non-current Held-for-sale assets or in disposal groups are not depreciated or amortized, and interest and other charges on liabilities held for sale in disposal groups continue to be recognized.

When a non-current asset or disposal group no longer meets the criteria for classification as held for sale, the Group does not continue to classify it as held for sale or remove the non-current asset from the disposal group held for sale and is measured at the lower of: (1) The carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment that would have been recognized had it not been classified as held for sale; (2) Recoverable amount.

21. Investment properties

The Group's Investment properties include buildings that are leased; land use rights that are leased. Leased investment properties that are temporarily vacant but continue to be used for rental at the end of their lease term are still considered investment properties.

Investment property acquired is initially measured at the cost at the time of acquisition; the cost of purchased investment property, including the purchase price and related taxes and fees directly attributable to the asset; the cost of constructing the investment property on its own, consisting of expenses necessary to construct the asset before it reaches its intended state of serviceability; and the cost of investment property otherwise acquired is recognized in accordance with the relevant accounting standards.

Subsequent measurement is carried out using the cost model and is depreciated or amortized in the same way as fixed assets and intangible assets.

If, for example, the recoverable amount of investment property measured at cost at year-end is less than its book value due to a continuous decline in market prices, an impairment provision is made for the difference between the actual value of the asset and its book value.

When the use of investment property is changed to its own use, the investment property is converted to fixed or intangible assets from the date of the change. When the use of self-use investment property is changed to earn rent or capital appreciation, fixed assets or intangible assets are converted to investment property from the date of the change. When a conversion occurs, the book value before the conversion is used as the recorded value after the conversion.

Recognition of investment property is discontinued when the property is disposed of or permanently withdrawn from use and no economic benefit is expected to be derived from its disposal. The amount of disposal proceeds from the sale, transfer, obsolescence or destruction of investment properties, net of their book value and related taxes and fees, is recognized in profit or loss for the current period.

22. Fixed assets

Fixed assets are tangible assets that are held for the production of goods, provision of services, lease or management of operations and have a useful life exceeding one fiscal year. Fixed assets are recognized only when it is probable that the economic benefits associated with them will flow to the Group and their cost can be measured reliably.

Fixed assets are initially measured at cost. The cost of acquiring a fixed asset includes the purchase price, related taxes and other expenses directly attributable to the fixed asset that are incurred to bring the fixed asset to its intended state of serviceability.

Subsequent expenditure on fixed assets, including expenditure relating to the replacement of a component of fixed assets, is charged to the cost of fixed assets when the conditions for recognition of fixed assets are met, and the carrying value of the replaced component is deducted. Expenditures related to the routine maintenance of fixed assets are recognized in profit or loss for the current period as incurred.

The Group accrues depreciation on all fixed assets except those that are fully depreciated and are still in use, and land that is accounted for separately. Depreciation is provided using the average useful life method and is charged to the cost or current expense of the respective asset, depending on its use. The Group's classified depreciable lives, estimated net residual values and depreciation rates for fixed assets are as follows:

NO	Category	Depreciation period (years)	Projected residual value rate (%)	Annual depreciation rate (%)
1	Plant and property	20~50	0~10	1.80~5.00
2	Machinery and equipment	3~25	2~10	3.60~32.67
3	Transport equipment	4~8	3~10	11.25~23.75
4	Electronic equipment	5~8	3~5	11.88~19.40
5	Office equipment	5	5	19.00
6	Other equipment	5~6	2~10	15.00~19.60

At the end of each year, the Group reviews the estimated useful life, estimated net residual value and method of depreciation of fixed assets and treats changes, if any, as changes in accounting estimates.

Recognition of a fixed asset is discontinued when the asset is disposed of or when no economic benefit is expected to result from its use or disposal. The amount of disposal proceeds from the sale, transfer, obsolescence or destruction of fixed assets, net of their book value and related taxes and fees, is recognized in profit or loss for the current period.

The Group estimates the recoverable amount where there is an indication of impairment and writes down the book value to the recoverable amount when the recoverable amount of a fixed asset is less than its book value.

23. Construction in progress

Construction in progress is measured at the cost actually incurred. Self-operated construction works are measured according to direct materials, direct wages, direct construction costs, etc.; outsourced construction works are measured according to the project price payable, etc.; equipment installation works are determined according to the value of the installed equipment, installation costs, expenses incurred in commissioning works, etc. Construction-in-progress costs also include borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction work in progress reaches the scheduled state of availability, the estimated value of fixed assets will be carried forward according to the project budget, cost or actual cost of the project, etc., and depreciation will be provided from the following month onwards, and the difference in the original value of fixed assets will be adjusted after the completion of the final accounting procedures.

24. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary costs and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition or production of assets eligible for capitalization are capitalized when expenditures on the assets have been incurred, the borrowing costs have been incurred and the acquisition or production activities necessary to bring the assets to a predetermined state of use or sale have commenced; Capitalization ceases when the acquisition or production of assets eligible for capitalization reaches a predetermined state of availability or sale. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

Interest costs actually incurred during the period of the specialized borrowing are capitalized after deducting the amount of interest income earned on unspent borrowed funds deposited with the bank or investment income earned on temporary investments; General borrowings are capitalized based on the weighted average of asset expenditures in excess of the portion of accumulated asset expenditures dedicated to borrowing multiplied by the weighted average interest rate on the general borrowings occupied.

Assets eligible for capitalization are fixed assets, investment properties and inventories that require a significant period of time (usually more than one year) of acquisition, construction or production activity to reach a predetermined state of use or sale.

If there is an abnormal interruption in the acquisition or production of an asset eligible for capitalization that occurs for more than three consecutive months, the capitalization of borrowing costs is suspended until the acquisition or production of the asset recommences.

25. Intangible assets

Intangible assets are identifiable non monetary assets owned or controlled by the Group that have no physical form, including land use rights, application software and proprietary technology.

Intangible assets are stated at actual cost at the time of acquisition, with the cost of purchased intangible assets being stated at actual expenditure incurred to bring the asset to its intended use; Expenditure on the research phase of internal research and development projects is recognized in current profit or loss as incurred; Development phase expenditures that qualify for capitalization are recognized as cost of intangible assets; Intangible assets invested by the investor should be determined at the value agreed in the investment contract or agreement, unless the contract or agreement provides an unfair value; Receiving intangible assets acquired by the debtor as non-cash assets against its obligations, or exchanging receivables for intangible assets, is recorded at the fair value of the exchanged intangible assets; For intangible assets that are inputs to non-monetary transactions, the fair value of the intangible asset and the related taxes and fees payable are recorded as cost; Acceptance of donated intangible assets, where the donor provides evidence thereof, valued at the amount indicated on the evidence plus the related taxes and fees payable; Where the donor has not provided relevant evidence, the amount estimated at the market price of an intangible asset of the same or similar type, plus related taxes and fees payable, if an active market exists for the same or similar intangible asset, as actual cost; If no active market exists for similar or similar intangible assets, the present value of the expected future cash flows of the intangible asset to be donated is used as the actual cost.

Intangible assets with a finite useful life are amortized on a straight line basis over their expected useful lives from the time they become available for use.

Intangible assets with an indefinite useful life are not amortized, and the purchase of trading seats is accounted for as an intangible asset with an indefinite useful life, at the actual cost at the time of acquisition. Intangible assets with indefinite useful lives are not amortized and the Group reviews the useful lives of such intangible assets in each accounting period.

At the balance sheet date, the Group examines the ability of each intangible asset to generate expected future economic benefits for the enterprise and provides for impairment of the difference between the individual expected recoverable amount and its carrying value if the expected recoverable amount is less than its carrying value. Once an impairment loss on an intangible asset is recognized, it is not reversed in subsequent accounting periods.

26. Research and development

The Group's research and development expenses are divided into research phase expenses and development phase expenses according to their nature and the greater uncertainty as to whether the research and development activities will result in intangible assets. Research phase expenditures are recognized in profit or loss as incurred; development phase expenditures are recognized as intangible assets when the following conditions are also met:

(1) Completion of the intangible asset to make it technically feasible to use or sell it;

(2) Intent to complete the intangible asset and use or sell it;

(3) A market exists for the product produced using the intangible asset or for the intangible asset itself.;

(4) Adequate technical, financial and other resources are available to complete the development of the intangible asset and the ability to use or sell it;

(5) The expenditure attributable to the development phase of the intangible asset can be reliably measured.

Development phase expenditures that do not meet the above conditions are recognized in current profit or loss when incurred. Development expenditures that were recognized in profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures for the capitalized development phase are shown as development expenditures on the balance sheet and are reported as intangible assets from the date the project reaches a predetermined state of availability.

27. Long term prepayments

Long-term prepayments are expenses that have been expended but have a benefit period of more than one year (excluding one year), and long-term prepayments are valued at actual cost at the time of incurrence and are amortized equally over the benefit period. If a long-term prepayment does not benefit subsequent accounting periods, the full amortized value of the item that has not been amortized is transferred to profit or loss in the current period.

Amortization period:

Item	Estimated useful life
Capacity substitution compensation	Remaining useful life of the unit
Other long-term prepayments	3-5 years

28. Goodwill

Goodwill is the excess of the cost of an equity investment or a business combination not under the same control over the share of the fair value of the identifiable net assets of the investee or purchaser acquired in the business combination at the date of acquisition or purchase.

Goodwill relating to subsidiaries is shown separately on the consolidated financial statements, and goodwill relating to associates and joint ventures is included in the carrying value of long-term equity investments.

29. Employee benefits

Employee benefits refer to the various forms of remuneration or compensation given by a company for services rendered by an employee or for the dissolution of a labourrelationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided by the enterprise to spouses, children, dependents, survivors of deceased employees and other beneficiaries are also part of the employee's benefits.

During the accounting period in which employees provide related services, the Group recognizes as a liability actual employee wages, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, employment injury insurance premiums and maternity insurance premiums, housing fund, trade union expenses and employee education expenses, which are recognized in profit or loss for the current period or in the cost of related assets. The liability is measured at the discounted amount if it is not expected to be fully paid within twelve months after the end of the annual reporting period in which the employee provides the related services and the financial impact is material.

Post-employment benefits are all forms of remuneration and benefits, other than short-term pay and termination benefits, that are provided after the employee retires or dissolves his or her employment with the enterprise in order to obtain services provided by the employee. The Group classifies post-employment benefit plans into defined contribution plans and defined benefit plans. Defined contribution plan: A post-employment benefit plan in which The Company has no further obligation to pay after contributing a fixed fee to a separate fund. In the accounting period in which an employee provides services, including basic pension insurance, unemployment insurance, etc., the amount of contributions due under the defined contribution plan is recognized as a liability and included in current profit or loss or the cost of related assets. Defined benefit plan: A post employment benefit plan other than a defined contribution plan.

Termination benefits refer to the termination of a company's labour relationship with an employee prior to the expiration of the employee's labour contract, or compensation given to the employee to encourage the employee to accept voluntary redundancy. If a company provides termination benefits to an employee, the employee compensation liability arising from the termination benefits is recognized and recognized in profit or loss for the current period at the earlier of: (1) When an enterprise cannot unilaterally withdraw a termination benefit provided as a result of a termination plan or layoff proposal. (2) When a business recognizes costs or expenses associated with a restructuring involving the payment of termination benefits.

30. Share based payment

Share-based payments are transactions in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed in order to obtain services from employees or other parties. Share-based payments are divided into equity-settled share-based payments and cash-settled share-based payments.

Equity-settled share payments made in exchange for services rendered by the employees are measured at the fair value of equity instruments granted to the employees at the grant date. The amount of this fair value is included in the related costs or expenses on a straight-line basis during the waiting period based on the best estimate of the number of available equity instruments, with a corresponding increase in capital reserves, if the services are completed during the waiting period or if the required performance conditions are met before the right is granted.

Cash-settled share-based payments are measured at the fair value of the liabilities assumed by the Group that are determined on the basis of shares or other equity instruments. If the right is granted immediately, the related costs or expenses are recognized at the fair value of the liability assumed at the date of grant, increasing the liability accordingly; If the right is required to complete services during the waiting period or to meet specified performance conditions, at each balance sheet date in the waiting period, services acquired in the current period are charged to cost or expense and the liability is adjusted accordingly, based on the best estimate of the availability of the right, to the fair value of the liability assumed by the Group.

The fair value of the liability is remeasured at each balance sheet date and at the balance sheet date prior to the settlement of the related liability, and the change is recognized in profit or loss for the period.

31. Bonds payable

When a company issues bonds, the total actual issue price is included in the "bonds payable" account.

The difference between the total issue price of the bonds and the total face value of the bonds, as a premium or discount to the bonds, is amortized over the life of the bonds at the effective interest rate method or straight-line method when interest is accrued and is treated in accordance with the treatment of borrowing costs.

32. Provisions

The Group recognizes a liability for operations related to contingent matters such as external guarantees, discounting of commercial promissory notes, pending litigation or arbitration, product quality assurance, etc., when the following conditions are met: the obligation is a present obligation of the Group; It is probable that performance of the obligation will result in an outflow of economic benefits from the enterprise; and the amount of the obligation can be measured reliably.

The provisions is initially measured on the basis of the best estimate of the expenditure required to meet the related current obligation, taking into account factors such as risk, uncertainty and time value in money, which are related to contingencies. Where the time value of money is significant, the best estimate is determined by discounting the related future cash outflows. The carrying value of projected liabilities is reviewed at each balance sheet date and adjusted, if changed, to reflect the current best estimate.

33. General risk reserves

The subsidiary of the Group, Yuekai Securities Co., Ltd., Guangzhou GetFinancing& Guarantee Co., Ltd., sets aside general risk reserves and transaction risk reserves respectively at 10% of the net profit in the current year.

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

The Group classifies the preferred stocks perpetual bonds conforming to the equity instrument as an equity instrument and the rest as a financial liability. For the relevant accounting policies, please refer to Note IV (10) \(11) 5. for the distinction between financial liability and equity instrument and the relevant treatment methods.

Preferred stocks and perpetual bonds classified as debt instruments are initially measured at their fair value, net of transaction costs, and subsequently measured at amortized cost using the effective interest rate method, with interest expense or dividend distribution treated as borrowing costs and gains or losses on repurchases or redemptions recognized in profit or loss.

Preferred stocks and perpetual bonds, which are equity instruments, are issued at consideration received less transaction costs to increase the owner's equity, and their interest expense or dividend distribution is treated as profit distribution, and repurchases or cancellations are treated as changes in equity.

35. Revenue recognition principle(old revenue principle)

(1) Sale of goods

Revenue from sales of goods sold by the Group is recognized on the basis of the amount of the contract or agreement price received or receivable from the purchaser when the following conditions are also met: 1) The main risks and rewards of commodity ownership have been transferred to the purchaser, 2) Neither the right to continue management, normally associated with ownership, is retained, nor is effective control of the goods sold exercised; 3) The amount of income can be measured reliably; 4) The associated economic benefits are likely to flow into the business; 5) The associated costs incurred or to be incurred can be reliably measured.

(2) Render services

To the extent that the results of the labour supply transactions can be reliably estimated, the Group recognizes the related labour revenue at the balance sheet date using the percentage of completion method. Where the outcome of a transaction to provide services cannot be reliably estimated, the following shall be dealt with separately:

1) Where the cost of services already incurred is expected to be reimbursed, income from the provision of services is recognized at the amount of the cost of services already incurred and the cost of services is carried forward at the same amount;

2) Where the cost of services already incurred is not expected to be reimbursed, the cost of services already incurred should be recognized in profit or loss in the current period and no income from services rendered should be recognized.

The outcome of a transaction to provide services can be reliably estimated if: a. the amount of revenue can be reliably measured; b. the associated economic benefits are likely to flow to The Company; c. the pace of completion of the transaction can be reliably determined; d. the costs incurred and to be incurred by the transaction can be reliably measured.

(3) Transfer of rights to use assets

The Group recognizes income from the transfer of rights to use assets when the economic benefits associated with the transfer can flow in and the amount of income can be reliably measured.

Interest income is determined based on the timing of the use of monetary funds and the applicable interest rate.

The amount of royalty income is determined in accordance with the time and method of calculation of the charges agreed upon in the relevant contract or agreement.

(4) Fees and commission income

The Group recognizes commission and fee income when the economic benefits associated with the transaction flow to The Company, the related income can be measured reliably, and the specific income recognition criteria for each of the following operating activities are met.

(5) The Group's revenue recognitionis explained in the following:

1) Revenue from the sales of electricity and heat: The revenue from the sales of electricity is recognized at 24:00 at the end of each month based on the number of meter readings confirmed by both The Company and the power supply bureau. The meter reading method is based on the Power Supply Bureau's electrical energy telemetry system, and if there is a problem with the system, the on-site meter reading will take precedence, and The Company is required to confirm the electricity sold in the previous month on the first day of each month.

2) Investment properties sales revenue recognition: Revenue is recognized after the development products are completed and the delivery conditions agreed upon in the contract are met, and the revenue is delivered to the customer to sign for it.

3) Revenue from the desulphurization business is recognized on the sale of milled lime, stone powder, light calcium carbonate, etc. The main risks and rewards of ownership of the goods are transferred to the purchaser, and revenue is recognized upon receipt of the goods by the other party.

4) Principles for the recognition of revenue, cost of construction contracts

Where the results of the construction contract can be estimated reliably at the balance sheet date, contract revenue and contract costs should be recognized based on the percentage of completion method. Where the outcome of a construction contract cannot be reliably estimated, the following should be addressed separately:

①When contract costs are recoverable, contract revenue is recognized on the basis of actual contract costs that are recoverable and contract costs are recognized as contract costs in the period in which they are incurred.

②Contract costs that are unlikely to be recovered are recognized as contract costs as soon as they are incurred and no contract revenue is recognized.

The following methods are available to The Company for determining the schedule of completion of the contract:

①Cumulative actual contract costs incurred as a proportion of total projected contract costs.

②The amount of contract work completed as a percentage of the total anticipated contract workload.

③Actual measured progress towards completion.

Criteria for recognition of expected contract losses and method of accrual: expected contract losses arise when the total expected cost of the construction contract exceeds the total contract revenue, a provision for losses is made and recognized as a current expense. During the construction of the project, provision is made to offset the contract costs as the project progresses.

5) Revenue recognition for medical device products

The recognition of revenue from domestic sales of products is subject to the following conditions: The Company has delivered the product to the purchaser in accordance with the contractual agreement, the amount of revenue from the sale of the product has been determined, payment for the goods has been recovered or proof of receipt has been obtained and the related economic benefits are likely to flow, and the costs associated with the product can be measured reliably. Revenue recognition for exported products is subject to the following conditions: The Company has declared the product at customs, departed from the port and obtained a bill of lading in accordance with the contractual agreement, the amount of revenue from the sale of the product has been determined, payment for the goods has been recovered or a receipt has been obtained and the related economic benefits are likely to flow, and the costs associated with the product can be measured reliably.

6) Fees and commission income

Revenue from the business of buying and selling securities is recognized on the trading date.

①Revenue from securities underwriting operations is recognized separately on an underwriting basis: a. In the case of full underwriting, revenue is recognized on the resale of securities to investors at the issue price less the purchase price; b. In the case of balance underwriting or reselling, the handling fee income for securities issued on behalf of the issuer is recognized at the end of the issue period when the issue price is settled with the issuer.

②The sponsorship business and financial advisory business are recognized as revenue when the results of the transaction to provide services can be estimated reliably, in accordance with the conditions for recognition of revenue from the provision of services.

③Income from asset management business of entrusted clients is recognized as gain or loss for the current period when the asset management contract or fund expires or when the gain or loss is settled periodically with the entrusted unit in accordance with the method and proportion of profit sharing stipulated in the contract.

④Income from investment advisory services is recognized as income when the results of the transaction in which the services were rendered can be estimated reliably, in accordance with the conditions under which income from services rendered is recognized.

36. Revenue recognition principles (new revenue standard)

(1) Accounting policies used for revenue recognition and measurement

Revenue is recognized when the customer obtains control of the relevant goods if both of the following conditions are met: the parties to the contract have approved the contract and committed to perform their respective obligations; the contract specifies the rights and obligations of the parties to the contract in relation to the goods transferred or services rendered; the contract has clear payment terms in relation to the goods transferred; the contract has commercial substance, i.e., performance of the contract will change the Group's the risk, timing distribution or amount of future cash flows; and it is probable that the Group will recover the consideration to which it is entitled as a result of the transfer of goods to the customer.

At the contract commencement date, the Group identifies each individual performance obligation existing in the contract and apportions the transaction price to each individual performance obligation in proportion to the relative share of the individual selling price of the goods committed to each individual performance obligation. The impact of variable consideration, the existence of significant financing components in the contract, non-cash consideration, and consideration payable to customers are considered in determining the transaction price.

For each individual performance obligation in a contract, the Group recognizes the transaction price apportioned to that individual performance obligation as revenue in accordance with the progress of performance during the relevant performance period if one of the following conditions is met: the customer obtains and consumes the economic benefits from the Group's performance at the same time as the Group's performance; the customer has control over the goods under construction in the course of the Group's performance; the goods produced in the course of the Group's performance The goods produced in the course of the Group's performance have irreplaceable uses and the Group is entitled to receive payments for the cumulative portion of performance completed to date throughout the contract period. The progress of performance is determined using the input method or output method depending on the nature of the commodities transferred. When the progress of performance cannot be reasonably determined, the Group recognizes revenue in the amount of costs already incurred until the progress of performance can be reasonably determined, if the costs already incurred are expected to be compensated.

If one of the above conditions is not met, the Group recognizes revenue at the point at which the customer obtains control of the relevant commodity over the transaction price apportioned to that single performance obligation. In determining whether the customer has acquired control of the commodity, the Group considers the following indications: the enterprise has a present right to receive payment for the commodity, i.e. the customer has a present obligation to pay for the commodity; the enterprise has transferred legal title to the commodity to the customer, i.e. the customer has legal title to the commodity; the enterprise has physically transferred the commodity to the customer, i.e. the customer has taken physical possession of the commodity; the enterprise has transferred ownership of the commodity to the customer The enterprise has transferred to the customer the principal risks and rewards of ownership of the merchandise, i.e., the customer has acquired the principal risks and rewards of ownership of the merchandise; the customer has accepted the merchandise; and other indications that the customer has acquired control of the merchandise.

(2) Company-specific business revenue recognition method

The Company's main business involves the sale of electricity and heat, real estate development and sales, sales of FGD business products, in vitro diagnostic reagents, instruments and other products, sales of reagents, instrument merchandise sales, property service income, property additional service income, and leasing income.

Among them: ① Revenue recognition method for electricity and heat sales: The revenue from electricity sales for the month is recognized based on the confirmed number of meter readings by both The Company and the power supply bureau at 24:00 at the end of each month. The meter reading method is based on the power supply bureau's electric energy telemetry system, and if there is any problem with the system, the meter reading on site shall prevail, and The Company shall confirm the electricity sales of the previous month on the first day of each month.

② The revenue recognition method of real estate sales: the development products are completed and meet the delivery conditions agreed in the contract, and revenue is recognized after delivery to customers for sign-off.

③ Revenue recognition for desulfurization business: Sales of slaked lime, stone powder and light calcium carbonate have transferred the major risks and rewards of ownership of the goods to the purchaser, and revenue is recognized upon receipt confirmation by the other party.

④ Contracts for sales of goods between the Group and its customers include sales of in vitro diagnostic reagents, instruments and other products. The performance obligations for sales of reagents and instruments goods are performance obligations that are fulfilled at a certain point in time, and the Group recognizes revenue realization at that point in time when control of the goods is transferred when the goods are delivered to the purchaser and payment has been collected or a receipt has been obtained for the goods. Revenue recognition for domestic sales is subject to the following conditions: The Company has delivered the products to the purchaser in accordance with the contract, payment has been received or a receipt has been obtained and there is a present right to receive payment for the goods and it is probable that the consideration will be recovered. Revenue recognition for foreign sales is subject to the following conditions: The Company has declared the products to customs and left the port according to the contract, obtained the bill of lading, and the amount of revenue from the sale of the products has been determined, the payment has been collected or the receipt has been obtained, and The Company has the right to receive payment now for the goods and it is probable that the consideration will be recovered.

⑤ Property service income: The Company recognizes property management income on an accrual basis. At the end of each month, The Company calculates the property management fees receivable for the month based on the government pricing or contractual rates for the projects for which property management services have been provided and recognizes the revenue.

(6) Income from value-added property services mainly includes income from vehicle management fees, special maintenance, cleaning income and escrow management fees.

a. Vehicle management fee income: for parking spaces that adopt the annual subscription method, parking fee income is recognized on a monthly average basis based on the amount of annual parking fee; for monthly subscription and temporary parking spaces, parking fee income is recognized based on the actual collection of the month (days).

b. Dedicated maintenance and cleaning revenue: For one-time maintenance, cleaning and other paid services provided to owners, The Company recognizes revenue on a one-time basis based on service acceptance forms and collections; for maintenance and cleaning services under contract, revenue is recognized on a monthly basis based on the contract and actual services provided.

c. Escrow management fee income: Escrow management fee income is recognized on a monthly basis based on the contract and collection of property assets held on behalf of customers.

⑦ Lease income: The Company subleases assets to lessees and recognizes income on a monthly basis as agreed in the lease contracts.

37. Government grants

Government grants are monetary or non-monetary assets acquired by the Group from the government without compensation. Government grants are recognized when the Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount received or receivable for monetary assets; government grants are measured at fair value for non-monetary assets or, if fair value cannot be reliably obtained, at nominal amounts.

The Group's government grants are distinguished between asset-related government grants and revenue-related government grants. Of these, government grants related to assets are government grants acquired by the Group for the purpose of acquiring or otherwise forming long-term assets, and government grants related to revenue are government grants other than those related to assets. If government documents do not specify the recipients of the grant, the Group makes a judgment based on the aforementioned differentiation principle, and if it is difficult to differentiate, the entire group is classified as revenue related government grants.

Government grants relating to assets are offset against the carrying value of the related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are amortized into profit or loss over the useful life of the related asset using the xx method.

When the related assets are sold, transferred, written off or destroyed before the end of their useful lives, the unallocated balance of the related deferred revenue is transferred to profit or loss in the period of disposal.

Government grants related to revenue, which are used to compensate for related costs or losses incurred in subsequent periods, are recognized as deferred revenue and are recognized in profit or loss or eliminated in the period in which the related costs or losses are recognized; those used to compensate for related costs or losses already incurred are recognized directly in profit or loss or eliminated in the current period. Government grants related to day-to-day activities are included in other gains or charged against related costs, based on the substance of economic operations. Government grants that are not related to day-to-day activities are included in the non-operating income and expenditure.

The Group's recognized government grants that are required to be returned are accounted for in the current period in which they are required in accordance with the following provisions:

(1) Where the carrying amount of the underlying asset is reduced on initial recognition, the carrying amount of the asset is adjusted.

(2) Where there is a related deferred income, the carrying amount of the related deferred income is reduced and the excess is recognized in profit or loss in the current period.

(3) In other cases, it is recognized directly in profit or loss for the current period.

38. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized on the basis of the differences (temporary differences) between the tax bases of the assets and liabilities and their carrying amounts. Deferred tax assets are recognized for deductible losses and tax credits that, under the tax laws, are available for offset against taxable income in subsequent years, as temporary differences. Deferred tax assets and deferred tax liabilities are measured at the balance sheet date at the tax rates that apply in the period in which the asset is expected to be recovered or the liability settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilised.Deferred tax assets are written down to their carrying amount when it is probable that sufficient taxable income will not be available to offset the deferred tax asset in a future period. The amount of the write-down is reversed when it is probable that sufficient taxable income will be obtained.

39. Lease

The Group divides leases into finance leases and operating leases at the lease commencement date.

A financial lease is a lease that substantially transfers all the risks and rewards associated with ownership of an asset. When the Group is the lessee, at the commencement date of the lease, the lesser of the fair value of the leased asset and the present value of the minimum lease payment at the commencement date of the lease is recorded as the recorded value of the fixed asset leased under finance, the minimum lease payment is recorded as a long-term payable and the difference is recorded as an unrecognized finance charge.

An operating lease is a lease other than a finance lease. The Group's rent as lessee is recognized as income on a straight-line basis for each period of the lease term, and the Group's rent as lessor is recognized as income on a straight-line basis for each period of the lease term.

40. Held for sale

(1) The Group classifies non-current assets or disposal groups as held for sale if they are also: 1) immediately available for sale in their current condition in accordance with the practice of selling such assets or disposal groups in similar transactions; and 2) highly probable that a sale will occur, i.e., a resolution has been made on a plan of sale and a firm purchase commitment has been obtained and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. The Group measures the book value of each asset and liability in a non-current asset or disposal group in accordance with the relevant accounting standards before it is first classified as held for sale. If the carrying value of a non-current asset or disposal group held for sale is initially measured or re-measured at the balance sheet date and the carrying value is greater than fair value less costs to sell, the carrying value is reduced to fair value less costs to sell, and the amount of the reduction is recognized as an impairment loss on the asset and recognized in profit or loss for the current period, with a provision for impairment of Held-for-sale assets.

(2) Non-current assets or disposal groups acquired by the Group specifically for resale are classified as held for sale at the date of acquisition if they meet the condition that "the sale is expected to be completed within one year" at the date of acquisition and if they are likely to meet other classification conditions for the held for sale category within a short period of time (usually three months) . In the initial measurement, the comparison assumes that it is the lower of the initial measurement amount that would not have been classified as the category held for sale or the net of fair value less costs to sell. Except for non-current assets or disposal groups acquired in a business combination, differences arising from the initial measurement of non-current assets or disposal groups at fair value less costs to sell, net, are recognized in profit or loss in the current period.

(3) If the Group loses control of a subsidiary as a result of the sale of its investment in the subsidiary, regardless of whether the Group retains part of its equity investment after the sale, the Group will classify its investment in the subsidiary as a whole as held for sale in the parent company's individual financial statements and all assets and liabilities of the subsidiary as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the criteria for classification as held for sale.

(4) Any increase in the net fair value of non-current Held-for-sale assets less costs to sell at the subsequent balance sheet date shall be restored to the amount previously written down and reversed within the amount of the impairment loss recognized on the assets classified as held for sale, with the reversed amount recognized in profit or loss for the current period. Impairment losses recognized before the classification of Held-for-sale assets are not reversed.

(5) Impairment losses recognized on Held-for-sale assets in the disposal group are offset against the carrying value of goodwill in the disposal group and then proportionately offset against the carrying value of each non-current asset based on its proportionate share of the carrying value.

(6) Where the fair value of the disposal group held for sale at the subsequent balance sheet date, less costs to sell, increases on a net basis, the amount previously written down should be restored and reversed to the extent of impairment losses recognized on assets classified as non-current assets after the relevant measurement requirements have been applied, and the reversed amount is recognized in profit or loss in the current period. The book value of goodwill that has been eliminated and impairment losses on assets recognized before the classification of non-current assets as held for sale are not reversed.

(7) Impairment losses recognized in the disposal group held for sale are subsequently reversed and the carrying value of each non-current asset, other than goodwill, is increased proportionately to its share of the carrying value of the disposal group.

(8) Non-current Held-for-sale assets or in disposal groups are not depreciated or amortized, and interest and other charges on liabilities held for sale in disposal groups continue to be recognized.

(9) Non-current Held-for-sale assets or disposal groups that are no longer classified as held for sale because they no longer meet the criteria for classification as held for sale or are removed from disposal groups held for sale are measured at the lower of: 1) their carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment that would have been recognized had they not been classified as held for sale; and 2) recoverable amounts.

(10) Upon derecognition of non-current Held-for-sale assets or disposal groups, unrecognized gains or losses are recognized in profit or loss in the current period.

41. Fair value measurements

1. Initial measurement of fair value

The Group measures the fair value of assets and liabilities measured at fair value, taking into account the characteristics of the asset or liability, using the price that would be paid by market participants to sell an asset or transfer a liability in an orderly transaction that would occur on the measurement date. When the underlying asset or liability is measured at fair value, a sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; an orderly transaction to sell the asset or transfer the liability takes place in the primary market for the underlying asset or liability. Where no primary market exists, the transaction is assumed to take place in the most advantageous market for the underlying asset or liability; the assumptions used by market participants in pricing the asset or liability to maximize its economic benefits are used. When measuring non-financial assets at fair value, the ability of a market participant to put the asset to its best use to generate an economic benefit, or to sell the asset to another market participant that is able to put it to its best use, is considered.

2. Valuation techniques

The Group measures the underlying asset or liability at fair value using valuation techniques that are applicable in the current circumstances and are supported by sufficient available data and other information, primarily the market, income and cost method, with the relevant observable inputs being used in preference to unobservable inputs when applying the valuation techniques and only when the relevant observable inputs are not available or practicable to obtain.

3. Fair value hierarchy

The Group determines the level of fair value measurement results based on the lowest level of inputs that are significant to the fair value measurement as a whole: the first level of inputs is unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the underlying asset or liability is traded in sufficient volume and frequency to provide pricing information on an ongoing basis. Level 2 inputs are inputs that are directly or indirectly observable for the underlying asset or liability in addition to the level 1 inputs. The third level of input is the unobservable input of the underlying asset or liability.

42. Accounting treatment of transfers of financial assets and securitization of non financial assets

When a transfer of a financial asset occurs, it is judged on the basis of the transfer of substantially all the risks and rewards of ownership of the relevant financial asset: the corresponding financial asset is derecognized if it has been transferred in full; if it has not been transferred and substantially all the risks and rewards of ownership of the relevant financial asset have been retained, it is not derecognized; if it has neither transferred nor retained substantially all the risks and rewards of ownership of the relevant financial asset, derecognition is determined on the basis of the extent to which control over the financial asset is involved: if control over the financial asset is relinquished, the financial asset is derecognized; if control over the financial asset is not relinquished, the relevant financial asset is recognized to the extent of its continued involvement in the financial asset and the related liability is recognized accordingly. If a financial asset meets the conditions for derecognition of a partial transfer, the difference between the consideration received for the transfer and the corresponding book value is included in current profit or loss, and the cumulative change in the fair value of the financial asset directly attributable to the owner's interest is also transferred to current profit or loss; if the conditions for derecognition of a partial transfer are met, the book value of the entire financial asset involved in the transfer is apportioned between the derecognized portion and the unterminated portion according to their respective relative fair values, and the apportioned book value is treated on the basis of the entire transfer against the portion of the partial transfer. If the conditions for derecognition are not met, the consideration received is recognized as a financial liability.

43. Income tax expenses

Income tax is accounted for using the balance sheet liability method.

The Group is based on the calculation of the current income tax (i.e. the current income tax payable) and the deferred tax (deferred income tax expenses or income) . The sum of the two is recognized as the income tax expenses (or income) in the income statement, but does not include the income tax impact of the business combination and the transactions or events directly included in the owner's equity.

44. Discontinued operations

A discontinued operation is a component of the Group that either has been disposal of or is classified as held for sale, and is separately identifiable and satisfies one of the following conditions: (1) It represents a separate major line of business or geographical area of operations; (2) It is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; (3) It is a subsidiary acquired exclusively with a view to resale.

45. Other significant accounting policy and accounting estimates

Accounting methods related to repurchasing shares: If the Group's shares are acquired due to the reduction of registered capital or rewards for employees, etc., the amount actually paid shall be treated as treasury shares and register simultaneously. If the shares repurchased are write off, the difference between the total face value of the shares calculated by the face value of the write off shares and the number of write off shares and the amount paid by the actual repurchase will be reduced against the capital reserve. If the capital reserve is insufficient, the amount will be reduced the reducing retained earnings. If the shares repurchased are awarded to the employees of the Group, the share belongs to equity-settled share-based payments. When the Group receive the amount of the employee purchase shares, the resale amount of the treasury shares paid to the employee and the accumulated amount of the capital reserve (other capital serve) during the waiting period, and the capital reserve (equity premium) is adjusted according to the difference.

V. Statement of accounting policies and changes in accounting estimates and corrections of errors

1. Changes in accounting policies and their impact

(1) Change in accounting policy resulting from the implementation of the new revenue standard

On July 5th, 2017, the Ministry of Finance issued *Accounting Standards for Business Enterprises No. 14 - Revenue* (Revised 2017) (Caikuai [2017] No. 22) (the "new revenue standard"), requiring that enterprises listed both domestically and internationally, as well as enterprises listed abroad and adopting IFRS or ASBE for financial statement preparation, it is effective from January 1st, 2018; for other domestically listed enterprises, it is effective from January 1st, 2020.

The main elements of the revision of the new revenue standard include: Incorporating the existing revenue and construction contract standards into a unified revenue recognition model; replacing the transfer of risk reward with the transfer of control as the judgment criterion for the point of revenue recognition; providing clearer guidance on the accounting treatment of contracts containing multiple transaction arrangements; and giving clear provisions on revenue recognition and measurement for certain specific transactions (or events).

For subsidiaries of the Group, Guangzhou Hengyun Enterprises Holding Ltd.,YUEKAI SECURITIES CO., LTD.,Guangzhou Kaiyun Development Co., Ltd., and Beijing Leadman Biochemistry Co., Ltd., the new revenue standard will be implemented from January 1st, 2020. In accordance with the convergence provisions of the new revenue standard, The Company will adjust the amount of retained earnings and other related items in the financial statements at the beginning of the year in which this standard is first implemented based on the cumulative effect of the first implementation of the new revenue standard, without adjusting the information for comparable periods.

2. Implementation of the new revenue standard from 2020 onwards to adjust items related to financial statements at the beginning of the year

(1) Consolidated financial statements

Item	December 31st 2019	Adjustment	January 1st 2020
Balance Sheet			
Advance from customers	414,097,373.67	-155,530,073.90	258,567,299.77
Contract liabilities		144,618,410.51	144,618,410.51
Other current liabilities	190,391,124.85	10,911,663.39	201,302,788.24

(2) Parent company financial statements

The implementation of the new revenue standard did not have an impact on the parent company's financial statements.

3. Changes in accounting estimates and their effects

None.

4. Correction of significant prior period errors and their impact

None.

VI. Taxes

The main types of taxes applicable to enterprises, the basis of tax calculation and tax rates, as well as the specific tax situation, involving tax incentives, also need to explain the preferential tax burden and related approvals.

1. Main tax types and rates

Tax type	Tax base	Tax rate
Value-added tax	Taxable income is subject to VAT at the applicable rate of tax on the difference between the deductions for input tax, etc., allowed against the current period	2%, 3%, 5%, 6%, 9%, 13%
City maintenance and construction tax	According to the turnover tax payable	7%, 5%
Education surcharge	According to the turnover tax payable	3%
Local education supplement	According to the turnover tax payable	2%
corporate income tax	Based on taxable income	20%, 25%
VAT on land	VAT acquired on the transfer of real estate and at the prescribed rate	30% - 50%
Urban land use tax	Actual area of land occupied by the taxpayer (square meters)	3/m², 6/m²
Property tax	Rental income or original value of property	12%, 1.2%

2. Tax incentives and approvals

(1) Inclusive tax relief for small and micro enterprises

The publicly available document, *Notice on the Implementation of Preferential Tax Relief Policies for Small and Micro Enterprises in the Province* (YCF [2019] No. 6) issued by Guangdong Provincial Department of Finance and the Guangdong Provincial Taxation Bureau of the State Administration of Taxation, which reduces the resource tax, city maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions) , arable land occupation tax and education surcharge, local education surcharge levied on small scale VAT payers by 50%. The implementation period is from January 1st, 2019 to December 31st, 2021.

Companies involved: Guangzhou High-tech Zone Industrial Investment Fund Co.,Ltd. and GDD Investment Holdings Co., Ltd.

(2) Stamp duty exemption for business books

Circular of the General Administration of Taxation of the Ministry of Finance on the *Reduction and Exemption of Stamp Duty on Business Books* (Caishui [2018] No. 50) issued on May 3rd, 2018: From May 1st, 2018, stamp duty will be levied at a 50% reduction on books of funds affixed at a rate of five ten thousandths of a cent, and other books of accounts affixed at five dollars per piece will be exempt from stamp duty.

Companies involved: Guangzhou Gct Capital Operation Co., Ltd.

(3) Environmental protection, energy and water conservation projects corporate income tax incentives

The *Notice of the National Development and Reform Commission of the State Administration of Taxation of the Ministry of Finance on the Announcement of the Preferential Catalogue of Enterprise Income Tax for Environmental Protection, Energy and Water Conservation Projects (for Trial Implementation)* (Caishui [2009] No. 166) , is in line with the conditions of "public sewage treatment" projects listed in the *Catalogue of Preferential Corporate Income Tax for Environmental Protection, Energy and Water Conservation Projects (for trial implementation)* in the Annex of Caishui [2009] No. 166, enjoying the preferential policy of three exemptions and three reductions of 50% in corporate income tax.

Companies involved: Guangzhou Hengyun Environmental Protection Technology Development Co., Ltd.

(4) Property tax benefits

According to Article 25 of CSDZ [1986] No. 8, houses jointly used by taxable units and tax-exempt units shall be levied or exempted from property tax according to the division of the part used by each of them. GDD Investment Holdings Co., Ltd. is exempt from property tax on investment properties leased to tax-exempt units without compensation, and the period of exemption is from January 1st, 2020 to December 31st, 2020.

Companies involved: GDD Investment Holdings Co., Ltd.

(5) Land exemption from land use tax benefits

According to the provision of "the tax-exempt units use the land of the tax-exempt units without compensation (such as the public security, customs and other units use the land of the railroad, civil aviation and other units free of land use tax, the tax-exempt units use the land of the tax-exempt units without compensation, the tax-exempt units shall pay land use tax according to the rules", GDD Investment Holdings Co., Ltd. is exempt from land use tax from January 1st, 2020 to December 31st, 2020 for the use of the land of the tax-exempt unit without compensation.

Companies involved: GDD Investment Holdings Co., Ltd.

(6) Income tax benefits for small and medium-sized enterprises

According to the *Announcement of the State Administration of Taxation on Issues Related to the Implementation of the Policy of Universal Income Tax Relief for Small and Micro Profit Enterprises* (State Administration of Taxation Announcement No. 2 of 2019) , from January 1st, 2019 to December 31st, 2021, the portion of the annual taxable income of small and medium sized enterprises not exceeding RMB 1 million will be reduced by 25% of the taxable income and subject to a tax rate of 20%; the portion of the annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million will be reduced by 50% of the taxable income and subject to a tax rate of 20% of corporate income tax.

Companies involved: GDD Investment Holdings Co., Ltd.and Beijing Lianxun Beibo Venture Capital Management Co., Ltd.

(7) Deepening of VAT reform benefits

On March 20th, 2019, the Ministry of Finance of the People's Republic of China, the State Administration of Taxation of the People's Republic of China and the General Administration of

Customs of the People's Republic of China jointly issued the document *Announcement on Relevant Policies on Deepening VAT Reform* (Announcement No. 39 of 2019 by the General Administration of Taxation of the Ministry of Finance and the General Administration of Customs), which stipulates that: From April 1st, 2019 to December 31st, 2021, taxpayers who provide postal services, telecommunication services, modern services, and living services (the specific scope of which is executed in accordance with the *Notes on Sales of Services, Intangible Assets, Real Estate* (issued by Caishui [2016] No. 36)) and obtain sales accounting for more than 50% of all sales will be credited with 10% of the deductible input tax in accordance with the current period, offsetting the taxable amount. In the case of taxpayers established before March 31st, 2019, the sales from April 2018 to March 2019 (sales in accordance with the actual operating period if the operating period is less than 12 months) that meet the conditions specified above shall be subject to the add-on credit policy from April 1st, 2019. In the case of taxpayers established after April 1st, 2019, if the sales for 3 months from the date of establishment meet the above-mentioned conditions, the accrual credit policy shall apply from the date of registration as a general taxpayer.

Companies involved: Guangzhou Kaiyun Development Co., Ltd.

(8) Public rental housing development-related tax incentives

In accordance with the relevant provisions of the *Announcement of the Ministry of Finance and the State Administration of Taxation on Preferential Tax Policies for the Development of Public Rental Housing* (Announcement of the State Administration of Taxation No. 61 of 2019): From January 1st 2019 to December 31st 2020, urban land use tax will be exempted for land used during the construction of public rental housing and land occupied by public rental housing after its completion. Both parties to a public rental housing lease are exempted from stamp duty on the signing of a lease agreement; public rental housing is exempted from property tax; and rental income from the operation of public rental housing is exempted from VAT.

GDD Holding Group Co., Ltd. was granted an urban land tax exemption of RMB 582,400 in 2020 by the Guangzhou Huangpu District Taxation Bureau for the period from April 1st, 2020 to December 31st, 2020.

Companies involved: GDD Holding Group Co., Ltd.

VII. Business combination and consolidated financial statements

1. Basic information on subsidiaries included in the scope of the consolidated statements

The basic information of the secondary enterprises within the scope of the merger is disclosed below:

No.	Company name	Level	Business type	Main place of business	Place of registration	Business nature	Shareholding (%) Direct	Shareholding (%) Indirect	Voting rights (%)	Acquisition method
1	Guangzhou GET Capital Management Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Business services	100.00		100.00	Investment establishment
2	Guangzhou Venture Capital Ltd	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment & asset management	73.91		73.91	Investment establishment
3	Guangzhou Get Venture Capital Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment & asset management	91.72	8.28	100.00	Investment establishment
4	Guangzhou Kaiyun Development Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Property management	80.86		80.86	Investment establishment
5	GDD Investment Holdings Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Housing construction industry	70.11		70.11	Investment establishment
6	GUANGZHOU GET FINANCING & GUARANTEE CO.,LTD.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Guarantee services	100.00		100.00	Investment establishment
7	Guangzhou GET Investment Holdings Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment & asset management	100.00		100.00	Investment establishment
8	Guangzhou High-tech Zone Industrial Investment Fund Co.,Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment	40.00		60.00	Investment establishment
9	Guangzhou GET Financial Leasing Co., Ltd.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Rental and business services	75.00	25.00	100.00	Investment establishment
10	Guangzhou Development Zone (Hong Kong) Investment Co., Ltd.	2	Overseas subsidiary	Hong Kong	Hong Kong	Other integrated management services	100.00		100.00	Investment establishment
11	Guangzhou Get Trading Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Municipal facilities management	95.43	4.57	100.00	Investment establishment
12	Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Science and technology promotion and application services	100.00		100.00	Investment establishment
13	Guangzhou Hengyun Enterprises Holding Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Thermal power generation	26.12		26.12	Business combinations not under common control

14	YUEKA SECURITIES CO., LTD.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Securities	47.24	47.24	Business combinations not under common control
15	Guangzhou Get Capital Operation Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Capital market services	100.00	100.00	Investment establishment

(1) Reasons for owning less than half of the voting rights of the investee unit but being able to exercise control over the investee unit:

1) The Group included Guangzhou Hengyun Enterprises Holding Ltd. with a 26.12% shareholding in the consolidated statement for the following reasons: The Group is the largest shareholder of The Company and The Group effectively controls the financial and operational decisions of The Company.

2) The Group included Beijing Leadman Biochemistry Co., Ltd., with a shareholding of 29.91%, in the scope of the consolidated statements for the following reasons: Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd., a subsidiary of the Group, is the largest shareholder of The Company; it represents more than half of the board of directors and the Group effectively controls financial and operational decisions of The Company.

3) The Group included YUEKAI SECURITIES CO., LTD., with a shareholding of 47.74%, in the consolidated statements for the following reasons: the Groupis the first largest shareholder of The Group and the other shareholders hold a small and dispersed proportion of The Company's shares; although it does not account for half of the Board of Directors, the Group effectively controls the financial and operational decisions of The Company in view of its high shareholding in The Company.

(2) Reasons for owning more than half of the voting rights of the investee unit directly or indirectly through other subsidiaries but failing to exercise control over them:

1) Guangzhou Yuanshengde Municipal Services Co., Ltd. registered capital is RMB 400million, The Company's shareholding ratio of 100.00%. The Division's main business belongs to the municipal supporting matters, business directly under the Guangzhou Development Zone Management Committee arrangements. The Group has no control over The Company's production and operation, no significant impact.

2) Guangzhou Development Zone Employee Service Center has a registered capital of RMB 9.32 million, and The Company has a shareholding ratio of 100.00%. The center is an asset allocated by the management committee, The Company only owns its property rights, does not have the right to produce and operate, and has no significant impact on its production and operation cannot be controlled.

3) The registered capital of the Water Supply Management Center of Guangzhou Development Zone is RMB 62,098,700, and the Group has a shareholding of 100.00%; the registered capital of the Water Purification Plant of Guangzhou Development Zone is RMB 26,488,700, and the Group has a shareholding of 100.00%. According to the document (SKGZB [2009] No. 133) , Guangzhou Development Zone State-owned Assets Supervision and Administration Office allocated the net assets of the Water Supply Management Center and Water Quality Purification Plant to the Group. It is stipulated that the asset operation and management, personnel system, and budget management system shall remain intact. The Group does not have control over the financial and operational decisions of the Guangzhou Development Zone Water Supply Management Center and the Guangzhou Development Zone Water Quality Purification Plant, nor does it have the right to derive benefits from their operating activities, without significant influence.

(3) Significant non-wholly owned subsidiaries

1) Non-controlling interest

No.	Name of subsidiary	Non-controlling shareholding	Profit or loss attributable to non-controlling interests for the year	Dividends paid to non-controlling interests for the year	Accumulated non-controlling interests at year-end
1	Guangzhou Venture Capital Ltd	26.09	9,475,166.86	26,847,937.83	101,437,250.44
2	Beijing Leadman Biochemistry Co., Ltd.	70.09	41,898,870.91	43,192,245.98	1,458,181,381.82
3	Guangzhou Hengyun Enterprises Holding Ltd.	73.88	576,218,195.95	50,616,811.00	3,801,385,803.09
4	GDD Investment Holdings Co., Ltd.	29.89	43,254,803.28	153,215,277.77	2,756,944,593.90
5	Guangzhou Jet cedar Investment Holding Co., Ltd	33.49	-1,345,868.30		296,079,191.13
6	YUEKAI SECURITIES CO., LTD.	52.76	75,648,714.24	16,493,696.77	2,646,783,495.25
7	Guangzhou Kaiyun Development Co., Ltd.	19.14	2,388,519.04		26,149,642.46

2) Key financial information

Name of subsidiary	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Guangzhou Venture Capital Ltd	158,901,160.37	508,751,191.16	667,652,351.53	248,149,025.80	30,705,892.08	278,854,917.88
Beijing Leadman Biochemistry Co., Ltd.	688,103,604.97	940,529,848.86	1,628,633,453.83	162,884,955.07	87,039,781.81	249,924,736.88
Guangzhou Hengyun Enterprises Holding Ltd.	4,173,248,214.40	9,431,238,110.43	13,604,486,324.83	6,234,129,462.79	1,486,291,480.31	7,720,420,943.10
SDD Investment Holdings Co., Ltd.	7,390,284,463.88	8,553,537,159.83	15,943,821,623.71	5,100,029,803.77	1,836,086,748.76	6,936,116,552.53
Guangzhou get cedar Investment Holding Co., Ltd	1,252,821,814.59	2,160,388.20	1,254,982,202.79	370,899,816.59		370,899,816.59
YUEKAI SECURITIES CO., LTD.	11,994,903,164.11	3,331,112,653.05	15,326,015,817.16	7,816,120,239.21	2,541,505,231.48	10,357,625,470.69
Guangzhou Kaiyun Development Co., Ltd.	291,100,621.73	60,040,149.37	351,140,771.10	203,288,703.38		203,288,703.38

(Continued)

Name of subsidiary	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Guangzhou Venture Capital Ltd	224,007,818.69	519,068,267.18	743,076,085.87	237,555,579.44	35,563,223.89	273,118,803.33
Beijing Leadman Biochemistry Co., Ltd	748,604,886.84	965,552,242.85	1,714,157,129.69	170,582,875.87	93,592,343.22	264,175,219.09
Guangzhou Hengyun Enterprises Holding Ltd.	4,477,774,473.09	7,150,402,588.40	11,628,177,061.49	6,434,958,011.94	574,562,805.71	7,009,520,817.65
SDD Investment Holdings Co., Ltd.	6,303,925,167.72	6,502,973,854.37	12,806,899,022.09	695,682,547.45	2,702,652,847.36	3,398,335,394.81
Guangzhou get cedar Investment Holding Co., Ltd	888,239,530.65	159,030.80	888,398,561.45	297,858.32		297,858.32
YUEKAI SECURITIES CO., LTD.	12,140,496,939.72	2,929,785,361.98	15,070,282,301.70	8,995,920,577.25	1,210,794,999.84	10,206,715,577.09
Guangzhou Kaiyun Development Co., Ltd.	112,514,806.72	31,351,956.38	143,866,763.10	58,809,069.92		58,809,069.92

(Continued)

Name of subsidiary	Amount during the year			
	Gross operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangzhou Venture Capital Ltd		36,317,235.94	21,745,240.53	-37,745,052.24
Beijing Leadman Biochemistry Co., Ltd.	471,510,562.68	-29,421,247.67	-29,421,247.67	135,559,309.27
Guangzhou Hengyun Enterprises Holding Ltd.	3,452,000,879.71	892,094,439.37	898,638,973.56	812,857,635.63
GDD Investment Holdings Co., Ltd.	251,733,775.36	144,396,441.71	144,396,441.71	-4,053,384,334.75
Guangzhou get cedar investment Holding Co., Ltd		-4,018,716.93	-4,018,716.93	-336,375,329.51
YUEKA SECURITIES CO., LTD.	1,180,436,272.12	152,748,743.69	136,085,367.06	21,308,352.67
Guangzhou Kaiyun Development Co., Ltd.	322,103,317.45	15,367,035.95	15,367,035.95	39,810,147.02

(Continued)

Name of subsidiary	Prior year amount			
	Gross operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangzhou Venture Capital Ltd		10,916,266.14	26,189,368.46	3,612,619.33
Beijing Leadman Biochemistry Co., Ltd.	515,143,483.47	27,966,885.83	27,966,885.83	124,648,403.19
Guangzhou Hengyun Enterprises Holding Ltd.	3,228,593,752.37	434,027,134.57	434,177,319.07	757,405,602.54
GDD Investment Holdings Co., Ltd.	1,645,389,066.03	529,951,814.66	529,952,814.66	190,371,657.75
Guangzhou get cedar investment Holding Co., Ltd		-13,628,987.87	-13,628,987.87	-859,114,422.64
YUEKAI SECURITIES CO., LTD.	359,504,615.63	-2,568,450.25	-5,066,558.90	-1,893,828,882.51
Guangzhou Kaiyun Development Co., Ltd.	159,725,172.24	16,997,734.19	16,997,734.19	4,741,985.34

(4) Treatment of inconsistent parent-subsidiary accounting periods:

None.

(5) Changes in the scope of consolidation this year

1) The new subjects included in the scope of the merger this year

Company name	Shareholding (%)	Net assets at the end of the year	Net profit for the year	Remarks
Guangzhou Get Capital Operation Co., Ltd.	100.00	9,895,016.35	-104,983.65	
Guangzhou Economic and Technological Development Zone Hongmin Property Development Co., Ltd.	100.00	281,142.78	-2,397,074.21	
Science City (Guangzhou) Park Investment and Operation Development Co., Ltd.	100.00	18,457,537.08	696,870.56	
Guangzhou Suikai Property Investment Co., Ltd	100.00	37,815,807.35	10,398,749.09	Net profit arising from consolidation
Guangzhou Shanglong Real Estate Co., Ltd.	100.00	-1,414,205.06	1,414,205.06	
Guangzhou Kailong Real Estate Co., Ltd.	100.00	9,116,064.07	883,935.98	
Guangzhou GEF New Energy Technology Co., Ltd.	100.00	-65,408.34	-65,408.34	
Guangzhou Huangpu Junlan Hotel Co., Ltd.	100.00	-10,966,498.83	11,966,498.83	
Guangzhou GET Financial Services Co., Ltd.	100.00	2,978,760.34	1,021,239.66	
Guangzhou GET Technology Industrial Park Co., Ltd.	100.00	99,725,796.89	-274,203.11	
Guangzhou Hengtai Technology Innovation Investment Co., Ltd.	34.80	312,248,631.52	-251,368.48	
Guangzhou City Gezhi Hotel Management Co., Ltd.	100.00	4,996,534.64	-3,465.36	
Guangdong Jiangmen Hengguang II New Energy Co., Ltd.	55.00	259,200,000.00		
Guangzhou Hengyun New Energy Co., Ltd.	100.00	39,557,415.68	-430,908.61	Established on December 1st, 2020
Shantou Hengpeng New Energy Co., Ltd.	75.00			Established December 25th, 2020, no capital injection
Anhui Dexian Medical Equipment Co., Ltd.	51.00	2,300,242.82	-249,757.18	
Henan Deling Biotechnology Co., Ltd.	80.00	1,104,444.37	478,944.37	
Guangzhou Leadman Medical Technology Co., Ltd.	100.00	19,909,728.71	90,271.29	

2) Subjects no longer included in the scope of consolidation during the year

No.	Company name	Place of registration	Business nature	Shareholding(%)	Voting rights (%)	Reasons for non-consolidation
1	Runpu Investment Co., Ltd.Guangzhou	Guangzhou	Business services	100.00	100.00	Share transfer
2	Beijing Apls Biotechnology Co., Ltd.	Beijing	Medical device sales	100.00	100.00	Sale

3) Key financial data for subjects no longer included in the consolidation for the year

Company name	Disposal time	Disposal date			December 31st, 2019		
		Assets	Liabilities	Shareholder's equity	Assets	Liabilities	Shareholder's equity
Runpu Investment Co., Ltd.Guangzhou	January 1st, 2020	3,241,031,433.19	1,396,967,253.57	1,844,064,179.62	3,241,031,433.19	1,396,967,253.57	1,844,064,179.62
Beijing Apls Biotechnology Co., Ltd	June 30th, 2020	22,105,728.48	17,953,649.93	4,152,078.55	19,641,565.96	14,845,631.90	4,795,934.06

(Continued)

Company name	January 1st 2020- Disposal date			January - December 2019 (previous year)		
	Revenue	Costs	Total profits	Revenue	Costs	Total profits
Runpu Investment Co., Ltd.Guangzhou				39,708,058.38	9,289,420.51	531,861.45
Beijing Apls Biotechnology Co., Ltd.	14,897,213.64	15,693,650.97	-800,951.57	23,083,982.17	22,568,446.91	416,712.07

(6) Business combinations under the common control that occurred during the year:

None.

(7) Business combinations not under the common control that occurred during the year

Name of acquiree	Point of acquisition of equity	Cost of equity acquisition	Share acquisition ratio (%)	Equity acquisition method	Purchase date	Basis for determining the purchase date	Revenue of the aquiree at the end of the year from the date of purchase to the date of purchase	Net profit of the acquiree at the end of the year from the date of purchase
Guangzhou Suikai Property Investment Co., Ltd.	March 20th, 2020	32,006,932.12	100.00	Non-repayable transfer	March 20th, 2020	Note 1	37,862,869.67	10,328,749.09
Guangzhou Economic and Technological Development Zone Hongmin Property Development Co., Ltd.	January 1st, 2020	2,446,599.10	100.00	Non-repayable transfer	January 1st, 2020	Note 2	2,339,979.76	-2,197,074.21
Science City (Guangzhou) Park Investment and Operation Development Co., Ltd.	January 1st, 2020	22,582,826.89	100.00	Non-repayable transfer	January 1st, 2020	Note 2	76,474,441.66	696,870.56

Note: 1.According to SKGZ [2020] No. 34 of March 20th, 2020, the *Approval of the Transfer of Relevant Equity Interests Without Compensation from Guangzhou Development District Investment Group Co., Ltd. and Guangzhou Development District Holdings Group Co., Ltd.*, 100% equity interest in Guangzhou Suikai Property Investment Co., Ltd. held by Guangzhou Development District Investment Group Co., Ltd.were to transferred to GDD Holding Group Co., Ltd. with net book assets of RMB 32,606,932.12 without consideration.

2. According to the Guangzhou Development Zone State-owned Assets Supervision and Administration's document (SKGZ [2020] No. 20) , it is agreed that the Group shall transfer its 23% equity interest in Guangzhou Kylin Development Co.,Ltd. to Science City (Guangzhou) Investment Group Co., Ltd. at a net book value of RMB19,272,700 without consideration; at the same time, to transfer 100% equity interests in Science City (Guangzhou) Park Investment and Operation Development Co., Ltd. and Guangzhou Economic and Technological Development Zone Hongmin Property Development Co., Ltd. held by Science City (Guangzhou) Investment Group Co., Ltd. to Guangzhou Kaiyun Development Co., Ltd., a subsidiary of the Group, at a book value of net assets of RMB25,029,500 without consideration. The base date of the transfer is November 30th, 2019, and the settlement date is January 1st, 2020, and the profits and losses of the transferred enterprise during the period from the base date of the transfer to the settlement date shall be enjoyed by the original shareholders.

(8) Reverse purchases incurred during the year:

None.

(9) Absorption consolidation that occurred during the year:

None.

(10) Significant restrictions on the use of enterprise group assets and discharge of enterprise group liabilities by subsidiaries:

None.

(11) Information about structured entities included in the scope of the consolidated financial statements

In the case of products of which The Group is an investor or manager, The Group has the contractual right to manage the product or asset management plan, and because of its participation in related activities with variable returns and its ability to influence the amount of returns by using the above-mentioned contractual right, the related product or asset management plan is included in the scope of consolidation. The structured elements included in the scope of consolidation during the year are as follows:

Name	Year-end book value
Efund Asset Preferred Exclusive Multi Strategy No. 3 FOF Single Asset Management Plan	503,289,653.01
Yuekai Securities Jinsheng An Ying Single Asset Management Plan	1,005,106,582.98
CICC Wealth Private 501 FOF Single Asset Management Plan	508,838,851.54
Quanha. Kaiyuan Yuanfeng GF1 Single Asset Management Plan	9,999,495.79

Industrial Yuanrong-Guangzhou Development Zone Intellectual Property Lease Debt Asset Support Special Program	163,664,562.16
Securities Industry Support for Private Enterprise Development Series of Unicom Securities Single Asset Management Plan No.1	208,694,244.64

(12) Changes in share of ownership interest in subsidiaries:

According to the *Approval of the Transfer of Equity Without Compensation of Guangzhou Kylin Development Co., Ltd. and Science City (Guangzhou) Park Investment and Operation Development Co., Ltd.*(SKGZ [2020] No. 20) , 23% equity interest in Guangzhou Kylin Development Co.,Ltd. was transferred to Science City (Guangzhou) Investment Group Co., Ltd. After the transfer, the Group still enjoyed control over Guangzhou Kylin Development Co., Ltd., resulting in a decrease in capital surplus of RMB 20,581,815.05.

In April 2020, the Group increased the capital of Guangzhou Kylin Development Co., Ltd. by 100% equity interest in Guangzhou Suikai Property Investment Co., Ltd., forming a business combination under the same control, resulting in an increase in capital surplus of RMB 2,639,753.87.

(13) Change in scope of consolidation for other reasons

None.

VIII. Notes to key items of the consolidated financial statement

As for the financialstatement data disclosed below, unless otherwise noted indicated, "Opening" refers to January 1st, 2020, "Closing" refers to December 31st, 2020, "current year" refers to the date from January 1st, 2020 to December 31st, 2020, and "previous year" refers to January 1st, 2019 to December 31st, 2019. Unless otherwise indicated, Renminbi (RMB) is the functional currency, unit: Yuan.

1. Cash and cash equivalents

1) Balance of cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand	129,758.13	363,495.28
Bank deposits	16,587,263,127.87	15,356,808,173.90
Other cash and cash equivalents	3,602,717,673.74	546,555,723.97
Total	20,190,110,559.74	15,903,727,393.15
Including: Total amount deposited abroad	35,779,355.05	12,538,121.70

2) Details of restricted cash and cash equivalents

Item	Closing balance	Opening balance
Litigation freeze	186,821,184.03	11,023,431.28
Guarantee	113,629,231.00	72,499,057.70
Time deposits or call deposits for security purposes	66,300,000.00	66,300,000.00
Trusted to manage the risk compensation pool funds	20,168,497.20	
Money placed outside the country and the repatriation of funds is restricted	5,986,285.97	8,086,172.08
Investment supervision funds	1,804,310.12	1,776,394.58
Non-callable structured deposits		124,000,000.00
Total	394,709,509.32	284,285,055.64

2. Settlement reserves

1) Listed by category

Item	Closing balance	Opening balance
Customer provisions	595,617,156.39	353,748,102.33
Corporate provisions	102,294,478.43	133,933,064.50
Total	697,911,634.82	487,681,166.83

2) By currency

Item	Closing balance			Opening balance		
	Original currency	Exchange rate	Equivalent to RMB	Original currency	Exchange rate	Equivalent to RMB
General provision for customers:						
Including: RMB	507,270,810.59	1.00	507,270,810.59	303,866,999.64	1.00	303,866,999.64
Customer credit allowance:						
Including: RMB	88,346,345.80	1.00	88,346,345.80	49,881,102.69	1.00	49,881,102.69
Company's own provision funds:						
Including: RMB	102,294,478.43	1.00	102,294,478.43	128,818,882.84	1.00	128,818,882.84
Corporate Credit Provision:						
Including: RMB				5,114,181.66	1.00	5,114,181.66
Total			697,911,634.82			487,681,166.83

3. Trading financial assets

Item	Fair value at year-end	Fair value at beginning of year
Financial assets classified as at fair value through profit or loss	1,813,068,425.75	2,261,721,924.31
Including: Debt instrument investment	814,262,361.70	1,138,459,377.00
Equity instrument investment	998,806,064.05	1,123,262,547.31
Total	1,813,068,425.75	2,261,721,924.31

4. Financial assets at fair value through profit or loss

Item	Fair value at year-end	Fair value at beginning of year
Financial assets classified as at fair value through profit or loss	9,900,000.00	
Including: Debt instrument investment		
Equity instrument investment		
Others	9,900,000.00	
Financial assets designated as at fair value through profit or loss	1,809,704,805.67	
Including: Debt instrument investment	673,113,000.00	
Mixing instrument investment	7,947,328.00	
Others	1,128,644,477.67	
Total	1,819,604,805.67	

5. Derivative financial assets

Item	Closing balance	Opening balance
Income Swap Products XPEV Program	97,069,615.32	
CSI 300 Index Options	3,900.00	
Total	97,073,515.32	

6. Notes receivable

(1) Classification of notes receivable

Item	Closing balance	Opening balance
Bank acceptance bills	4,379,823.32	800,000.00
Commercial acceptance bills	7,028,035.52	34,040,000.00
Total	11,407,858.84	34,840,000.00

(2) Notes receivable endorsed or discounted as at year end and not yet expired as at the balance sheet date

None.

7. Accounts receivable

Categories	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant and with provision for bad debt made on an individual basis	10,552,069.59	0.71	9,224,964.78	87.42
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	1,094,937,674.41	73.80	49,661,649.90	4.54
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	448,555.29	0.03	448,555.29	100.00
Accounts receivable with a single provision for bad debts (new standard applies)	377,817,489.21	25.46	158,954,119.26	42.07
Total	1,483,755,788.50	—	218,289,289.23	—

(Continued)

Categories	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant and with provision for bad debt made on an individual basis	1,426,456.00	0.16	1,426,456.00	100.00
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	849,612,906.86	94.76	81,375,559.59	9.58
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	72,009.00	0.01	72,009.00	100.00
Accounts receivable with a single provision for bad debts (new standard applies)	45,468,929.25	5.07	3,285,358.20	7.23
Total	896,580,301.11	—	86,159,382.79	—

1) Accounts receivable that are individually significant and with provision for bad debt made on an individual basis as at year end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Guangzhou Boao Zongheng Network Technology Co., Ltd.	3,198,006.13	3,198,006.13	Within 1 year	100.00	Not expected to be recovered
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd.	1,578,422.25	789,211.13	1-2 years	50.00	Expected to recover 50%
Guangdong Yujia Huaxun Technology Development Co., Ltd.	1,517,511.00	1,517,511.00	Within 1 year	100.00	Not expected to be recovered
Guangzhou Fujian Medical Equipment Co., Ltd.	1,426,455.92	1,426,455.92	1-2 years	100.00	Not expected to be recovered

Guangzhou Zhishangpu Technology Development Co., Ltd.	1,103,287.50	1,103,787.50	Within 1 year	100.00	Not expected to be recovered
Guangzhou Hongqi Optical Instrument Technology Co., Ltd.	790,950.55	395,475.28	Within 1 year	50.00	Expected to recover 50%
Guangzhou Sanjia Medical Information Industry Co., Ltd.	712,092.08	569,673.66	Within 1 year	80.00	Expected to recover 20%
Guangdong Leyuan Digital Technology Co., Ltd.	225,344.16	225,344.16	Within 1 year	100.00	Not expected to be recovered
Total	10,552,069.59	9,224,964.78		—	

2) Accounts receivable subject to provision for bad debt on credit risk characteristics basis

a) Accounts receivable with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	658,733,770.08	89.04	12,575,121.76	353,496,461.47	67.77	11,150,596.80
1-2 years	24,895,816.21	3.37	2,489,580.62	53,235,995.18	10.13	5,323,599.53
2-3 years	19,769,760.70	2.67	5,930,928.22	75,190,883.09	14.31	22,557,264.91
3-4 years	15,204,788.53	2.06	7,002,394.28	733,460.53	0.14	366,725.27
4-5 years	165,744.34	0.02	132,595.47	4,291,555.96	0.82	3,433,244.77
More than 5 years	20,981,029.56	2.84	20,981,029.56	38,544,128.31	7.33	38,544,128.31
Total	739,750,909.42	—	49,661,649.90	525,492,474.54	—	81,375,559.59

b) Accounts receivable with the provision for bad debt made under other combination methods

In the combination, accounts receivable for which there is conclusive evidence of recoverability without provision for bad debt:

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Bad debt provision	Book balance	Accrual ratio (%)	Bad debt provision
Combination 2	355,186,764.99			324,120,432.32		
Total	355,186,764.99			324,120,432.32		

3. Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis as at year end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Guangzhou Kumanju Intelligent Home Technology Co., Ltd.	157,284.00	157,284.00	Within 1 year	100.00	Not expected to be recovered
Guangzhou Bolong Data Resources Co., Ltd.	95,404.00	95,404.00	2-3 years	100.00	Not expected to be recovered
Guaranteed fee in lieu	70,000.00	70,000.00	More than 5 years	100.00	Not expected to be recovered

Guangzhou Wanwei Lishi Digital Technology Co., Ltd.	67,911.29	67,911.29	Within 1 year	100.00	Not expected to be recovered
Guangzhou Kumaiju Animation Technology Co., Ltd.	57,956.00	57,956.00	Within 1 year	100.00	Not expected to be recovered
Total	448,555.29	448,555.29		—	

4. Accounts receivable with a single provision for bad debts (new standard applies)

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Rongyuan 2 Asset Management Plan	229,086,055.67	45,229,897.03	Within 1 year	19.74	Expected partial recovery
Sinopharm (Guangzhou) Medical Equipment Co., Ltd.	75,759,400.84	54,875,476.90	Within 1 year, 1-2 years,2-3 years,	72.43	Expected partial recovery
Beijing Jiuzhou Tong Pharmaceutical Co., Ltd.	31,455,061.77	29,797,370.64	Within 1 year, 2-3 years,3-4 years,	94.73	Expected partial recovery
Beijing Jiuzhou TONG Medical Equipment Co., Ltd.	17,449,917.73	5,034,320.59	2-3 years	28.77	Expected partial recovery
Henan Ruijing Medical Equipment Sales Co., Ltd.	10,780,075.14	10,780,075.14	4-5 years, More than 5 years	100.00	Not expected to be recovered
Shenyang Woya Biotechnology Co., Ltd.	4,966,141.83	4,966,141.83	More than 5 years	100.00	Not expected to be recovered
Li Qinkjun	3,285,358.20	3,285,358.20	2-3 years	100.00	Not expected to be recovered
Gansu Haihesen Biotechnology Co., Ltd.	1,371,570.46	1,371,570.46	1-2 years,2-3 years,3-4 years,4-5 years,More than 5 years	100.00	Not expected to be recovered
Chengdu Xingronghe Technology Co., Ltd.	854,177.78	854,177.78	More than 5 years	100.00	Not expected to be recovered
Baotou Central Hospital	538,216.00	538,216.00	More than 5 years	100.00	Not expected to be recovered
Sichuan Zongheng Biotechnology Co., Ltd.	368,665.16	368,665.16	2-3 years,3-4 years,4-5 years,More than 5 years	100.00	Not expected to be recovered
Beijing Leadman Biochemical Co., Ltd. Jinan Branch	355,999.98	355,999.98	More than 5 years	100.00	Not expected to be recovered
Xinjiang Aiwei Medical Equipment Co., Ltd.	320,000.00	320,000.00	More than 5 years	100.00	Not expected to be recovered
Beijing Aulerlanbo Technology Co., Ltd.	300,000.00	300,000.00	More than 5 years	100.00	Not expected to be recovered
Shijiazhuang Deli Medical Equipment Co., Ltd.	300,000.00	300,000.00	4-5 years,More than 5 years	100.00	Not expected to be recovered
Xi'an Lidjian Diagnostic Reagent Co., Ltd.	151,151.86	151,151.86	3-4 years,More than 5 years	100.00	Not expected to be recovered
Henan Yihedanbi Science and Technology Co., Ltd.	103,590.00	103,590.00	More than 5 years	100.00	Not expected to be recovered
Ningxia Zhongxing Medical Technology Co., Ltd.	100,000.00	100,000.00	More than 5 years	100.00	Not expected to be

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
					recovered
Urumqi Xintuokang Medical Equipment Co., Ltd.	100,000.00	100,000.00	More than 5 years	100.00	Not expected to be recovered
Shengjiujia Maternity Specialist Hospital Co., Ltd.	40,164.00	40,164.00	4-5 years	100.00	Not expected to be recovered
Huhehaote Jiuhua Outpatient Clinic Co., Ltd.	38,172.44	38,172.44	More than 5 years	100.00	Not expected to be recovered
Ziyang Jianshanwang Medical Examination Hospital Co., Ltd.	19,007.85	19,007.85	More than 5 years	100.00	Not expected to be recovered
Kashgar Longtai International Trade Co., Ltd.	13,554.80	13,554.80	More than 5 years	100.00	Not expected to be recovered
Chuzhou Ruiyang Trading Co., Ltd.	11,208.20	11,208.20	More than 5 years	100.00	Not expected to be recovered
Total	377,817,489.21	158,954,119.26			

5. Provision for bad debt recovered or reversed

Provision for bad debts recovered or reversed during the year amounted to RMB 80,145.97.

6. Accounts receivable actually written off during the current year

None.

7. The top five accounts receivables collected by debtors

Debtor	Book balance	Ratio to total accounts receivable (%)	Bad debt provision
Guangdong Power Grid Co., Ltd.	237,311,577.77	15.99	
Lianxun Securities Rong Yuan 2 Targeted Asset Management Plan	229,086,055.67	15.44	45,229,897.03
Guangzhou Zhongyue New Materials Co., Ltd.	117,785,927.62	7.94	
Sinopharm (Guangzhou) Medical Equipment Co., Ltd.	75,759,400.84	5.11	14,081,704.25
Guangzhou Tianyuan New Material Co., Ltd.	74,620,304.47	5.03	
Total	734,563,266.37	-	59,311,601.28

8. Receivables financing

Item	Closing balance	Opening balance
Notes receivable	3,000,000.00	25,849,362.71
Total	3,000,000.00	25,849,362.71

9. Prepayments

1. Aging of prepayments

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	123,795,459.28	98.44		47,307,397.03	96.92	
1-2 years	1,531,347.87	1.22		1,290,857.52	2.64	
2-3 years	337,105.29	0.27		119,639.79	0.25	
More than 3 years	88,346.29	0.07		91,823.00	0.19	
Total	125,752,258.73	—		48,809,717.34	—	

2. Prepayments with the top five closing balances by debtor

Debtor	Book balance	Ratio to total prepayments (%)	Bad debt provision
Guangzhou Public Resources Trading Center	46,270,000.00	36.79	
Hundsun Technologies Inc.	10,580,702.53	8.41	
Guangzhou Fufang Trading Co., Ltd.	6,988,122.14	5.56	
Million Manor Investment Group Co., Ltd.	4,374,902.40	3.48	
Dongguan Jiufeng Natural Gas Storage and Transportation Co., Ltd.	2,466,752.55	1.96	
Total	70,680,069.62	56.20	

10. Other receivables

Item	Closing balance	Opening balance
Interest receivable	202,691,762.26	62,962,620.70
Dividends receivable	23,200,000.00	23,200,000.00
Other receivables	8,317,178,549.85	7,147,011,837.90
Total	8,543,070,312.11	7,233,174,458.60

(1) Interest receivable

1) Classification of interest receivable

Item	Closing balance	Opening balance
Finance lease business	20,493,592.45	11,236,920.64
Related fund borrowing	115,509,969.58	8,064,497.87
Interest receivable on perpetual debts	43,780,821.92	43,661,202.19
Others	22,907,378.31	
Total	202,691,762.26	62,962,620.70

(2) Dividends receivable

Item	Closing balance	Opening balance	Reason for not recovery	Whether impairment has occurred
Dividends receivable aged within 1 year				
Including: Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	23,200,000.00	23,200,000.00	To be allocated after audit	No
Total	23,200,000.00	23,200,000.00		

(3) Other receivables

Categories	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant and with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	8,319,349,907.43	99.96	3,831,254.18	0.05
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis	66,026.18		66,026.18	100.00
Other receivables with a separate provision for bad debts (new standard applies)	3,493,259.58	0.04	1,833,362.98	52.48
Total	8,322,909,193.19	—	5,730,643.34	—

(Continued)

Categories	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant and with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	7,145,521,427.39	99.91	2,823,786.27	0.04
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis	66,026.18		66,026.18	100.00
Other receivables with a separate provision for bad debts (new standard applies)	6,287,259.77	0.09	1,973,062.99	31.38
Total	7,151,874,713.34	—	4,862,875.44	—

(1) Other receivables that are individually significant and with provision for bad debt made on an individual basis as at year end

None.

(2) Other receivables subject to provision for bad debt on credit risk characteristics basis

1) Other receivables with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Bad debt provision	Book balance		Bad debt provision
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year (including 1 year)	65,301,872.53	88.00	459,378.63	65,784,028.60	92.34	167,073.78
1-2 years	4,714,578.83	6.35	471,457.89	2,396,732.07	3.36	239,673.21
2-3 years	1,297,979.30	1.75	389,393.79	676,342.12	0.95	202,902.63
3-4 years	716,354.29	0.97	358,177.14	166,679.95	0.23	83,339.97
4-5 years	114,764.52	0.15	89,183.41	349,976.05	0.50	264,549.00
More than 5 years	2,063,753.32	2.78	2,063,753.32	1,866,248.18	2.62	1,866,248.18
Total	74,209,302.79		3,831,254.18	71,245,006.97	—	2,823,786.27

2) Other receivables with the provision for bad debt made under other combination methods

In the combination, other receivables for which there is conclusive evidence of recoverability without provision for bad debt:

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Bad debt provision	Book balance	Accrual ratio (%)	Bad debt provision
Combination 2	8,245,140,604.64			7,074,276,420.42		
Total	8,245,140,604.64	—		7,074,276,420.42	—	

(3) Other receivables that are individually insignificant but with provision for bad debt made on an individual basis at year end

Debtor	Book balance	Bad debt provision	Aging	Accrual ratio (%)	Accrual reason
China Construction Third Bureau Second Construction Engineering Co., Ltd.	66,026.18	66,026.18	More than 5 years	100.00	Not expected to be recovered
Total	66,026.18	66,026.18			

(4) Other receivables with a separate provision for bad debts (new standard applies)

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Zhongguancun Technology Leasing Co., Ltd.	1,747,259.58	87,362.98	3-4 years	5.00	Expected partial recovery
Jiangsu Huadian Electrical Power Co., Ltd.	1,746,000.00	1,746,000.00	More than 5 years	100.00	Not expected to be recovered
Total	3,493,259.58	1,833,362.98			

(5) Provision for bad debt recovered or reversed

Debtor	Amount reversed or recovered	Accumulated amount of provision for bad debt accrued before reversal or recovery	Reason and method for reversal or recovery
Zhongguancun Technology Leasing Co., Ltd.	139,700.01	227,062.99	Part of the contract has been executed and the deposit is recovered
Total	139,700.01	227,062.99	

(6) Other receivables actually written off during the current year:

Debtor	Nature of other receivables	Write-off amount	Write-off reason
Zhangjiagang Gangteng Machinery Manufacturing Co., Ltd.	Equipment	174,690.00	Zhangjiagang Gangteng Machinery Manufacturing Co., Ltd.already cancelled, the amount cannot be recovered
Yinggeman Medical Diagnostic Products Co., Ltd.	Correspondence	146,358.82	Termination of cooperation, the initial investment can not be recovered
Total		321,048.82	

(7) The top five other receivables collected by debtors

Debtor	Nature of payment	Book balance	Ratio to total other receivables (%)	Bad debt provision
Guangzhou Development District Industrial Fund Investment Group Co., Ltd.	External unit borrowing	3,114,703,333.33	37.42	
Guangzhou Knowledge City Investment Holding Co., Ltd.	External unit borrowing	1,082,483,333.33	13.01	
CITIC Construction Investment Securities Co., Ltd.	Non-related party transactions	999,000,000.00	12.00	
Guangzhou Mong Real Estate Development Co., Ltd.	Borrowings from related parties	707,798,709.08	8.50	
Guangzhou Mong Real Estate Co., Ltd.	Borrowings from related parties	626,808,471.46	7.53	
Total	—	6,530,793,347.20	--	

(8) Other receivables derecognized from transfer of financial assets

None.

(9) The amount of other receivables transfers, such as securitization, factoring, etc., that continue to be involved in the formation of assets and liabilities

None.

(10) Receivables involving government grants

None.

11. Buyback of the financial assets sold

Item	Closing balance	Opening balance
Equity Pledged Repo	569,085,032.05	938,423,466.41
Pledged Reverse Repo	125,328,539.62	99,111,771.51
Peer-to-peer bond aggregation trading business		1,624,517,977.79
Less: Impairment provision	81,274,579.19	76,347,428.74
Total	613,138,992.48	2,585,705,786.97

1.Details—By type of financial assets

Item	Closing balance	Opening balance
Stock	569,085,032.05	938,423,466.41
Bonds	125,328,539.62	1,723,629,749.30
Including: National Debt	125,328,539.62	99,111,771.51
Corporate Bonds		91,898,224.98
Financial Bonds		1,532,619,752.81
Less: Impairment provision	81,274,579.19	76,347,428.74
Total	613,138,992.48	2,585,705,786.97

2.Pledge repo financing

Remaining term	Closing balance	Opening balance
Within 1 month	366,525,617.50	166,806,265.92
1-3 months	102,088,902.00	100,971,760.00
3months - 1 year	225,799,052.17	683,965,922.00
More than 1 year		85,791,290.00
Total	694,413,571.67	1,037,535,237.92

3.Collateral

Item	Fair value at year-end	Fair value at beginning of year
Collateral	2,807,098,963.32	4,118,620,447.13
Including: Collateral that can be sold or rehypothecated		1,612,894,790.00
Including: Collateral that has been sold or rehypothecated		1,510,089,090.00

12. Inventories

1. Classification of inventories

Item	Closing balance		
	Book balance	Impairment provision	Book value
Raw Materials	117,666,916.00	722,459.87	116,944,456.13
Self-made semi-finished goods and in-process products	6,236,948,259.61	89,887.78	6,236,858,371.83
Including: Completed unsettled projects	4,028,837.80		4,028,837.80
Development Costs	6,223,044,065.03		6,223,044,065.03
Inventory goods (finished goods)	276,983,368.50	764,821.88	276,218,546.62
Including: Development of products	225,019,875.98		225,019,875.98
Working capital materials (packaging, low-value consumables, etc.)	2,360,610.60		2,360,610.60
Expendable Biological Assets			
Others			
Including: Undeveloped land bank			
Total	6,633,959,154.71	1,577,169.53	6,632,381,985.18

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Raw Materials	138,435,886.03	1,134,342.62	137,301,543.41
Self-made semi finished goods and in-process products	1,648,883,511.75	848,579.41	1,648,034,932.34
Including: Completed unsettled projects	181,319.51		181,319.51
Development Costs	1,638,624,158.56		1,638,624,158.56
Inventory goods (finished goods)	181,006,593.49	5,037,272.23	175,969,321.26
Including: Development of products	118,835,338.37		118,835,338.37
Working capital materials (packaging, low value consumables, etc.)	2,220,109.82	1,243.10	2,218,866.72
Expendable Biological Assets			
Others	855,656,636.98		855,656,636.98
Including: Undeveloped land bank	855,656,636.98		855,656,636.98
Total	2,826,202,738.07	7,021,437.36	2,819,181,300.71

Note: Land reserve of real estate companies at the beginning of the year 23,650.00 square meters, the decrease is 23,650.00 square meters in the current year, and the land reserve at the end of the year is 0.00 square meters.

2. The closing balance of inventories contains capitalized borrowing costs of RMB 91,447,050.21,

13. Contract assets (new revenue standard applies)

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Lianxun Cash Benefit Pooled Asset Management Plan	3,600,590.39		3,600,590.39			
Total	3,600,590.39		3,600,590.39			

14. Held-for-sale assets

Item	Year-end book value	Fair value at year-end	Expected disposal costs	Schedule
Properties for sale	92,576,700.00	100,395,647.00		See Note
Total	92,576,700.00	100,395,647.00		—

Note: The Company sold the office properties on the 29th and 30th floors of No. 48 Science Avenue, Guangzhou Development District to Guangzhou Development District Investment Group Co., Ltd. pursuant to the minutes of the board of directors' meeting of Guangzhou Suikai Property Investment Company (SKWD [2020] No. 4) .The relevant payment was received on December 7th, 2020, and the office property on the 29th and 30th floors of Greenland Central Plaza was carried forward to held for sale because the transfer of ownership and other related procedures had not been completed. The matter was disposed of on March 21st, 2021, as detailed in Note XI. 2.

15. Non-current assets due within 1 year

Item	Closing balance	Opening balance
Long-term receivables due within one year	689,254,234.59	441,785,717.17
Total	689,254,234.59	441,785,717.17

16. Other current assets

Item	Closing balance	Opening balance
Financing	3,829,546,641.78	2,297,057,850.31
Tax credits to be deducted, input tax to be certified and tax credits to be retained	321,555,120.39	333,671,663.55
Financial Products	169,304,613.15	168,500,000.00
Pledged Reverse Repo	167,943,000.01	
Deposit	102,158,563.96	51,122,961.06
Net entrusted loans	41,000,000.00	15,000,000.00
Costs to be amortized	17,217,931.50	11,490,768.10
Prepaid corporate income tax	4,596,963.95	6,165,755.19
Prepaid taxes and surcharges	1,574,930.03	2,922,697.09
Others	3,551,437.94	200,179.97
Total	4,658,469,202.71	2,886,131,875.27

1.Financing

(1) Details— By categories

Item	Closing balance	Opening balance
Domestic	3,835,415,289.46	2,299,702,674.10
Including: Individual	3,668,103,823.92	2,282,514,950.00
Institution	167,311,465.54	17,187,724.10
Less: Impairment provision	5,868,647.68	2,644,823.79
Total	3,829,546,641.78	2,297,057,850.31

(2) Collateral provided by customers to The Company for financing and financing business

Categories of collateral	Fair value at year-end	Fair value at beginning of year
Funds	415,292,686.82	290,739,303.43
Stock	11,161,472,480.64	6,739,302,272.70
Bonds	191,555,758.61	27,481,991.97
Securities	92,645,535.66	
Others	1,322,245.60	8,133,621.92
Total	11,769,593,171.67	7,065,657,189.97

17. Available-for-sale financial assets

(1) Details of available-for-sale financial assets

Item	Closing balance		
	Book balance	Impairment provision	Book value
Available-for-sale debt instruments	2,013,203,300.00		2,013,203,300.00
Available-for-sale equity instruments	6,662,917,898.28	5,397,635.94	6,657,520,262.34
Measured at fair value	623,800,414.82		623,800,414.82
Measured at cost	6,039,117,483.46	5,397,635.94	6,033,719,847.52
Total	**8,676,121,198.28**	**5,397,635.94**	**8,670,723,562.34**

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Available-for-sale debt instruments	2,000,000,000.00		2,000,000,000.00
Available-for-sale equity instruments	5,777,378,720.08	3,187,411.05	5,774,191,309.03
Measured at fair value	606,928,454.76		606,928,454.76
Measured at cost	5,170,450,265.32	3,187,411.05	5,167,262,854.27
Total	**7,777,378,720.08**	**3,187,411.05**	**7,774,191,309.03**

(2) Available-for-sale financial assets measured at fair value at the end of the year

Item	Available-for-sale equity instruments	Available-for-sale debt instruments	Total
Cost of equity instruments/amortized cost of debt instruments	248,040,928.60	2,013,203,300.00	2,261,244,228.60
Fair value	623,800,414.82	2,013,203,300.00	2,637,003,714.82
Cumulative amount of changes in fair value recognized in other comprehensive income	375,759,486.22		375,759,486.22
Impaired amount			

(3) Available-for-sale financial assets measured at cost at the end of the year

Investee	Book balance				Impairment provision				Shareholding in investee (%)	Cash dividends for the year
	Opening balance	Increase during the year	Decrease during the year	Closing balance	Opening balance	Increase during the year	Decrease during the year	Closing balance		
LG Display (China) Co., Ltd.	1,646,001,592.30			1,646,001,592.30					70.00	48,319,378.00
Guangzhou Development Zone Emerging Industry Investment Fund Management Co., Ltd.	500,000,000.00			500,000,000.00					48.93	
Guangzhou Development Zone City View Industrial Investment Fund Partnership (Limited Partnership)	500,000,000.00			500,000,000.00					14.28	34,656,000.00
Guangzhou Yuanshengde Municipal Service Co., Ltd.	400,000,000.00			400,000,000.00					100.00	
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	300,000,000.00			300,000,000.00					9.98	18,900,000.00
Guangzhou GET Qianrun Artificial Intelligence Equity Investment Partnership (Limited Partnership)	300,000,000.00			300,000,000.00					99.80	
Science City (Guangzhou) Investment Group Limited Public Issue of Renewable Corporate Bonds for Professional Investors in 2020 (Phase I)		300,000,000.00		300,000,000.00						
Yunnan Trust Tianfu Bao Stable 1 Pooled Fund Trust Plan		293,000,000.00		293,000,000.00						
Guangzhou Haihui Kechuang Venture Capital Partnership (Limited Partnership)	220,400,000.00			220,400,000.00					48.22	
Guangzhou Mingluo Soft Control Information Technology Co., Ltd.	200,000,000.00			200,000,000.00					28.79	
Sena Biotechnology (Beijing) Co., Ltd.		170,000,000.00		170,000,000.00					15.74	
Guangzhou Liding GET Equity Investment Fund Partnership (Limited Partnership)	160,157,100.00			160,157,100.00					23.89	

Investee	Book balance				Impairment provision				Shareholding in investee (%)	Cash dividends for the year
	Opening balance	Increase during the year	Decrease during the year	Closing balance	Opening balance	Increase during the year	Decrease during the year	Closing balance		
Guangzhou Development Zone Hengkai Xinxing Equity Investment Partnership (Limited Partnership)	40,000,000.00	30,000,000.00		70,000,000.00					19.96	
Guangzhou XueCheng Jianhua Pharmaceutical Technology Co., Ltd.	70,000,000.00			70,000,000.00					7.00	
Guangzhou Development Zone Water Supply Management Center	62,098,679.98			62,098,679.98					100.00	
Huangpu Shiying Kechuang Equity Investment Partnership (Limited Partnership)	60,000,000.00			60,000,000.00					20.00	
Guangzhou JingHengyi Investment Co., Ltd. (Limited Partnership)	50,000,000.00			50,000,000.00					20.00	
Guangzhou Baidu Ventures Artificial Intelligence Equity Investment Partnership (Limited Partnership)	50,000,000.00			50,000,000.00					15.85	
Guangwan Chuangke (Guangzhou) Equity Investment Fund Partnership (Limited Partnership)		47,000,000.00		47,000,000.00					9.40	
Shenzhen Chunyang Songteng Venture Capital Partnership (Limited Partnership)		45,000,000.00		45,000,000.00					40.00	
Guangzhou Yuanhe Origin II Venture Capital Partnership (Limited Partnership)	10,800,000.00	25,200,000.00		36,000,000.00					20.00	
Others	500,992,893.04	111,514,200.00	153,046,981.86	559,460,111.18	3,187,411.05	2,210,224.89		5,397,635.94		
Total	5,170,450,265.32	1,021,714,200.00	153,046,981.86	6,039,117,483.46	3,187,411.05	2,210,224.89		5,397,635.94		101,869,378.00

Note: 1. The State-owned Assets Supervision and Administration Office of Guangzhou Development Zone allocated the net assets of Guangzhou Development District Water Supply Management Center and Guangzhou Development District Water Purification Management Center to the Group in accordance with the text of "SKGZB [2009] No. 133". The allocation document stipulates that the asset operation and management, personnel system and financial budget management system of Guangzhou Development District Water Supply Management Center and Guangzhou Development District Water Purification Management Center remain as they are. The Group has no control over the financial and operational decisions of the Guangzhou Development District Water Supply Management Center and the Guangzhou Development District Water Purification Management Center, nor does it have the right to derive benefits from their operational activities.

2. Guangzhou Development District Staff Service Center is an asset allocated by the Management Committee, and the Group only owns its property rights, does not have the right and control over its production and operation, without significant impact

3. The Group's 100% shareholding in Guangzhou Yuanshengde Municipal Service Co., Ltd. is explained as follows: the Group's direct shareholding is 98% and its indirect shareholding is 2% (the Group's wholly-owned subsidiary, Guangzhou GET Capital Management Co., Ltd. owns 2% of its shares) ; the main business of Guangzhou Yuanshengde Municipal Service Co., Ltd. belongs to municipal ancillary matters and the business is directly under the arrangement of Guangzhou Development Zone Management Committee. The Group has no control over the production and operation of Guangzhou Yuanshengde Municipal Service Co., Ltd. and has no significant influence

4. The Group holds 23.29% equity interest in Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership) , 23.15% equity interest in Guangzhou Origin No.1 Venture Capital Enterprise (Limited Partnership) , 48.93% equity interest in Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd., 35.60% equity interest in Guangzhou GET Gazelle Venture Capital Partnership (Limited Partnership) , 50% equity interest in Department of Pharmacology, School of Medicine, Zhongshan University, 46.16 % equity interest in JiaxingLiding No.1 Venture Capital Partnership(Limited Partnership) , 35.71% equity interest in JiaxingLuanheng Equity Investment Partnership (Limited Partnership) , 28.79% equity interest in Guangzhou Mingluo Soft Control Information Technology Co., Ltd. However, it does not actually participate in the daily management decisions and actual operations of The Company, which has no significant impact on The Company.

5. Guangzhou GET Qianrun Artificial Intelligence Equity Investment Partnership (Limited Partnership) ("GET Qianrun") is jointly established by The Company's subsidiaries, Guangzhou Get Venture Capital Co., Ltd. ("Get Venture Capital") and Guangdong Qianrun M & A Investment Fund Management Co., Ltd. ("Guangdong Qianrun") . Get Venture Capital is a limited partner with the contribution proportion of 99.80%, the proposed investment of RMB 300 million will be financed by the District Finance. As of December 31st, 2020, Get Venture Capital had contributed RMB 200 million. Guangdong Qianrun is a general partner and executes partnership matters with a 0.2% contribution. GET Qianrun is actually as an investment in Baidu Venture fund Phase II, according to the partnership agreement, its exit purchase price is arranged in accordance with the "principal + interest rate of bank loan for the same period". The general partner shall be entitled to or bear the compensation responsibility for 51% of the difference between the expected earnings and the target earnings (principal + interest income calculated by interest rate of bank loan for the same

period) . Get Venture Capital has a high level of principal security and agreed returns, with the remaining returns and risks fully attributable to the general partner. Accordingly, Get Venture Capital does not have control and significant influence over GET Qianrun.

6. Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership) (hereinafter referred to as "Hengkai Emerging Equity") was jointly funded by Guangzhou Development Zone Urban Development Fund ManagementCo., Ltd., Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd., Guangzhou Get Venture Capital Co., Ltd. and Guangzhou Hengyun Equity Investment Co., Ltd. The total scale is RMB 501 million, including RMB 5 million subscribed by Guangzhou Development Zone Urban Development Fund Management Co., Ltd., RMB 196 million subscribed by Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd., RMB 100 million subscribed by Guangzhou Get Venture Capital Co., Ltd., and RMB 200 million subscribed by Guangzhou Hengyun Equity Investment Co., Ltd.The fund manager is Guangzhou Development Zone Urban Development Fund Management Co., Ltd. and is responsible for the daily operation and management of the fund. The objective of Hengkai Emerging Fund is to solely invest in the Innovation Workshop Intelligence (Guangzhou) Venture Capital Partnership, Hengkai Emerging Fund can only send one observer to the Innovation Workshop Intelligence (Guangzhou) Venture Capital Partnership without voting rights. Based on the principle of substance over form, the Group does not have significant influence over Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership) and is therefore recognized as an available-for-sale financial asset.

7. According to the *Reply of Guangzhou Development District Investment Group Co., Ltd. and Guangzhou Development District Holdings Group Co., Ltd. for the transfer of relevant equity interests without compensation* (SKGZ [2020] No. 34) issued by Guangzhou Development District State-owned Assets Supervision and Administration on 20 Marchth 2020, it is agreed that Guangzhou Development District Investment Holdings Group Co., Ltd. (hereinafter referred to as Development District Investment) to transfer 100% equity interest in Guangzhou Suikai Property Investment Co., Ltd to The Company. It is agreed that to transfer 100% of the equity interest held by Development Zone Holdings in Guangzhou Runpu Investment Co., Ltd. to Development District Investment. It is agreed that to transfer 3.83% equity of Bank of Guangzhou Co., Ltd. and 0.01% equity of Bank of Communications Co., Ltd. held by Development District Investment to The Company. As of December 31st, 2020, the transfer of equity interests in Bank of Guangzhou Co., Ltd. has not been completed.

(4) Changes in impairment of available-for-sale financial assets during the reporting period

Classification of available-for-sale financial assets	Available-for-sale equity instruments	Available-for-sale debt instruments	Total
Impaired balance at the beginning of the year	3,187,411.05		3,187,411.05
Current year accrual	2,210,224.89		2,210,224.89
Including: Transfer from other comprehensive income			
Decrease during the year			
Impaired balance at the end of the year	5,397,635.94		5,397,635.94

(5) Notes relating to available-for-sale equity instruments with significant year-end decline in fair value or other than temporary decline for which no provision for impairment has been made

None.

18. Other debt instruments

(1) Details of other debt instruments

Item	Closing balance	Opening balance
Medium term notes	1,551,085,475.00	
Financial debts	478,801,750.00	274,221,930.00
Corporate debts	346,351,320.00	
Ultra short-term financing notes	266,366,150.00	
Enterprise debts	233,357,430.00	2,437,891,937.00
Interbank certificate of deposit	49,712,150.00	
Others	155,940,790.00	
Total	3,081,615,065.00	2,712,113,867.00

(2) Significant other debt instrumentsat year end

Item	Face value	Amortized cost	Fair value	Changes in accumulated fair value included in other comprehensive income	Amount of provision for impairment
Enterprise debts	230,000,000.00	233,357,430.00	233,357,430.00	4,879,431.71	338,111.54
Medium-term notes	1,495,000,000.00	1,551,085,475.00	1,551,085,475.00	-1,624,351.66	1,475,665.23
Financial debts	470,000,000.00	478,801,750.00	478,801,750.00	62,227.21	97,256.87
Corporate debts	335,000,000.00	346,351,320.00	346,351,320.00	-706,579.55	287,717.09
Interbank certificate of deposit	48,076,900.00	49,717,150.00	49,712,150.00	65,150.00	13,865.09
Ultra short term financing notes	300,000,000.00	266,366,150.00	266,366,150.00	-42,069,487.98	41,305,708.03
Others	150,000,000.00	155,940,790.00	155,940,790.00	894,506.36	162,669.10
Total	3,028,076,900.00	3,081,615,065.00	3,081,615,065.00	-38,569,103.91	43,680,992.95

19. Long-term receivables

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Financing lease funds	899,957,501.01		899,957,501.01	860,314,686.34		866,319,686.34
Including: unrealized financing income	128,390,262.62		128,390,262.62	167,701,385.73		167,701,385.73
Long-term intercourse funds	1,774,829,931.77		1,274,829,931.27	2,140,939,596.64		2,140,939,596.64

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Total	2,174,787,412.28		2,174,787,412.28	3,007,259,282.98		3,007,259,282.98

20. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Investment in joint ventures		409,192,472.47		409,192,472.47
Investment in associates	8,891,918,863.97	3,067,169,011.11	92,275,536.49	11,866,812,338.59
Subtotal	8,891,918,863.97	3,476,361,483.58	92,275,536.49	12,276,004,811.06
Less: Provision for impairment of long-term equity investments	1,668,033.93		668,033.93	1,000,000.00
Total	8,890,250,830.04	3,476,361,483.58	91,607,502.56	12,275,004,811.06

(2) Details of long-term equity investments

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
I. Joint ventures		410,653,565.00		-1,461,092.53						409,192,472.47	
Guangzhou Kaike XingMao Real Estate Development Co., Ltd.		395,653,565.00		-1,346,971.62						394,306,593.38	
Guangdong Zhongheng Petrochemical Energy Development Co., Ltd.		15,000,000.00		-114,120.91						14,885,879.09	
II. Associates	8,891,918,863.97	2,238,270,508.31	17,982,174.00	708,178,675.34	-16,255,164.03	281,056,477.04	62,981,782.49		-155,393,085.55	11,866,812,338.59	1,000,000.00
Haohan Technology Co., Ltd.	949,916.53									949,916.53	
Yimeitu Digital Image Co., Ltd.	11,891,395.82									11,891,395.82	
Guangzhou Liding GST Venture Capital Limited Partnership	83,944,634.06			-1,418,903.93						82,525,730.13	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Guangzhou Detong GET Investment Management Co., Ltd.	696,333.36			-65,337.63						630,995.73	
Guangzhou Detong GET Venture Capital Limited Partnership	74,774,744.96		17,882,174.00	561,248.85						57,453,819.81	
Guangzhou Saibi GET Investment Management Co., Ltd.	103,002.11		100,000.00						-3,002.11		
Guangzhou Hailing Construction Machinery Leasing Co., Ltd.	1,000,000.00									1,000,000.00	1,000,000.00
Guangdong National GET Technology Venture Capital Enterprise (Limited Partnership)	101,504,313.52	45,000,000.00		-1,680,177.36						144,824,136.16	
Jingde (Guangzhou)	45,193,541.89	180,000,000.00		-2,355,271.77					-2,232,644.97	220,605,225.15	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Equity Investment Partnership (Limited Partnership)											
Guangzhou GET Venture Capital Management Co., Ltd.	1,930,024.13			-533,913.99						1,396,110.14	
Zoda Credit Service (Guangzhou) Co., Ltd.	4,658,027.04			-653,433.52						4,004,593.52	
Guangzhou GET Innovative Venture Capital Fund Management Co., Ltd.	716,716.49			-930,927.46						-214,211.97	
Hantou GET (Guangzhou) Equity Investment Management Partnership (Limited Partnership)	20,004,042.40			-11,162.84						19,992,879.56	
Guangzhou Kaituo Equity Investment	39,051,137.05			-718,480.81						38,332,656.24	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Partnership (Limited Partnership)											
China Association for Science and Technology Guangzhou Science and Technology Park Joint Development Co., Ltd.	16,932,579.67			2,158,415.40						19,090,995.07	
Guangzhou Mong Real Estate Co., Ltd.	562,099,351.44			-28,184,554.78						533,914,796.66	
Guangzhou GET JiapengNo. 1 Equity Investment Partnership (Limited Partnership)		30,000,000.00		118,338.28						30,118,338.28	
Guangzhou Keith Fund Management Co., Ltd.	4,983,539.17			400,555.42						5,384,094.59	
Guangzhou Liding GET Fund	4,628,050.22			768,955.41			700,000.00			4,697,005.63	

Investee	Opening balance	Change in the current year: Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others	Closing balance	Closing balance of provision for impairment
Management Co., Ltd.											
Guangzhou Yimi GET Equity Investment Management Partnership (Limited Partnership)	83,096.89	465,000.00		4,599.43						552,696.32	
Guangzhou Chengzou GET Capital Management Co., Ltd.		49,000,000.00		524,049.79						49,524,049.79	
Guangzhou Kedun Industry Co., Ltd.	151,723,635.18								-151,723,635.18		
Guangzhou Digital Lehua Technology Co., Ltd.	4,461,207.28			-4,461,207.28							
LG Display Optical Electronic Technology (China) Co., Ltd.	3,674,702,553.27	1,029,600,000.00		193,419,277.74						4,897,721,831.01	
Yingsheng Zhichuang Technology (Guangzhou)	3,980,959.63			-3,980,959.63							

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Co., Ltd.											
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	2,350,441.74	3,000,000.00		-401,905.81					-765,769.36	4,182,766.57	
Guangzhou Yuekai Investment Co., Ltd.		237,500,000.00		-4,267,571.61						233,232,428.39	
Guangzhou GET Phase I Biomedical Industry Investment Fund Partnership (Limited Partnership)		120,000,000.00		-832,245.80						119,167,754.20	
Guangzhou Broadband Backbone Network Co., Ltd.	228,887,726.65			4,103,646.22						232,991,372.87	
Guangzhou GET Small Loan Co., Ltd.	101,607,541.69			8,861,541.01			5,911,265.03			104,557,817.67	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added Investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Guangzhou Development District Hongdi Technology Co., Ltd.	668,033.93								-668,033.93		
Suigang Technology Investment (Guangzhou) Co., Ltd.	29,833,495.92	75,000,000.00		70,346.04						104,913,841.96	
SuigangZhizao (Guangzhou) Investment Co., Ltd.	75,007,728.20	30,000,000.00		-212,347.01						104,795,381.19	
Guangzhou Financial Assets Trading Center Co., Ltd.	22,653,375.08			1,720,630.08			1,666,667.00			22,707,339.16	
Zhongcheng Automobile Insurance Co., Ltd.	923,514,512.10			7,689,127.12						931,203,639.22	
Guangdong Equity Trading Center Co., Ltd.	64,417,493.46			635,039.78						65,052,532.24	
Guangzhou Yuexiu Financial Holding Group Co., Ltd.	2,625,696,954.93			539,428,865.16	-16,255,164.09	281,056,477.04	54,703,830.46			3,375,223,302.64	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Guangzhou Xiangtao Hydrogen Technology Co., Ltd.	7,209,159.16	13,750,000.00		-3,522,579.42						17,436,579.74	
Guangdong Power Grid Energy Development Co., Ltd.		274,955,509.31		1,126,695.24						276,082,204.55	
Guangzhou Development District Hydrogen City Growth Industry Investment Fund Partnership (Limited Partnership)		150,000,000.00		868,323.02						150,868,323.02	
Total	8,891,918,863.97	8,891,918,963.97	2,648,924,073.31	17,981,174.00	706,717,582.81	-16,255,164.03	281,056,477.04	62,981,762.49		-155,393,085.55	1,000,000.00

Note: 1. The Group held 15.22% of an associate, Jingde (Guangzhou) Equity Investment Partnership (Limited Partnership), which was held by GET Venture Capital on behalf of the Finance Bureau of the Development Zone. The change in long-term equity investment recognized under the equity method for the part of equity was not recognized as investment income and was included in long-term payables.

2. Guangzhou Gobi GET Investment Management Co., Ltd. was cancelled this year and the other changes were the reversal of investment income recognized in previous years.

3. The Group transferred Guangzhou Runpu Investment Co., Ltd. without consideration in 2019, and Guangzhou Kerun Industrial Co., Ltd. was a subsidiary of Guangzhou Runpu Investment Co. Guangzhou Kerun Industrial Co., Ltd. was derecognized.

4. Guangzhou Hongdi Technology Co., Ltd. (hereinafter referred to as "Hongdi Company") was formerly an investment enterprise held by the Development Zone, and according to the Civil Ruling made by the Guangzhou Intermediate People's Court in August 2018, the Court ruled to confirm the "Compulsory Liquidation Report" produced by the liquidation team of Hongdi Company and terminate the compulsory liquidation procedure of Hongdi Company. Development Zone Holdings has written off the full amount of provision for impairment of RMB 668,033.93 accrued in the books of Hongdi this year.

(3) Key financial information of significant joint ventures

None.

(4) Key financial information of significant associates

Item	Amount during the year	
	LG Display Optical Electronic Technology (China) Co., Ltd.	Guangzhou Yuexiu Financial Holding Group Co., Ltd.
Current assets	9,249,864,902.16	64,922,562,507.74
Non-current assets	33,001,012,664.56	59,123,557,315.30
Total assets	42,250,877,566.72	124,046,119,823.04
Current liabilities	9,442,978,130.01	44,866,032,598.70
Non-current liabilities	16,482,160,000.00	47,854,670,527.22
Total liabilities	25,925,138,130.01	92,720,703,125.92
Shares of net assets calculated according to shareholding ratio	16,325,739,436.71	31,325,416,697.12
Adjustment	4,897,721,831.01	7,740,737,855.58
Current assets		634,485,447.06
Book value of investments in joint ventures' equity	4,897,721,831.01	3,375,221,302.64
Fair value of equity investments with public offers		4,085,222,185.78
Operating revenue	9,557,877,352.72	9,686,096,648.47
Financial expenses	625,970,202.23	150,617,401.21
Income tax expenses	265,334,721.09	1,000,639,203.42
Net profits	638,484,089.26	5,248,897,307.56
Other comprehensive income		197,010,663.23
Total comprehensive income	638,484,089.26	5,051,886,644.33
Dividends received from joint ventures in the current year		54,703,830.46

(Continued)

Item	Amount in previous year	
	LG Display Optical Electronic Technology (China) Co., Ltd.	Guangzhou Yuexiu Financial Holding Group Co., Ltd.
Current assets	6,170,726,766.14	77,633,192,449.99
Non-current assets	33,630,957,764.39	36,900,594,059.51
Total assets	39,801,684,050.53	114,533,786,509.50
Current liabilities	7,444,028,703.08	58,564,059,782.92
Non-current liabilities	17,700,000,000.00	32,644,186,828.38
Total liabilities	25,144,028,703.08	91,208,246,611.30
Shares of net assets calculated according to shareholding ratio	14,657,655,347.45	23,325,539,898.20

Item	Amount in previous year	
	LG Display Optical Electronic Technology (China) Co., Ltd.	Guangzhou Yuexiu Financial Holding Group Co., Ltd.
Adjustment	4,397,296,604.74	1,991,211,507.87
Current assets		634,485,447.06
Book value of investments in joint ventures' equity	3,674,702,553.27	2,625,696,554.93
Fair value of equity investments with public offers		,111,682,591.46
Operating revenue	620,800,319.84	9,929,246,919.11
Financial expenses	83,458,357.68	138,300,606.47
Income tax expenses	40,094,290.41	650,582,069.02
Net profits	141,374,579.08	1,673,627,933.90
Other comprehensive income		1,284,826.00
Total comprehensive income	141,374,579.08	1,674,912,759.90
Dividends received from joint ventures in the current year		28,360,851.42

21. Other equity instrument investments

(1) Details of other equity instruments

Item	Closing balance	Opening balance
China Securities Inter-Agency Quotation System Co., Ltd.	32,141,137.63	32,605,612.77
Zhengtong Co., Ltd.	11,535,784.07	12,389,185.93
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)	74,745,000.00	49,995,000.00
Guangzhou Yilin Biological Industry Venture Capital Management Co., Ltd.	225,000.00	150,000.00
Yichun Rural Commercial Bank Co., Ltd.	94,856,122.21	88,000,000.00
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center	214,361,838.68	60,000,000.00
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	400,000,000.00	400,000,000.00
Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership)	149,181,637.12	80,000,000.00
Total	977,046,519.71	723,139,798.70

(2) Details of other equity instruments at year end

Item	Dividend income recognized in the current year	Accumulated gains	Accumulated losses	Amount transferred from other comprehensive income to retained earnings	Reasons for designation as measured at fair value through other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)						
Guangzhou Yijin Biological Industry Venture Capital Management Co., Ltd.						
Yichun Rural Commercial Bank Co., Ltd.	5,459,328.80	48,538,179.32				
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center						
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	23,200,000.00	68,261,917.81				
Guangzhou Development District Hengkai Emerging Equity Invesment Partnership (Limited Partnership)						
Total	28,659,328.80	116,800,097.13				

22. Other non-current financial assets

Item	Closing fair value	Opening fair value
Guangzhou Value Innovation Park Industrial Investment Fund Partnership (Limited Partnership)	1,000,000.00	
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	965,253.82	
Total	1,965,253.82	

23. Investment properties

(1) Investment properties measured at cost

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Total gross carrying amount	10,980,820,312.30	1,891,913,332.88	2,762,012,549.59	10,110,721,095.59
1. Houses, buildings	10,907,106,878.88	1,891,759,275.97	2,720,613,188.89	10,078,252,965.96
2. Land use rights	73,713,433.42	154,056.91	41,399,360.70	32,468,129.63
Total accumulated depreciation (amortization)	1,246,071,876.97	257,632,500.50	28,362,351.22	1,475,342,026.25

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
1. Houses, buildings	1,237,649,784.31	256,777,761.66	22,566,441.10	1,471,861,104.87
2. Land use rights	8,422,092.66	854,738.84	5,795,910.12	3,480,921.38
Total net book value	9,734,748,435.33	—	—	8,635,379,069.34
1. Houses, buildings	9,669,457,094.57	—	—	8,606,391,861.09
2. Land use rights	65,291,340.76	—	—	28,987,208.25
Total provision for impairment		9,289,324.94		9,289,324.94
1. Houses, buildings		9,289,324.94		9,289,324.94
2. Land use rights				
Total carrying amount	9,734,748,435.33	—	—	8,626,089,744.40
1. Houses, buildings	9,669,457,094.57	—	—	8,597,102,536.15
2. Land use rights	65,291,340.76	—	—	28,987,208.25

(2) Investment properties not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Technology Enterprise Accelerator	1,814,062,816.96	Consultation with relevant government departments is in progress, and relevant procedures are not complete
Guangzhou City Vocational Skills Talents Public Training and Appraisal Base Jiugang Sub-base Construction	43,884,443.67	Consultation with relevant government departments is in progress, and relevant procedures are not complete
House-Pauli Roland Building 7	329,295,780.14	The project is in the process of settlement, and the property certificate is being processed
House-Pauli Roland Building 6	355,910,405.39	The project is in the process of settlement, and the property certificate is being processed
House-Pauli Roland Building 5	355,800,701.77	The project is in the process of settlement, and the property certificate is being processed
Floor 7-34, building A2, Greenland Central Plaza	948,802,598.71	In preparation
Parking Space in Zone C1 of Greenland Central Plaza	37,206,111.83	In preparation
Parking Space in Zone C2 of Greenland Central Plaza	29,684,569.25	In preparation
Building S8, Greenland Central Plaza	32,789,127.81	In preparation
Total	3,946,965,555.53	

24. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	4,053,051,740.11	4,499,193,899.80
Disposal of fixed assets	73,635.08	61,895.08
Total	4,053,125,375.19	4,499,255,794.88

(1) Details of fixed assets

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
I. Total gross carrying amount	8,258,227,284.69	280,566,866.57	391,617,961.24	8,147,176,190.02
Including: Houses and buildings	2,834,072,418.41	153,865,431.31	190,136,516.18	2,797,801,333.54
Machinery equipment	5,066,196,353.80	73,574,369.61	161,835,174.58	4,977,935,548.83
Transportation equipment	62,603,831.89	3,983,640.96	8,609,097.47	57,978,375.43
Electronic equipment	179,590,669.15	17,652,723.27	2,708,265.08	194,535,127.34
Office equipment	14,044,244.91	11,310,093.39	10,091,660.57	15,262,677.73
Other equipment	101,719,768.53	20,179,608.03	18,237,249.41	103,662,127.15
II. Total accumulated depreciation	3,749,506,199.22	503,820,378.96	163,034,499.80	4,090,292,078.38
Including: Houses and buildings	1,017,401,150.16	105,584,989.38	64,043,929.78	1,058,942,209.76
Machinery equipment	2,482,761,712.51	348,626,014.30	68,860,548.11	2,762,527,178.70
Transportation equipment	51,572,889.06	6,605,950.64	7,795,417.90	50,383,421.80
Electronic equipment	106,203,208.35	22,397,874.96	2,126,495.63	126,474,587.68
Office equipment	9,414,674.59	6,625,925.58	6,862,748.84	9,177,851.33
Other equipment	82,152,564.55	12,984,624.10	11,345,759.54	83,791,429.11
III. Total net book value of fixed assets	4,508,721,085.47	——	——	4,056,884,111.64
Including: Houses and buildings	1,816,671,268.25	——	——	1,739,860,123.78
Machinery equipment	2,583,434,639.79	——	——	2,215,408,370.13
Transportation equipment	11,030,942.83	——	——	7,594,953.63
Electronic equipment	73,387,460.80	——	——	68,065,139.66
Office equipment	4,629,570.32	——	——	6,084,826.40
Other equipment	19,567,203.98	——	——	19,870,698.04
IV. Total provision for impairment	9,527,185.67	163,498.00	5,858,312.14	3,832,371.53
Including: Houses and buildings	3,287,237.18			3,287,237.18
Machinery equipment	5,858,312.14	163,498.00	5,858,312.14	163,498.00
Transportation equipment	370,250.00			370,250.00
Electronic equipment	5,570.35			5,570.35
Office equipment	5,816.00			5,816.00
Other equipment				
V. Total book value of fixed assets	4,499,193,899.80	——	——	4,053,051,740.11
Including: Houses and buildings	1,813,384,031.07	——	——	1,736,572,886.60
Machinery equipment	2,577,576,327.65	——	——	2,215,244,872.13
Transportation equipment	10,660,692.83	——	——	7,224,703.63
Electronic equipment	73,381,890.45	——	——	68,059,569.31
Office equipment	4,623,754.32	——	——	6,079,010.40
Other equipment	19,567,203.98	——	——	19,870,698.04

(2) Fixed assetsFixed assets temporarily idle: None.

None.

(3) Fixed assets not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Room 1508, 18 Jianguomen St, Dongcheng District, Beijing	7,515,182.32	Relevant procedures are in progress
25 / F, Building A2, Greenland Central Plaza	6,733,753.87	In preparation
32 / F, Building A2, Greenland Central Plaza	49,539,122.59	In preparation

(4) Disposal of fixed assets

Item	Closing book value	Opening book value	Reason for transferring to disposal
Fixed assets to be scrapped	73,635.08	61,895.08	Pending scrapping
Total	73,635.08	61,895.08	

25. Construction in progress

Item	Closing balance		
	Book balance	Provision for impairment	Book value
Foreign Activity Center Project Reconstruction Project	417,510,726.02		417,510,726.02
2 × 460MW "Gas for Coal" Cogeneration Project	292,961,182.97		292,961,182.97
Taishan Fishery Photovoltaic Power Generation Project	177,808,410.85		177,808,410.85
Guangdong-Hong Kong-Macao Greater Bay Area Academician Exchange Activity Center (Kaixing Building) Project	151,660,232.78		151,660,232.78
West-East LongDistance Project (Phase I)	120,211,629.07		120,211,629.07
East District Science City Planning 11th Road Central Heating Pipeline Project	24,904,413.54		24,904,413.54
Relocation of centralized heating pipes (line A1, line A2, line A4, line C1) in Henyun Road	21,001,434.53		21,001,434.53
Sino Singapore Knowledge City North Start Area Project	16,148,130.12		16,148,130.12
Pauli Zhongjun Plaza Building 6 Renovation Project	11,319,555.82		11,319,555.82
West District HengYun A, B Line Trunk Pipe (DN500) Xingang Station overhead pipeline renovation project	10,091,743.12		10,091,743.12
Sporadic engineering	38,545,498.03		38,545,498.03
Engineering materials			
Total	1,282,162,956.85		1,282,162,956.85

(Continued)

Item	Opening balance		
	Book balance	Provision for impairment	Book value
Foreign Activity Center Project Reconstruction Project	94,311,242.09		94,311,242.09
2×460MW "Gas for Coal" Cogeneration Project	281,906,936.31		281,906,936.31
West East LongDistance Project (Phase I)	39,180,557.85		39,180,557.85
East District-Science City Planning 11th Road Central Heating Pipeline Project	10,312,605.14		10,312,605.14
Sino Singapore Knowledge City North Start Area Project	46,014,872.77		46,014,872.77
Project funds for Pauli Roland project	777,103,634.09		777,103,634.09
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project	57,505,490.00		57,505,490.00
Accelerator Park overall upgrading and renovation project	21,202,456.88		21,202,456.88
Sporadic engineering	59,370,908.66		59,370,908.66
Engineering materials			
Total	1,386,908,703.79		1,386,908,703.79

(1) Changes in significant construction in progress

Project name	Budget amount	Opening balance	Increase during the year	Transfer to fixed asset in the current year	Other decrease in the current year	Closing balance
Foreign Activity Center Project Reconstruction Project	621,282,000.00	94,311,242.09	323,199,483.93			417,510,726.02
2×460MW "Gas for Coal" Cogeneration Project	2,726,760,000.00	281,906,936.31	11,054,246.66			292,961,182.97
Taishan Fishery Photovoltaic Power Generation Project	880,000,000.00		177,808,410.85			177,808,410.85
Guangdong-Hong Kong-Macao Greater Bay Area Academician Exchange Activity Center (Kaixing Building) Project	284,759,600.00		151,660,232.78			151,660,232.78
West-East LongDistance Project (Phase I)	252,000,000.00	39,180,557.85	81,031,071.22			120,211,629.07
East District-Science City Planning 11th Road Central Heating Pipeline Project	50,932,100.00	10,312,605.14	14,591,808.40			24,904,413.54
Relocation of centralized heating pipes (line A1, line A2, line A3, line C1) in Lianyun Road	38,415,300.00		21,001,434.53			21,001,434.53
Sino-Singapore Knowledge City North Start Area Project	348,023,200.00	46,014,872.77	1,928,128.26	31,794,870.91		16,148,130.12
Pauli ZhongSue Plaza Building 6 Renovation Project	23,714,103.30		13,625,725.85		2,306,170.03	11,319,555.82
West District HengYun A, B Line Trunk Pipe (DN500) Xingang Station overhead pipeline renovation project	21,845,100.00		10,091,743.12			10,091,743.12
Accelerator Park overall upgrading and renovation project	39,650,000.00	21,202,456.88	14,261,159.18		35,463,616.06	
Project funds for Pauli Roland project	764,700,500.00	777,103,634.09	8,624,855.73		785,728,489.82	
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project	149,021,900.00	57,505,490.00	5,479,835.96		62,985,325.96	
Total	6,201,103,803.30	1,327,537,795.13	834,358,136.47	31,794,870.91	886,483,601.87	1,243,617,458.82

(Continued)

Project name	Ratio of cumulative investment in project to budget amount (%)	Project progress	Accumulated amount of capitalized interest	Including: Current amount of capitalized interest	Current capitalized interest rate (%)	Source of funds
Foreign Activity Center Project Reconstruction Project	67.20	69.55	4,646,163.89	4,646,163.89	2.78	Self-fund
2×460MW "Gas for Coal" Cogeneration Project	10.74	10.74				Self-fund
Taishan Fishery Photovoltaic Power Generation Project	20.23	60.00	3,716,679.68	3,716,679.68	3.80	Self-fund、Bank loan
Guangdong-Hong Kong-Macao Greater Bay Area Academician Exchange Activity Center (Kaixing Building) Project	53.26	88.71	13,098,081.39	13,098,081.39	6.50	Self-fund
West-East LongDistance Project (Phase I)	47.79	50.00				Self-fund、Financial allocation
East District-Science City Planning 11th Road Central Heating Pipeline Project	48.89	48.89				Self-fund
Relocation of centralized heating pipes (line A1, line A2, line A3, line C1) in Lianyun Road	54.67	7.80				Self-fund
Sino-Singapore Knowledge City North Start Area Project	100.00	100.00				Self-fund
Pauli Zhongjun Plaza Building 6 Renovation Project	57.46	74.04				Self-fund
West District HengYun A, B Line Trunk Pipe (DN500) Xingang Station overhead pipeline renovation project	46.20	6.00				Self-fund
Accelerator Park overall upgrading and renovation project	78.84	100.00				Self-fund
Project funds for Pauli Roland project	102.75	100.00	21,028,026.82	8,624,856.78	4.90	Self-fund、Bank loan
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project	79.62	100.00	2,303,097.29	161,369.04	4.30	Self-fund、Bank loan
Total	—	—	44,792,049.07	30,247,749.73	—	

Note: (1) Other decrease in the current year of "Pauli Zhongjun Plaza Building 6 Renovation Project" was the reclassification to long-term prepaid expenses.

(2) Other decrease in the current year of "Accelerator Park overall upgrading and renovation project", "Project funds for Pauli Roland project" and "Building A2, Greenland Central Plaza" was the transfer of investment properties.

(3) Other decrease in the current year of "Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project" was the transfer of intangible assets.

(2) Provision for impairment of construction in progress

None.

(3) Engineering materials

None.

26. Intangible assets

(1) Classification of intangible assets

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Total original value	**731,256,238.93**	**322,740,279.21**	**81,752,993.53**	**972,243,524.61**
Including: Software	119,230,913.20	25,751,426.10	182,365.30	144,799,974.00
Land use rights	364,861,587.09	233,551,307.75	69,208,686.21	529,204,208.63
Patent	145,646,458.98			145,646,458.98
Trademark	34,337,700.77			34,337,700.77
Franchise rights	45,417,636.87	63,437,545.36		108,855,182.23
Transaction seat fees	9,400,000.00			9,400,000.00
Carbon emission trading quotas	12,361,942.02		12,361,942.02	
Total accumulated amortization	**174,542,261.68**	**53,255,249.26**	**24,694,398.39**	**203,103,112.55**
Including: Software	44,976,835.50	24,630,893.92	5,962.60	69,601,766.82
Land use rights	97,093,058.17	18,510,356.60	24,688,435.79	90,914,978.98
Patent	8,533,501.96	4,193,035.32		12,726,537.28
Trademark	15,793,003.00	740,297.00		16,533,300.00
Franchise rights	517,529.61	5,140,666.42		5,658,196.03
Transaction seat fees	7,628,333.44			7,628,333.44
Carbon emission trading quotas				
Provision for impairment Total	**1,374,124.91**			**1,374,124.91**
Including: Software				
Land use rights				
Patent				
Trademark				
Franchise rights				
Transaction seat fees	1,374,124.91			1,374,124.91
Carbon emission trading quotas				
Total book value	**555,339,852.34**	——	——	**767,766,287.15**
Including: Software	74,254,077.70	——	——	75,198,207.18
Land use rights	267,768,528.92	——	——	438,289,229.65
Patent	137,112,957.02	——	——	132,919,921.70
Trademark	18,544,697.77	——	——	17,804,400.77
Franchise rights	44,900,107.26	——	——	103,196,986.20
Transaction seat fees	397,541.65	——	——	397,541.65
Carbon emission trading quotas	12,361,942.02	——	——	

(2) Land use rights not obtained title certificates

None.

27. Goodwill

Investee	Closing amount	Opening balance
Guangzhou GET Construction Engineering Co., Ltd.	3,563,698.14	3,563,698.14
Guangzhou Hengyun Equity Investment Co., Ltd.	10,565,751.96	10,565,751.96
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	133,105,875.82	134,918,193.05
Beijing Leadman Biochemistry Co., Ltd.	291,754,523.09	377,286,523.09
Shanghai Shangtuo Industry Co., Ltd.	77,379,515.34	77,379,515.34
YUEKAI SECURITIES CO., LTD.	2,022,571,679.66	2,022,571,679.66
Total	2,538,941,044.01	2,626,285,361.24

(1) Original value of goodwill

Investee or items forming goodwill	Opening balance	Increase during the year	Decrease during the year	Closing balance
Guangzhou GET Construction Engineering Co., Ltd.	3,563,698.14			3,563,698.14
Guangzhou Hengyun Equity Investment Co., Ltd.	10,565,751.96			10,565,751.96
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	13,171,068.62			13,171,068.62
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	142,558,889.00			142,558,889.00
Beijing Leadman Biochemistry Co., Ltd.	377,286,523.09			377,286,523.09
Shanghai Shangtuo Industry Co., Ltd.	77,379,515.34			77,379,515.34
Premium on acquisition of Business Department	7,350,000.10			7,350,000.10
YUEKAI SECURITIES CO., LTD.	2,022,571,679.66			2,022,571,679.66
Total	2,654,447,125.91			2,654,447,125.91

(2) Provision for impairment of goodwill

Investee or items forming goodwill	Opening balance	Increase during the year	Decrease during the year	Closing balance
Guangzhou GET Construction Engineering Co., Ltd.				
Guangzhou Hengyun Equity Investment Co., Ltd.				
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	13,171,068.62			13,171,068.62
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	7,640,695.95	1,812,317.23		9,453,013.18
Beijing Leadman Biochemistry Co., Ltd.		85,532,000.00		85,532,000.00
Shanghai Shangtuo Industry Co., Ltd.				
Premium on acquisition of Business Department	7,350,000.10			7,350,000.10
YUEKAI SECURITIES CO., LTD.				
Total	28,161,764.67	87,344,317.23		115,506,081.90

28. Long-term prepayment

Item	Opening balance	Increase during the year	Amortization during the current year	Other decrease	Closing balance	Reason for other decrease
Plant Land Leveling Project	1,905,795.29		1,201,265.07		704,530.22	
Pipe network renovation project		2,262,302.64	207,377.72		2,054,924.92	
Cold storage and refrigeration equipment	4,333.39		4,333.39			
Alternative capacity compensation	60,999,388.86		4,863,720.13		56,135,668.73	
Land lease fees	12,712,109.13	475,369.03	1,270,084.20	11,520,531.94	396,862.07	Non reimbursable allocation
Registration fees	2,276,640.00	455,700.00	770,025.00		2,012,315.00	
Renovation cost	30,778,545.01	26,814,212.17	14,290,682.88		43,302,074.29	
Consulting service fees	9,756,450.17	326,400.00	3,565,079.43		6,517,770.74	
Others	4,413,916.06	13,228,609.62	3,222,322.78		14,420,202.91	
Total	122,847,177.91	43,562,593.46	29,344,890.60	11,520,531.94	125,544,348.83	

29. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities before offsetting

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
Deferred tax assets				
Employee benefits payable	60,615,148.33	242,460,593.32	35,028,446.65	140,073,786.62
Provision for impairment of assets	34,498,525.19	170,876,778.34	18,915,465.13	111,490,518.89
Investment income related to equity not derecognized	36,600,211.58	146,400,846.32	36,600,211.58	146,400,846.32
Provision for impairment of buyback of the financial assets sold	20,318,644.80	81,274,579.19	13,086,857.19	76,347,478.74
Government grants	2,425,166.40	16,167,776.02	2,487,350.15	16,582,334.38
Deductible losses	34,255,498.22	158,049,956.02	23,731,470.51	115,059,650.61
Change in fair value of financial assets held for trading	2,304,454.28	9,217,817.10	7,519,605.41	30,078,421.61
Guaranteed compensation reserves	10,670,625.00	42,682,500.00	10,234,025.00	40,936,100.00
Estimated profits from advances from customers	28,572,452.06	114,289,808.44	5,591,308.72	22,365,234.88
Land value added tax	77,983,085.16	311,932,340.65	41,491,818.77	165,967,275.08
Changes in fair value of other debt instruments	9,642,275.98	38,569,103.91		
Time difference of long-term equity investments	401,429,579.50	1,605,718,318.00		
Others	4,317,585.37	17,313,543.04	10,959,081.20	43,836,324.73
Total	723,633,251.87	2,954,953,960.28	211,135,640.31	909,137,921.86

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
Deferred tax liabilities				
Change in fair value of available-for-sale financial assets/ financing bonds	93,939,871.56	375,759,486.22	136,277,724.44	545,110,897.70
Change in fair value of financial assets held for trading	5,437,535.85	21,750,143.44	213,372.31	853,489.25
Construction in progress commissioning gains and losses	1,348,376.42	5,393,505.56	1,447,051.67	5,788,206.68
Change in fair value of derivative financial assets	24,267,403.83	97,069,615.32		
Appreciation of asset valuation of business combinations not under common control	127,391,526.31	818,536,725.24	137,986,296.68	880,845,852.17
Deferred income from transfer of non-monetary assets	195,545,708.63	782,182,834.52	73,308,157.02	293,232,628.08
Interest income from related party borrowings	33,284,318.72	133,137,274.88	63,027,169.08	252,108,676.32
Others	7,825,384.42	31,301,537.69	327,283.64	1,309,134.54
Total	**489,040,125.74**	**2,265,131,122.87**	**412,587,054.84**	**1,979,248,884.74**

30. Other non-current assets

Item	Closing balance	Opening balance
Prepaid engineering, equipment, land funds	1,016,008,357.15	31,645,785.31
Public welfare state-owned assets (houses and buildings)	1,388,255,710.10	1,348,181,520.88
Trust financing, bank financing		60,000,000.00
Debt assets	2,611,803.21	2,611,803.21
Prepaid equity	585,506,283.23	585,506,283.23
Capital borrowing	360,000,000.00	360,000,000.00
Property maintenance funds	265,811.27	367,356.21
Intelligent Property Management System	1,590,092.08	
Total	3,354,238,057.04	2,388,312,748.84

31. Details of provision for impairment of assets

Item	Opening balance	Increase during the year		Decrease during the year				Closing balance
		Accrued in the current year	Increase in consolidation	Asset value rebounded back	Write-off amount	Other decrease	Decrease in consolidation	
Provision for bad debt of accounts receivable	86,159,382.79	131,489,015.19	640,891.25					218,289,289.23
Provision for bad debt of other receivables	4,862,875.44	1,122,550.48	66,266.24		321,048.82			5,730,643.34
Provision for impairment of notes receivable	3,560,000.00	-3,560,000.00						
Provision for decline in value of inventories	7,021,437.36	1,074,466.99			6,518,734.82			1,577,169.53
Provision for impairment of other debt instruments	25,722,339.97	18,146,099.35			187,446.37			43,680,992.95
Provision for impairment of fixed assets	9,527,185.67	163,498.00			5,858,312.14			3,832,371.53
Provision for impairment of intangible assets	1,374,124.91							1,374,124.91
Provision for impairment of investment properties		9,289,324.94						9,289,324.94
Provision for impairment of available-for-sale financial assets	3,187,411.05	2,210,224.89						5,397,635.94
Provision for bad debt of buyback of the financial assets sold	76,347,428.74	4,927,150.45						81,274,579.19
Provision for impairment of goodwill	28,161,764.67	87,344,317.23						115,506,081.90
Provision for impairment of long-term equity investments	1,668,033.93				668,033.93			1,000,000.00
Other current assets-provision for bad debt of financing funds	2,644,823.79	3,223,823.89						5,868,647.68
Total	250,236,808.32	255,430,471.41	707,157.49		13,553,576.08			492,820,861.14

32. Short-term borrowings

(1) Classification of short-term borrowings

Categories of loans	Closing balance	Opening balance
Mortgage loans	39,043,791.67	48,199,194.44
Guaranteed loans	550,000,000.00	1,040,000,000.00
Credit loans	6,945,383,532.86	8,754,836,611.98
Total	**7,534,427,324.53**	**9,843,035,806.42**

(2) Details of outstanding short-term borrowings overdue: None.

None.

33. Financial liabilities at fair value through profit or loss

Item	Closing fair value	Opening fair value
Financial liabilities held for trading		
Including: Trading bonds issued		
Financial liabilities designated as at fair value through current profit or loss	221,702,132.00	26,948,576.00
Others		
Total	**221,702,132.00**	**26,948,576.00**

34. Notes payable

Categories	Closing balance	Opening balance
Commercial acceptance bills	10,845,341.68	
Bank acceptance bills	3,189,447.77	1,960,518.00
Total	14,034,789.45	1,960,518.00

35. Accounts payable

(1) Aging of accounts payable

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	726,609,926.87	465,109,060.91
1-2 years (including 2 years)	78,224,380.42	26,663,104.95
2-3 years (including 3 years)	15,503,708.25	5,932,628.71
Over 3 years	19,507,071.11	353,185,741.96
Total	839,845,086.65	850,890,536.53

(2) Significant accounts payable aged over 1 year

Name of creditor	Closing balance	Reason for non-payment
Guangzhou Jinrui Real Estate Co., Ltd.	17,388,354.09	Unsettled
Guangdong Honghui Construction Group Co., Ltd.	11,454,811.46	Unsettled
GUANGDONG DIANBAI ERJIAN GROUP CO., LTD.	7,807,227.83	Unsettled
Guangxi Construction Engineering Group Metallurgical Construction Co., Ltd.	7,738,919.71	Unsettled
Zhuzhou AECC PST Nanfang Gas Turbine Co., Ltd.	6,180,584.71	Unsettled
Liaoning Zhongyu Construction (Group) Co., Ltd.	4,103,491.04	Unsettled
Guangzhou Electric Power Engineering Co., Ltd.	2,990,873.04	Unsettled
Guangdong Sijilingshan Garden Construction Co., Ltd.	2,401,365.33	Unsettled
Guangzhou Liteng Intelligent Technology Co., Ltd.	2,394,598.51	Unsettled
Guangdong Chengshan Construction Co., Ltd.	2,202,440.73	Unsettled
Total	64,662,666.45	--

36. Advances from customers

(1) Aging of advances from customers

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	12,043,044.31	236,964,346.60
Over 1 year	236,356,729.53	21,602,953.17
Total	248,399,773.84	258,567,299.77

(2) Significant advances from customers aged over 1 year

Name of creditor	Closing balance	Reasons for non-carryforward
Guangzhou Haihui Technology Innovation Venture Capital Partnership (Limited Partnership)	206,383,846.30	Control not transferred
Guangzhou Intelligent Equipment Research Institute Co., Ltd.	11,422,033.97	Prepaid rent
Guangzhou Huangpu District People's Government Suidong Street Office	4,517,355.88	Unsettled
Tsinghua Pearl River Delta Research Institute	4,023,214.75	Prepaid rent
Total	226,346,450.90	

37. Contract liabilities (New revenue standard applies)

Item	Closing balance	Opening balance
Within 1 year (including 1 year)	266,866,835.10	134,908,810.51
Over 1 year	11,650,673.84	9,709,600.00
Total	278,517,508.94	144,618,410.51

(1) Contract liabilities aged over 1 year

None.

38. Sale of the financial liabilities bought back

(1) Details-by business type

Item	Closing balance	Opening balance
Bond pledge positive repurchase	2,312,964,028.36	3,528,394,910.50
Bond buyout positive repurchase	242,195,374.32	567,251,754.97
Total	2,555,159,402.68	4,095,646,665.47

(2) Details-by categories of financial assets

Item	Closing balance	Opening balance
Bonds	2,555,159,402.68	4,095,646,665.47
Including: Financial bonds	595,821,436.79	1,919,382,610.28
Corporate bonds	1,959,337,965.89	2,176,264,055.19
Total	2,555,159,402.68	4,095,646,665.47

(3) Details of collateral

Item	Closing book value	Opening book value
Bonds	2,915,216,644.00	4,624,643,449.81
Total	2,915,216,644.00	4,624,643,449.81

39. Funds for securities trading

Item	Closing balance	Opening balance
General brokerage business	4,151,469,700.83	3,746,621,431.52
Including: Individual	3,934,607,657.39	3,476,965,675.64
Institution	216,862,043.44	269,655,755.88
Subtotal	4,151,469,700.83	3,746,621,431.52
Credit business	415,294,693.06	290,771,098.45
Including: Individual	402,218,757.10	272,925,090.18
Institution	13,075,935.96	17,846,008.27
Subtotal	415,294,693.06	290,771,098.45
Individual stock options business	15,800,839.24	11,474,558.01
Including: Individual	14,201,531.54	11,474,474.73
Institution	1,599,307.70	83.28
Subtotal	15,800,839.24	11,474,558.01
Total	4,582,565,233.13	4,048,867,087.98

40. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Short-term remuneration	191,681,114.42	1,170,136,565.85	1,013,277,655.81	348,540,024.46
Post-employment benefits-defined contribution plan	5,605,409.42	36,752,686.33	37,143,143.82	5,214,951.93
Termination benefits	368,072.08	2,060,606.52	2,428,678.60	
Others		690,000.00		690,000.00
Total	197,654,595.92	1,209,639,858.70	1,052,849,478.23	354,444,976.39

(2) Short-term remuneration

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Salaries, bonus, allowances and subsidies	185,874,277.75	1,017,010,306.36	860,545,836.46	342,338,747.65
Staff welfare	1,612,703.60	32,473,565.81	33,045,160.49	1,041,108.92
Social security	386,274.27	36,138,756.42	36,211,518.87	313,511.82
Including: Medical Insurance	344,363.20	32,846,159.18	32,895,176.07	295,346.31
Work injury insurance	12,807.06	144,275.92	154,270.23	2,812.75
Maternity insurance	29,104.01	3,148,321.32	3,162,072.57	15,352.76
Housing funds	222,353.68	64,365,757.96	64,140,206.96	447,904.68
Labor union operating funds and employee education costs	3,585,505.12	16,836,225.21	16,022,978.94	4,398,751.39
Other short-term remuneration		3,311,954.09	3,311,954.09	
Total	191,681,114.42	1,170,136,565.86	1,013,277,655.81	348,540,024.46

(3) Defined contribution plan

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Basic pension insurance	493,884.28	11,030,497.48	11,406,776.25	172,605.51
Unemployment insurance	37,713.82	331,022.35	357,498.97	6,237.20
Contribution to pension fund	5,073,811.32	25,391,166.50	25,378,868.60	5,036,109.22
Total	5,605,409.42	36,752,686.33	37,143,143.82	5,214,951.93

41. Taxes payable

Item	Opening balance	Payable in current year	Paid in current year	Closing balance
VAT	48,179,242.44	374,536,629.92	336,540,949.89	86,174,922.47
Income tax on transfer of property of restricted shares	3,709,426.16	16,907,510.26	19,518,204.35	1,098,732.07
Land value-added tax	167,369,405.24	170,956,697.12	24,895,563.32	313,430,539.04
Corporate income tax	115,186,298.65	608,851,763.45	471,456,787.82	252,581,274.28
Urban maintenance and construction tax	3,111,036.21	23,403,307.02	22,103,578.64	4,410,764.59
Property tax	3,995,719.64	54,087,498.75	51,797,798.96	6,285,419.43
Land use tax	559.11	3,823,428.79	3,758,153.27	65,834.63
Individual income tax	6,095,862.34	64,614,576.82	61,917,696.45	8,792,742.71
Education surtax	2,260,166.02	17,082,679.46	16,211,586.48	3,131,259.00
Customer interest tax withholding	95,733.93	259,283.90	345,385.10	9,632.73
Deed tax		136,788,406.57	133,898,515.56	2,889,891.01
Withholding of taxes in lieu of payment (VAT)	14,016.81	2,412,385.24	2,413,196.03	13,206.02
Others	1,883,210.69	27,097,515.52	26,435,939.11	2,544,787.10
Total	**351,900,677.24**	**1,500,821,482.82**	**1,171,293,154.98**	**681,429,005.08**

42. Other payables

Item	Closing balance	Opening balance
Interest payable	320,679,535.10	207,348,510.83
Dividends payable	71,554,034.01	18,669,841.85
Other payables	929,140,282.75	2,110,485,471.31
Total	**1,321,373,851.86**	**2,331,503,823.99**

(1) Interest payable

1) Classification of interest payable

Item	Closing balance	Opening balance
Interest payable on bonds	260,181,781.02	138,796,915.42
Interest on short-term borrowings	26,405,540.34	11,352,035.34
Interest on long term borrowings	33,466,230.81	15,753,816.71
Interest on customer deposits	625,982.93	625,982.93
Interest payable on finance lease		35,820,760.43
Total	**320,679,535.10**	**207,348,510.83**

2) Significant overdue and unpaid interest

Creditor	Overdue amount	Reason for overdue
Client	625,982.93	Due to the lack of bank account information in the early days when customer funds were not held in tri-party custody, a request from the customer was required for payment.
Total	625,982.93	

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends on ordinary shares	71,554,034.01	18,669,841.85
Total	71,554,034.01	18,669,841.85

Dividends payable unpaid for over 1 year: None.

(3) Other payables

1) Other payables classified by nature of payment

Nature of payment	Closing balance	Opening balance
Lease deposit, deposits	246,954,116.44	192,939,045.75
Unit contacts	234,764,662.14	179,785,246.72
Agency funds	12,160,102.25	11,825,160.26
Accrued costs	4,835,870.81	3,295,725.17
Project funds	8,629.74	21,204,602.50
Financial funds	388,629,662.06	389,294,382.77
Employee reimbursements	376,321.21	304,403.00
Purchase price and related taxes		1,274,020,964.60
Others	41,410,918.30	37,815,940.54
Total	929,140,282.75	2,110,485,471.31

2) Significant other payables aged over 1 year

Name of unit	Closing balance	Reason for non-payment
Finance Bureau of Guangzhou Economic and Technological Development Zone	320,580,496.95	Financial funds, collection and payment in lieu
Guangzhou Liding GET Venture Capital Partnership (Limited Partnership)	80,300,030.34	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Science Bank Preparation Group	77,209,975.77	Financial funds, projects not completed
Guangzhou Finance Bureau	21,581,617.06	Unsettled
Guangzhou Yuanshengde Municipal Service Co., Ltd.	16,531,822.43	Related intercourse funds
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	15,885,963.71	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Guangzhou Jingkang Investment Partnership (Limited Partnership)	7,860,000.00	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Wang Yixing	5,217,750.00	Restricted share repurchase obligations not settled
Guangzhou Detong GET Venture Capital Limited Partnership	4,046,196.00	The dividends received are first included in other payables, and it is not clear whether they are used as income or as principal
Total	508,333,852.36	

43. Non current liabilities due within 1 year

Item	Closing balance	Opening balance
Long-term borrowings due within 1 year	914,818,182.75	1,617,175,547.21
Bonds payable due within 1 year		637,929,852.35
Long term payables due within 1 year	120,762,448.04	444,987,273.71
Total	1,035,580,630.79	2,690,092,678.27

44. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Deposits received	4,716,589.70	3,916,589.70
Short-term bonds payable	800,000,000.00	
Output tax to be transferred	42,871,438.88	39,786,727.93
Accrued costs	2,599,912.74	4,117,281.04
Short-term financing funds payable	201,914,114.52	153,482,189.57
Total	1,052,102,055.84	201,302,788.24

(2) Details of short-term bonds payable

Bond name	Face value	Issuing date	Bond period	Issued amount	Opening balance
20 Hengyun SCP001 Ultra-short term financing bond	400,000,000.00	2020-4-22	270 days	400,000,000.00	
20 Hengyun SCP002 Ultra-short-term financing bond	400,000,000.00	2020-5-8	270 days	400,000,000.00	
Total	800,000,000.00			800,000,000.00	

(Continued)

Bond name	Issued during the year	Interest accrued at face value	Amortization	Repaid during the year	Closing balance
20 Hengyun SCP001 Ultra-short term financing bond	400,000,000.00				400,000,000.00
20 Hengyun SCP002 Ultra-short term financing bond	400,000,000.00				400,000,000.00
Total	800,000,000.00				800,000,000.00

45. Long-term borrowings

Categories of loans	Closing balance	Opening balance
Pledged loans	807,719,961.98	719,421,569.79
Mortgage loans	222,850,785.01	222,565,372.17
Guaranteed loans	3,564,315,653.60	3,046,723,906.49
Credit loans	12,067,695,980.79	3,397,022,847.36
Total	**16,662,582,381.38**	**7,385,733,695.81**

46. Bonds payable

(1) Classification of bonds payable

Item	Closing balance	Opening balance
Corporate bonds	16,566,126,932.74	8,529,228,537.97
Medium term notes	4,493,785,474.25	4,492,273,010.42
ABS intellectual property securitization	148,338,289.03	263,745,994.43
Total	21,208,250,696.02	13,285,247,542.82

(2) Changes in bonds payable (excluding other financial instruments such as preferred stocksclassified as financial liabilities, perpetual bonds, etc.)

Bond name	Total face value	Issuing date	Bond period	Issued amount	Opening balance	Issued during the year
18 Guangzhou Development 01	1,500,000,000.00	2018-7-23	5 years	1,500,000,000.00	1,497,260,014.94	
18 Guangzhou Development 02	3,500,000,000.00	2018-7-23	3+2 years	3,500,000,000.00	3,493,612,912.71	
19 Guangzhou Financial Holdings MTN001	3,000,000,000.00	2019-10-21	3+2 years	3,000,000,000.00	2,994,860,750.03	
19 Guangzhou Financial Holdings MTN002	1,500,000,000.00	2019-11-1	3+2 years	1,500,000,000.00	1,497,412,260.33	
20 Guangzhou Development 01	2,000,000,000.00	2020-4-15	3+2 years	2,000,000,000.00		2,000,000,000.00
20 Guangzhou Development 03	1,000,000,000.00	2020-5-6	3+2 years	1,000,000,000.00		1,000,000,000.00
20 Guangzhou Development 04	2,000,000,000.00	2020-6-19	3+2 years	2,000,000,000.00		2,000,000,000.00
USD 500 million 3-year bond in 2020	3,267,750,000.00	2020-12-16	3 years	3,267,750,000.00		3,267,750,000.00
ABS intellectual property securitization	301,000,000.00	2019-9-11	No more than 5 years	285,950,000.00	263,745,999.43	
USD 500,000,000 3.75% guaranteed bond due 2022 from Guangkai International Investment Holding Co., Ltd.	3,488,100,000.00	2019-7-18	3 years	3,488,100,000.00	3,538,355,605.32	
Total	21,556,850,000.00	—	—	21,541,800,000.00	13,285,247,542.82	8,267,750,000.00

(Continued)

Bond name	Interest accrued at face value	Amortization	Repaid during the year	Other changes	Closing balance
18 Guangzhou Development 01		746,099.56			1,498,006,114.50
18 Guangzhou Development 02		1,741,263.08			3,495,354,175.79
19 Guangzhou Financial Holdings MTN001		1,008,665.04			2,995,869,415.07

Bond name	Interest accrued at face value	Amortization	Repaid during the year	Other changes	Closing balance
19 Guangzhou Financial Holdings MTN002		503,798.79			1,497,916,059.18
20 Guangzhou Development 02					2,000,000,000.00
20 Guangzhou Development 03					1,000,000,000.00
20 Guangzhou Development 04					2,000,000,000.00
USD 500 million 3-year bond in 2020				-5,300,000.00	3,262,450,000.00
ABS intellectual property securitization	9,156,850.62	1,406,218.78	125,970,779.80		148,338,289.03
USD 500,000,000 3.75% guaranteed bond due 2022 from Guangkai International Investment Holding Co., Ltd.	127,710,364.72	1,447,659.91	357,197,187.50		3,310,316,642.45
Total	136,867,215.34	6,853,905.16	483,167,967.30	-5,300,000.00	21,208,250,696.02

Note: (1) The Company's public issuance of corporate bonds of no more than RMB 5 billion to QFII in 2018 (hereinafter referred to as "the bonds") has been approved by CSRC's (China Securities Regulatory Commission) license [2018] No. 981. The total scale of bond issuance in this year is no more than RMB 5 billion, the basic scale is RMB 1 billion, and the over allotment is no more than RMB 4 billion (including RMB 4 billion) . On July 17th, 2018, Guangfa Securities Co., Ltd., the issuer and the lead underwriter, made bookkeeping and filing to the QFII offline. This year's bonds are divided into two types, one is a five-year period, and the other is a five-year periodwith the issuer's option to adjust the coupon rate at the end of the third interest year and the investor's option to sell back. According to the results of bookkeeping and filing, through full consultation and prudent judgment of the issuer and the lead underwriter, the coupon rate of bond type I and type II in this year is finally determined to be 4.95% and 4.75% respectively.

(2) Two medium-term notes were issued in 2019. The Company issued the 2019 1st Medium-term notes on October 21st, 2019. The value date is October 23rd, 2019, with a term of 3 + 2 years. The payment date is October 23rd, 2024, with a total issue amount of RMB 3 billion and an issue interest rate of 3.98%.

The Company issued the 2019 2nd Medium-term notes on November 1st, 2019. The value date is November 5th, 2019, with a term of 3 + 2 years. The payment date is November5th, 2024, with a total issue amount of RMB 1.5 billion and an issue interest rate of 3.95%.The Company has the right to decide to adjust the coupon rate of 2 years after the medium-term notes of this year at the end of the third year of its duration. The adjusted coupon rate is the basis point for the increase or decrease of the coupon rate of 3 years before the medium-term notes of this year plus or minus the issuer.

(3) Four corporate bonds were issued in 2020.On April 15th, 2020, The Company issued the Phase I of the epidemic prevention and control bonds in a private offering. This year's bond is divided into two types: type I is referred to as "20 Guangzhou Development 01", with a term of 3+2 years and an issue amount of RMB 2 billion, with a coupon rate of 3.16%, with the issuer's option to adjust the coupon rate at the end of the third year and the investor's option to sell back, and type II is not issued.

On May 6th, 2020, The Company issued the Phase II of the corporate bonds in a private offering, which is referred to as "20 Guangzhou Development 03", with a term of 3+2 years and an issue amount of RMB 1 billion, with a coupon rate of 3.09%, with the issuer's option to adjust the coupon rate at the end of the third year and the investor's option to sell back, and type II is not issued.

On June 19th, 2020, The Company issued the Phase III of the epidemic prevention and control bonds in a private offering. This year's bond is divided into two types: type I is referred to as "20 Guangzhou Development 04", with a term of 3+2 years and an issue amount of RMB 2 billion, with a coupon rate of 3.85%, with the issuer's option to adjust the coupon rate at the end of the third year and the investor's option to sell back, and type II is not issued.

On December 16th, 2020, The Company issued U.S. foreign debt with ISIN code XS2238558659, a term of 3 years, an issue amount of USD 500 million, an exchange rate of 6.5355 on that day, and a coupon rate of 2.60%.

(4) Other decrease of "USD 500 million 3-year bond in 2020" was due to year-end exchange rate changes.

47. Long-term payables

Item	Closing balance	Opening balance
Long-term payables	1,139,595,106.75	2,975,147,817.20
Special payables	10,478.80	1,108,897.87
Total	1,139,605,585.55	2,976,256,715.07

(1) The top five long-term payables

Item	Closing balance	Opening balance
Total	1,139,595,106.75	2,975,147,817.20
Including: 1. Financing lease funds payable		
2.Sale and leaseback payments	1,023,168,850.46	3,887,044,707.18
Less: Unrecognized financing expenses	143,230,857.82	672,605,326.28
Less: Part due within 1 year	120,762,448.04	436,687,278.71
3.Others	380,419,562.15	197,395,715.01

(2) The top five special payables

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Total	1,108,897.87	464,419.15	1,562,838.22	10,478.80
Including:				
Special project of replacing business tax with value added tax	385,647.45		385,647.45	
Special project of One Touch	78,771.70		78,771.70	
Special project of tax collection and management system reform	633,999.92	464,419.15	1,098,419.07	
Others	10,478.80			10,478.80

48. Provisions

Item	Closing balance	Opening balance
Excess losses		40,587.25
Pending litigation	1,107,298.44	1,057,298.44
Others	343,442.73	
Total	1,450,741.17	1,097,885.69

49. Deferred income

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Government grants	196,823,100.77	73,435,344.08	25,207,229.06	245,051,215.79
Rental fees	718,584.07		153,982.32	564,601.75
R&D funds	12,304,079.17	937,683.78	5,340,797.55	7,900,965.40
Total	209,845,764.01	74,373,027.86	30,702,008.93	253,516,782.94

Government grants:

Categories of government grants	Opening balance	Amount of newly subsidy for the year	Amount included in other income for the year	Amount included in non-operating revenue for the year	Other changes	Closing balance	Related to assets/income
OLED project financial discount		46,733,520.22				46,733,520.22	Related to income
Guarantee risk compensation subsidy	27,803,900.00					27,803,900.00	Related to income
New financial corporations		25,000,000.00	208,333.00			24,791,667.00	Related to income
Thematic funding for post-incentive awards for integrated upgrades to units #8 and #9	26,540,027.09		2,137,451.84			24,402,575.25	Related to assets
X53 project discount	16,582,334.38		414,558.36			16,167,776.02	Related to assets
Compensation for circular economy	15,881,250.00		825,000.00			15,056,250.00	Related to assets
Special energy saving project of heating transformation	15,803,250.17		1,344,957.48			14,458,292.69	Related to assets
Subsidies for technical transformation project of boiler denitration	13,484,062.67		851,625.04			12,632,437.63	Related to assets
West to east long-distance heating pipeline	12,500,000.00					12,500,000.00	Related to assets
Subsidies for technical transformation project of boiler denitration	11,796,624.63		769,345.08			11,027,279.55	Related to assets
Special funds for ultra clean emission transformation for #8, 9 Furnace	9,458,759.97		760,120.04			8,698,639.93	Related to assets
Special investment in the central budget of ecological civilization construction in 2019	4,982,038.55		237,919.50			4,744,119.05	Related to assets
Chemiluminescence project	3,745,768.47		231,817.56			3,513,950.91	Related to assets
#8, 9 Furnace Integrated Upgrade Special Funding Grant	3,701,850.76		284,286.24			3,417,564.52	Related to assets
Others	34,543,234.58	1,701,823.86	8,863,945.98	1,074,172.08	-7,203,696.85	19,103,243.02	
Total	196,823,100.77	73,435,344.08	16,929,360.12	1,074,172.08	-7,203,696.86	245,051,215.79	

50. Other non-current liabilities

Item	Closing balance	Opening balance
Unexpired liabilities reserves	7,277,951.06	18,787,396.56
Guaranteed compensation reserves	54,149,000.00	47,586,856.21
Output tax to be transferred	8,392,432.11	
Property maintenance fund	265,811.27	
Total	70,085,194.44	66,374,252.77

51. Paid-in capital

Investor	Opening balance		Increase during the year	Decrease during the year	Closing balance	
	Investment amount	Ratio (%)			Investment amount	Ratio (%)
Guangzhou Economic and Technological Development Zone Management Committee	10,363,233,809.64	100.00			10,363,233,809.64	100.00
Total	10,363,233,809.64	100.00			10,363,233,809.64	100.00

52. Other equity instruments

Financial instruments issued	Closing		Increase during the year		Decrease during the year		Opening	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value
Renewable corporate bonds issued by Guangzhou Development District Holdings Group Co., Ltd. (Phase I) (Type 1)			10,000,000.00	999,341,132.07			10,000,000.00	999,341,132.07
Renewable corporate bonds issued by Guangzhou Development District Holdings Group Co., Ltd. (Phase II) (Type 1)			10,000,000.00	999,307,169.81			10,000,000.00	999,307,169.81
Renewable corporate bonds issued by Guangzhou Development District Holdings Group Co., Ltd. (Phase III)			20,000,000.00	1,998,609,132.08			20,000,000.00	1,998,609,132.08
Bowaban-BananDingsheng No. 5 Pooled Fund Trust Plan Renewable Bond Investment				409,000,000.00				409,000,000.00
Renewable corporate bonds issued by Guangzhou Development District Holdings Group Co., Ltd. (Phase IV)			10,000,000.00	999,284,528.30			10,000,000.00	999,284,528.30
Total			50,000,000.00	5,405,541,962.26			50,000,000.00	5,405,541,962.26

Note: 1. The Company's public issuance of renewable corporate bonds of no more than RMB 5 billion (including RMB 5 billion) to QFII in 2020 (hereinafter referred to as "the renewable bonds") has been approved by CSRC's (China Securities Regulatory Commission) license [2020] No. 2597. The renewable bonds will be issued in phases and the total issue size is no more than RMB 5 billion, and will be publicly issued by way of offline inquiry and placement for professional investors, with an issue price of RMB 100 each. On November 18th, 2020, The Company issued the Phase I of the renewable corporate bonds. This year's renewable bond is divided into two types: type I is referred to as "20 Guangzhou Development Y1", with a term of 2+N years and an issue amount of RMB 1 billion, with a coupon rate of 4.79%, and type II is not issued; On December 14th, 2020, The Company issued the Phase II of the renewable corporate bonds. This year's renewable bond is divided into two types: type I is referred to as "20 Guangzhou Development Y3", with a term of 2+N years and an issue amount of RMB 1 billion, with a coupon rate of 4.90%, and type II is not issued; On December 23rd, 2020, The Company issued the Phase III of the renewable corporate bonds, which is referred to as "20 Guangzhou Development Y5", with a term of 1+N years and an issue amount of RMB 2 billion, with a coupon rate of 4.70%; On December 30th, 2020, The Company issued the Phase IV of the renewable corporate bonds, which is referred to as "20 Guangzhou Development Y6", with a term of 1+N years and an issue amount of RMB 1 billion, with a coupon rate of 4.28%; At the end of each repricing cycle, an issuer renewal option is attached.

2. On December 28th, 2020, The Company and HWABAO TRUST CO., LTD. (hereinafter referred to as "HWABAO TRUST") entered into the "Hwabao - BaoanDingshengNo. 5 Pooled Fund Trust Plan Renewable Bond Investment Agreement. The agreement stipulates that the principal amount of the investment funds is expected to be no more than RMB 1.5 billion, with an investment term of 2+N years, a trust loan of RMB 409 million this year, and a coupon rate of 5.4%.

53. Capital reserves

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Capital premiums	7,134,919,502.40	54,318,200.00	1,949,069,597.62	5,240,168,104.78
Others capital reserves	108,292,408.66	133,633,530.72	30,514,936.76	211,411,002.62
Total	7,243,211,911.06	187,951,730.72	1,979,584,534.38	5,451,579,107.40

Notes: 1. The increase in capital reserve for the year was due to:

(1) According to the "*Approval of the transfer of relevant equity interests without consideration of Guangzhou Development District Investment Group Co., Ltd., Guangzhou Development District Holdings Group Co., Ltd.*" (Sui Kai State Capital [2020] No. 34) and according to the document of Guangzhou Development Zone State-owned Assets Supervision and Administration Bureau [Sui Kai State Capital (2020) No. 20]. Guangzhou Suikai Property Investment Co., Ltd., Science City (Guangzhou) Park Investment and Operation Development Co., Ltd. and 100% equity interest in Guangzhou Economic and Technological Development Zone Hongmin Property Development Co., Ltd. were transferred to Guangzhou Kylin Development Co., Ltd., a subsidiary of the Group, without consideration, resulting in an increase in capital surplus of RMB 54,149,526.93.

(2) According to the "*Approval for the appropriation of the capital injection of Guangzhou Development District Financial Holdings Group Co., Ltd.*" (Suipu Kezhi [2020] No. 50) , agreed to allocate RMB 40,000,000.00 to Guangzhou Development District Holdings

Group Co., Ltd. for the completion of its equity investment in Saina Biotechnology (Beijing) Co., Ltd., resulting in an increase in capital reserve of RMB 40,000,000.00.

(3) Receipt of capital injection from the Development Zone Finance Bureau in accordance with Sui Kai State Capital [2020] No. 78, resulting in an increase in capital reserve of RMB 10,000,000.00.

(4) In accordance with the spirit of Sui Kai State Capital [2020] No. 119 and the equity free transfer agreement, the Development Zone Investment Group transferred its 0.01% equity interest in Bank of Communications to The Company free of charge, resulting in an increase in capital reserve of RMB 4,318,200.00.

(5) The increase in capital surplus due to changes in other interests in associates held by subsidiaries amounted to RMB 79,090,369.32.

(6) According to the approval of the final account for the completion of Phase V of the Accelerator under Suipu Finance [2017] No. 91, the original recorded amount was RMB 304,077,545.14 and the completed settlement amount was RMB 304,471,179.61, adjusting its original provisional valuation, resulting in an increase in capital reserve of RMB 393,634.47.

2. The decrease in capital reserve for the year is due to:

(1) According to the"*Approval of the transfer of relevant equity interests without consideration of* Guangzhou Development District Investment Group Co., Ltd., Guangzhou Development District Holdings Group Co., Ltd." (Sui Kai State Capital [2020] No. 34) , the transfer of 100% equity interest of Runpu Investment Co., Ltd. Guangzhou to Guangzhou Kylin Development Co., Ltd. without consideration resulting in a decrease in capital reserve of RMB 1,949,069,597.62.

(2) According to "*the Approval of the transfer of equity interests of Guangzhou Kylin Development Co., Ltd., Science City (Guangzhou) Park Investment and Operation Development Co., Ltd. and other companies without compensation*"(Sui Kai State Capital [2020] No. 20) , the transfer of 23% equity interest in Guangzhou Kylin Development Co., Ltd. to Science City (Guangzhou) Investment Group Co., Ltd. without consideration, resulting in a decrease in capital reserve of RMB 20,581,815.05.

(3) In accordance with Sui Kai State Capital [2020] No. 48, the intangible assets of the Wastewater Centre were transferred to the Science City Group Company without consideration to reduce the capital reserve by RMB 31,625.00.

(4) In accordance with Sui Kai Jin Control [2020] No. 342 "Approval of the transfer of the construction and renovation works of the Park Company to a provision asset", the "three supply and one industry" construction and renovation works were provisioned as assets, which reduced the capital of the "three supply and one industry" assets recognised in previous years. The capital reserve of the "three supplies and one industry" project was reduced by RMB 9,901,496.71.

54. Other comprehensive income

Item	Opening balance	Incurred during the year						Closing balance
		Incurred before the income tax	Less: Amount recognized in other comprehensive income in the previous period and recognized in profit and loss in current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority interests after tax	Other adjustments	
Other comprehensive income to be reclassified into profit or loss	383,311,167.84	-142,858,936.64	26,842,848.36	-34,937,350.86	-134,862,429.14	-24,081,262.37		248,448,738.70
Including: Shares of other comprehensive income that will be reclassified into profit and loss in the investee under equity method	3,493,436.45	-4,245,848.84			-4,245,848.84	-12,009,315.19		-752,412.39
Profit and loss on changes in fair value of available-for-sale financial assets	380,997,837.92	-129,876,263.02	25,804,527.74	-32,469,065.76	-123,211,725.00	-3,801,833.60		257,786,112.92
Change in fair value of other debt instruments	-9,275,098.85	-17,407,042.12	949,765.95	-4,589,202.02	-13,767,606.05	-15,376,352.56		-23,042,704.90
Provision for credit impairment on other debt instruments	8,094,992.32	8,572,217.34	88,549.67	2,120,916.92	6,362,750.75	7,106,238.98		14,457,743.07
Other comprehensive income that cannot be reclassified subsequently to profit or loss		7,317,809.91		1,829,452.48	5,488,357.43	16,322,933.33		5,488,357.43
Including: Changes in fair value of investments in other equity instruments (as applicable under the new standard)		7,317,809.91		1,829,452.48	5,488,357.43	16,322,933.33		5,488,357.43
Total other comprehensive income	383,311,167.84	-184,882,415.73	2,197,858.54	-37,706,302.56	-129,374,071.71			253,937,096.13

55. General risk provisions

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
General risk provisions	33,539,875.86	14,415,830.64		47,955,706.50
Total	33,539,875.86	14,415,830.64		47,955,706.50

56. Retained earnings

Item	Amount during the year	Amount in previous year
Closing balance in the prior year	1,008,056,498.47	1,020,307,791.20
Add: Changes in accounting policies		17,511,718.28
Opening balance in the current year	1,008,056,498.47	1,002,796,072.92
Increase during the year	135,947,176.87	69,137,831.40
Including: Transfer in of net profit attributable to owners of the parent company in the current year	174,910,074.80	68,545,282.10
Other adjustment factors	38,962,897.93	592,549.30
Decrease during the year	73,170,013.13	63,877,405.85
Including: Appropriation to surplus reserves in the current year		
Appropriation to general risk provisions in the current year	14,415,830.64	23,907,959.47
Cash dividend allocated in the current year	37,014,452.33	39,969,446.38
Transfer to capital		
Other decrease	21,739,730.16	
Closing balance in the current year	1,070,833,662.21	1,008,056,498.47

Note: 1. Increase during the year - other adjustment factors are due to the intangible assets and fixed assets of the wastewater centre transferred to the Science City Group Company without compensation by the subsidiary GET Trade in accordance with Sui Kai State Capital [2020] No. 48, the original value of the assets was RMB 72,964,997.13, and depreciation and amortization of RMB 33,970,474.20 had been provided, and the net asset value was written back to capital surplus of RMB 31,625.00 and unappropriated profit of RMB 38,962,897.93 upon the transfer.

2. The decrease in other for the year was mainly due to an associate, Guangzhou Yuexiu Financial Holding Group Co., Ltd., which sold 99.03% of the shares of Guangzhou Futures and 24.01% of the shares of Jinying Fund divested of 100% of the shares of Guangzhou Securities Co., Ltd. during the year, resulting in a decrease of RMB 185,983,049.19 and a decrease in retained earnings recognized in proportion to the shareholding of 11.6891% of other by RMB 21,739 ,730.16.

57. Total operating revenue and total operating cost

Item	Amount during the year		Amount in previous year	
	Revenue	cost	Revenue	cost
Total operating revenue and total operating cost	6,348,904,940.80	4,115,693,462.92	6,441,192,013.01	3,849,527,857.31
Including: Operating revenue and cost	5,168,884,815.44	3,727,616,281.17	5,882,011,067.09	3,653,041,851.83
Interest income and cost	559,446,053.73	240,225,693.29	308,476,085.31	141,301,389.34
Handling fees and commission income and costs	620,574,071.63	147,851,488.46	250,704,860.61	55,184,616.16

Details of operating revenue by industrial classification standard of national economy

No	Categories of Income	Amount during the year	Amount in previous year
1	General contracting	849,826.70	
2	Real estate sales	624,458,390.84	1,595,712,855.44
3	Property leases:	358,364,038.40	417,408,520.78
	Including: Shops	20,644,294.15	14,696,244.62
	Workshops	27,806,214.89	15,298,368.29
	Office buildings	268,629,174.67	328,153,336.40
	Conference rooms	6,966,750.26	
	Apartments	13,815,951.91	
	Plants	57,857.15	5,925,544.32
	Others	25,443,795.37	53,335,027.15
4	Property management services	256,034,650.68	115,667,894.29
5	Engineering management services:	7,664,322.89	4,705,267.11
	Including: Engineering services on behalf of the owner		
	Construction agency services	4,834,134.21	4,705,267.11
	Demolition and relocation services	2,830,188.68	
6	Customs declaration, loading and unloading, warehousing and cargo inspection		
7	Accommodation and catering:	5,953,568.01	12,127,896.70
	Including: Hotel accommodation	15,536.79	
	Catering	5,938,031.22	12,127,896.70
8	Commercial wholesale and retail	386,910,596.57	
9	Consulting services:	63,296,216.28	12,928,507.75
	Including: Investment promotion	56,603,773.41	
	Business consulting services	5,634,167.79	12,854,690.77
	Others	1,058,275.08	73,816.98
10	Information technology services	1,367,182.05	36,536,110.64
11	Sports, culture and entertainment		
12	Electricity production industry	2,651,736,955.86	2,919,670,929.94
	Including: Electricity	1,969,511,858.19	2,246,086,749.31
	Steam	682,225,097.67	673,584,180.63
13	Chemical raw materials and chemical products manufacturing		
14	Chemical preparations pharmacy	449,589,778.85	497,904,514.00
15	Financial industry	1,314,247,729.47	620,489,118.59
	Including: Financing guarantees	74,228,315.59	9,316,555.54
	Securities business	1,166,675,287.59	559,504,615.63
	Finance lease	73,344,126.29	51,667,947.42
16	Others	228,491,689.85	208,040,397.77
	Total	6,348,904,940.80	6,441,192,013.01

(1) Operating revenue and cost

Item	Amount during the year		Amount in previous year	
	Revenue	cost	Revenue	cost
(1) Subtotal of main businesses	4,956,456,092.67	3,689,790,694.46	5,711,482,084.21	3,600,117,549.63
(2) Subtotal of other businesses	212,428,722.77	37,825,586.71	170,528,982.88	52,924,302.20
Total	5,168,884,815.44	3,727,616,281.17	5,882,011,067.09	3,653,041,851.83

(2) Net interest income

Item	Amount during the year	Amount in previous year
Interest income	559,446,053.73	308,476,065.31
Deposits in other banks	131,055,838.96	58,535,384.73
-Including: Own funds	37,515,843.35	13,211,158.38
Including: Customer funds	93,539,995.61	45,324,226.35
- Interest income from margin trading	205,697,463.95	85,109,070.06
Buyback of the financial assets sold	56,060,499.25	61,739,196.65
Including: Interest income from stock pledge repurchase	51,831,668.61	42,643,524.75
Interest income from bond repurchase	4,228,830.64	19,095,671.90
- Interest income from other debt instruments	166,632,251.57	103,092,433.87
Interest expenses	**245,225,693.29**	**141,301,389.34**
- Interest expenseson customer funds deposits		8,670,049.27
Interest expenses on sale and repurchase	90,382,406.48	71,918,814.84
-Interest expense on transferred funds	201,560.28	1,719,444.45
Interest expenses payable on short term financing funds	10,295,762.44	5,509,041.73
Interest payable on bond expenditures	32,126,147.65	43,585,039.07
- Interest expenses payable on subordinated debts	93,389,250.02	9,899,000.00
Interest expense on securities purchased and sold by agents	18,830,566.42	
Net interest income	**314,220,360.44**	**167,174,695.97**

(3) Netincome from handling fees and commission

1) Details

Item	Amount during the year	Amount in previous year
Income from handling fees and commission	**620,574,071.63**	**250,704,860.61**
- Income from brokerage business	446,761,107.27	143,208,214.54
Including: Income from bond brokerage business	446,761,107.27	143,162,031.12
Including: Deputy securities trading business	409,877,830.16	138,108,818.67
Trading unit seat lease	14,565,143.54	3,301,194.47
Financial products distribution business	22,318,133.57	1,752,018.03
Income from other brokerage businesses		46,183.42
- Income from investment banking	83,023,567.54	50,160,782.16
Including: Securities underwriting business	65,016,037.78	36,591,981.13
Securities Sponsoring Business	1509,433.97	
Financial advisory business	16,498,095.79	13,568,801.03
- Income from asset management business	28,867,715.59	21,203,500.38
Income from fund management business	4,914,840.69	702,265.47
- Income from investment advisory business	56,692,877.08	35,292,617.57
Others	313,954.46	137,390.49
Expenses on handling fees and commission	**142,851,488.46**	**55,184,616.16**
- Expenses on brokerage business	137,348,910.93	55,156,314.28
Including: Expenses on securities brokerage business	137,348,910.93	55,156,314.28
Including: Deputy Securities Trading Business	137,348,910.93	55,156,314.28
- Expenses on investment banking	5,502,577.53	28,301.88
Including: Securities underwriting business	5,502,577.53	28,301.88
Net income from handling fees and commission	**477,722,583.17**	**195,520,244.45**
Including: Net income from financial advisory business	16,498,095.79	13,568,801.03

2) Income from financial product distribution business

Item	Amount during the year		Amount in previous year	
	Total sales	Total sales revenue	Total sales	Total sales revenue
Funds	1,477,847,364.82	22,318,133.57	441,699,375.25	1,423,078.91
Asset management plan for securities companies	17,051,285,960.00		9,663,437,000.00	
Trust, bank financing, etc.	348,610,000.00		154,500,000.00	328,939.12
Total	18,877,743,324.82	22,318,133.57	10,259,636,375.25	1,752,018.03

3) Net income from financial advisory business

Item	Amount during the year	Amount in previous year
Net income from other financial advisory businesses	16,498,095.79	13,568,801.03
Total	16,498,095.79	13,568,801.03

58. Taxes and surcharges

Item	Amount during the year	Amount in previous year
Land Value Added Tax	159,230,785.85	362,392,426.47
Property Tax	55,175,646.11	62,409,947.22
Urban Construction Tax	29,075,144.60	21,209,341.47
Education surcharge	11,078,848.98	9,833,543.15
Stamp duty	9,292,707.24	9,291,510.19
Local education surcharge	5,736,355.83	5,586,648.41
Land use tax	3,981,758.52	5,269,300.43
Vehicle use tax	55,785.46	94,560.58
Resource tax		19,252.75
Other	1,700,602.30	1,583,537.74
Total	269,327,634.89	477,630,668.41

59. Selling expenses

Item	Amount during the year	Amount in previous year
Employee benefits	37,645,001.67	42,271,737.89
Marketing and travel expenses	18,757,086.00	18,297,497.53
Depreciation and amortisation expenses	14,320,821.47	5,515,190.61
Rental fees	4,164,809.11	13,388,229.14
Agency service fees	3,526,169.93	4,093,833.28
Material consumption expenses	3,079,812.85	4,386,616.76
Business promotion expenses	2,257,411.01	2,000,077.22
Repairs and maintenance	1,767,418.33	
Transport costs	1,181,984.29	10,703,825.22
Advertising costs	1,069,774.74	718,444.64
Other	16,764,846.32	24,880,444.80
Total	104,530,195.72	126,195,836.59

Note: The change in depreciation and amortization expense and lease expense was mainly due to the purchase of equipment leased in previous years by Leadman, a subsidiary of Holdings, in the current period, resulting in an increase in depreciation expense and a decrease in amortization of lease expense for its corresponding fixed assets.

60. General and administrative expenses

Item	Amount during the year	Amount in previous year
Employee benefits	787,079,385.12	516,077,410.89
Depreciation and amortisation expenses	131,265,904.07	117,257,626.13
Rent and property management fees	102,514,706.80	45,938,370.80
Consulting and brokerage fees	38,888,645.90	23,480,392.38
Office expenses	13,083,619.93	7,086,985.92
Communication expenses	12,406,764.34	6,818,776.13
Business entertainment expenses	11,312,133.48	9,617,203.31
Travel expenses	8,703,743.45	7,746,166.42
Advertising and business promotion expenses	5,347,687.39	4,082,290.92
Utilities	4,157,803.39	3,286,826.85
Preliminary costs of new projects	3,446,549.57	6,065,755.00
Maintenance and material consumption	3,426,122.85	5,506,210.75
Vehicle usage costs	3,031,483.84	3,681,307.97
Transportation costs	2,077,540.04	2,409,988.87
Other	58,473,753.64	65,113,177.86
Total	1,185,215,853.61	823,168,490.20

61. Research & development expenses

Item	Amount during the year	Amount in previous year
Employee benefits	36,586,685.51	54,381,033.41
Depreciation and amortization expenses	11,309,860.52	8,367,708.31
Maintenance and material consumption	3,712,128.97	8,481,440.76
Other	7,611,987.83	8,091,708.13
Total	59,220,662.83	79,321,890.61

62. Financial expenses

Item	Amount during the year	Amount in previous year
Interest expenses	1,675,804,280.56	1,296,524,450.41
Less: Interest income	644,386,984.93	431,286,240.57
Add: Net exchange losses	-237,192,910.32	-17,262,133.76
Add: Other expenditures	19,471,452.57	9,991,135.39
Total	813,695,837.90	857,967,211.47

63. Other Income

Item	Amount during the year	Amount in previous year
Construction start incentives	20,000,000.00	
North Start Zone Subsidy	16,875,677.49	12,703,086.00
Mid-construction subsidy	15,000,000.00	
Rental subsidy	10,547,619.04	
#8, 9 units comprehensive upgrade after the fact incentive thematic funding	3,636,374.20	3,589,283.90
Financial subsidies for operating expenses	3,389,035.05	2,894,361.13
Subsidy for technical renovation works	3,327,301.00	3,254,711.14
Value-added tax rebate and add-on deduction	2,967,547.67	2,507,445.35
Employment stabilization subsidy	2,752,512.20	626,329.92
Emerging financial incentives for financial institutions	2,710,000.00	
Settlement incentives	1,310,865.16	859,434.98
Business Contribution Award	960,000.00	
Fee reduction incentive for small and micro enterprise financing guarantee business	454,800.00	2,178,800.00
Subsidy for photovoltaic power generation projects	414,153.17	560,692.72
Subsidy for Supporting Funds	239,289.51	35,355.75
Poly Zhongyu Plaza Pooling fund		2,960,976.42
Others	5,426,713.27	6,874,605.75
Total	**90,011,887.76**	**39,045,083.06**

64. Investment income

Source of Investment Income	Amount during the year	Amount in previous year
Gain on long-term equity investments under the equity method	706,717,582.81	291,887,762.94
Investment income arising from disposal of long-term equity investments	3,582,983.55	152,528.49
Investment income earned while holding trading financial assets (as applicable under the new standard)	20,455,913.76	15,524,374.69
Investment income earned on disposal of trading financial assets (new standard applies)	131,561,138.70	47,562,025.16
Investment gains on financial assets at fair value through profit or loss during the period in which held	1,541,745.74	
Investment income earned during the period in which an available-for-sale financial asset is held (old standard applies)	278,893,143.36	187,094,375.47
Investment income from disposal of available-for-sale financial assets (old standard applicable)	245,731,911.18	-113,353.52
Gain on disposal of other debt investments (new standard applies)	2,010,577.17	
Investment income earned on disposal of other debt investments (new standard applies)		-288,081.71
Investment income acquired on disposal of derivative financial instruments	28,653,328.80	677.91
Dividend income earned during the period in which other equity instruments are held (new standard applies)	60,820,180.78	27,175,238.92

Source of investment income	Amount during the year	Amount in previous year
Investment income from financial products	6,794,527.70	5,159,302.02
Interest income from related party borrowings	116,066,075.69	175,617,722.39
Others	30,799,103.74	1,048,362.22
Total	1,562,035,949.18	695,820,884.84

65. Income from change in fair value

Source of income from change in fair value	Amount during the year	Amount in previous year
Trading financial assets	33,063,014.08	8,564,958.21
Financial assets at fair value through profit or loss	16,660,889.18	
Derivative financial assets	97,069,535.32	
Financial liabilities at fair value through profit or loss	194,753,556.00	-26,948,576.00
Contingent consideration for business combinations not under common control	8,239,093.61	
Other	21,366.22	
Total	-39,699,657.59	-18,384,577.79

66. Impairmentloss of credit

Item	Amount during the year	Amount in previous year
Provision for bad debt	-120,886,507.39	-11,315,457.41
Impairment loss of other debt instruments	-18,116,099.35	-23,015,397.37
Provision for bad debt for financing funds	-3,273,823.89	1,110,005.32
Provision for bad debt on buyback of the financial assets sold	4,927,150.45	34,690,918.06
Provision for bad debt of financing bonds		43,414.39
Total	-147,163,581.08	-67,868,293.12

67. Impairment loss of assets

Item	Amount during the year	Amount in previous year
Provision for bad debt	8,165,058.28	-1,557,500.36
Impairment loss of investments in provision for depreciation of inventories	1,074,466.99	-6,430,100.13
Impairment loss of investments in available for sale financial assets	2,210,224.89	
Impairment losses on investment properties	-9,289,324.94	
Impairment loss of fixed assets	169,499.00	1,354,451.59
Impairment loss of goodwill	-87,344,317.23	-7,640,695.95
Total	-108,246,890.33	-14,273,844.85

68. Income from disposal of assets

Item	Amount during the year	Amount in previous year	Extraordinary profit and loss taken as amount during the year
Income from disposal of non-current assets	-1,322,728.65	43,864,687.21	-1,322,728.65
Including: Income from disposal of non current assets not classified as held for sale	-1,322,728.65	43,864,687.21	-1,322,728.65
Including: Income from disposal of fixed assets	-1,009,234.41	260,399.61	-1,009,234.41
Income from disposal of intangible assets	-313,494.24	43,604,287.60	-313,494.24
Total	-1,322,728.65	43,864,687.21	-1,322,728.65

69. Non-operating revenue

(1) Details of non-operating revenue

Item	Amount during the year	Amount in previous year	Extraordinary profit and loss taken as amount during the year
Total gains from damage and scrap of non-current assets	945,131.48	279,327.33	945,131.48
Including: Gains from damage and scrap of fixed assets	945,131.48	279,327.33	945,131.48
Government grants	21,839,462.94	75,604,511.27	21,839,462.94
Compensation and penalty income	1,152,044.39	65,250.00	1,152,044.39
Payments not required	892,343.09		892,343.09
Gain on disposal of carbon assets	30,583,194.65		30,583,194.65
Other	10,106,236.24	11,735,276.39	10,106,236.24
Total	65,518,412.79	87,684,364.99	65,518,412.79

(2) Details of government grants

Item	Amount during the year	Amount in previous year
Project Settlement Award	8,000,000.00	
Special funds for high quality development	5,200,000.00	
Financial assistance for operating expenses	4,823,761.52	2,281,943.52
Operating Contribution Award	2,770,000.00	19,480,000.00
Key projects resumption of work and production fees	440,000.00	
Policy loss subsidy		50,000,000.00
Special tax subsidy for specific enterprises		2,480,000.00
Incentive for expansion of production		636,738.00
Settlement subsidy		490,033.74
Others	605,701.42	236,296.01
Total	21,839,462.94	75,604,511.27

70. Non-operating revenue

Item	Amount during the year	Amount in previous year	Extraordinary profit and loss taken as amount during the year
Gains from damage and scrap of non-current assets	25,815,546.68	57,814,875.28	25,815,546.68
Performance-based compensation[Note 1]	47,070,000.00	13,346,750.67	47,070,000.00
External donations	16,157,342.46	6,227,687.95	16,157,342.46
Share purchase price	6,000,000.00		6,000,000.00
Liquidated damages	3,377,591.60		3,377,591.60
Arising from business combinations[Note 2]	204,750.39	66,839,283.30	204,750.39
Fines, late payment fees	138,658.43	12,732,007.81	138,658.43
Arbitration expenses	100,773.38	1,057,298.44	100,773.38
Other	9,912,364.72	593,132.05	9,912,364.72
Total	108,772,027.66	158,611,035.50	108,772,027.66

Note 1: GDD Investment Holdings Co., Ltd. and Guangzhou Value Innovation Park Industrial Investment Fund Partnership (Limited Partnership) have agreed in the capital increase agreement of Yonglong Land signed in 2019 that if Yonglong Land fails to complete the agreed performance commitment, The Company will give performance compensation to Value Innovation Park, and the performance compensation amount in 2020 is 700, 000,000 * 6.6% * 366/360 = RMB 46,970,000.00。

Note 2: On December 27th, 2019, by the Guangzhou Development District State-owned Assets Supervision and Administration Bureau, Guangzhou Huangpu District Finance Bureau and Guangzhou Development District Finance Bureau documents issued "*Approval of the Consent of Optomechanical (Guangzhou) Science and Technology Research Institute Co., Ltd. as the Successor Entity of Guangzhou Optomechanical Technology Research Institute's Conversion and Restructuring*" (Sui Kai State Capital [2019] No. 212) , The Company fully succeeded to all intangible assets, such as intellectual property rights, qualifications and qualifications, debts and liabilities and foreign investments of Guangzhou Institute of Optomechanical Technology and, pursuant to the notice of transfer of state-owned assets, took the net assets of Guangzhou Institute of Optomechanical Technology as at December 31st 2017 of RMB 58,564, 431.09 Yuan was recorded in the accounts. The Company reviewed the net assets of the Guangzhou Institute of Optomechanical Technology as at December 31st 2019 and generated a non-recurring gain or loss of RMB 66,839,283.30 as a result of the absorption and consolidation matters and a non-recurring gain or loss of RMB 204,750.39 in 2020.

71. Income tax expenses

(1) Income tax expenses

Item	Amount during the year	Amount in previous year
Current tax expenses calculated in accordance with tax laws and related regulations	665,673,136.81	365,040,731.24
Deferred tax adjustments	-395,442,248.59	-30,864,319.07
Total	**270,230,888.22**	**334,176,412.17**

(2) Accounting profit and income tax expenses adjustment process

Item	Amount during the year
Total consolidated profits for the year	1,113,562,657.15
Income tax expenses measured at statutory / applicable tax rates	278,390,664.29
Effect of different tax rates applicable to subsidiaries	20,737,156.80
Effect of adjusting income tax in prior periods	784,545.03
Effect of non taxable income	-173,641,835.94
Effect of non-deductible costs, expenses and losses	53,801,945.14
Impact of Research and Development expenses deduction	5,833,277.76
Effect of using deductible losses of deferred tax assets not recognized in the prior period	-44,423,447.95
Effect of deductible temporary differences or deductible losses of deferred tax assets not recognized in the current period	139,000,217.85
Others	1,414,920.76
Income tax expenses	**270,230,888.22**

72. Other comprehensive income attributable to owners of the parent company

(1) Details of other comprehensive income items and their income tax impacts and transfer to profit or loss

Item	Amount during the year			Amount in previous year		
	Amount before tax	Income tax	Net amount after tax	Amount before tax	Income tax	Net amount after tax
I.Other comprehensive income that cannot be reclassified into profit or loss	7,317,809.91	1,829,452.48	5,488,357.43			
1. Remeasurement of changes in net liabilities or net assets of defined benefit plans						
2. Shares in other comprehensive income that cannot be reclassified into profit or loss in the invested company under the equity method						
3. Changes in fair value of investments in other equity instruments (new standard applies)	7,317,809.91	1,829,452.48	5,488,357.43			
4. Changes in fair value of an enterprise's own credit risk (as applicable under the new standard)						
5. Other						
II.Other comprehensive income that will be reclassified into profit or loss	-178,401,289.25	-43,538,860.11	-134,862,429.14	183,167,433.76	45,782,051.39	137,385,382.37
1. Shares in other comprehensive income that will be reclassified into profit or loss in the invested company under the equity method	-4,245,848.84		-4,245,848.84	39,228.19		39,228.19
Less: Included in other comprehensive income in the previous period and transferred into profit or loss in the current period						
Subtotal	-4,245,848.84		-4,245,848.84	39,228.19		39,228.19
2. Changes in fair value of other debt investments (new standard applies)	-17,407,042.12	-4,589,202.02	-12,817,840.10	-6,690,536.31	-3,091,699.61	-3,598,836.7
Less: Transfer from prior period to profit or loss in other comprehensive income	949,765.95		949,765.95	5,676,262.14		5,676,262.14
Subtotal	-18,356,808.07	-4,589,202.02	-13,767,606.05	-12,366,798.45	-3,091,699.61	-9,275,098.84
. Gains or losses from changes in fair value of available-for-sale financial assets (as applicable under the old standard)	-129,876,263.02	-32,469,065.76	-97,407,197.26	184,701,680.94	46,175,420.23	138,526,260.71
Less: Transfer from prior period to profit or loss in other comprehensive income	34,406,036.99	8,601,509.25	25,804,527.74			
Subtotal	-164,282,300.01	-41,070,575.01	-123,211,725.00	184,701,680.94	46,175,420.23	138,526,260.71
4. Reclassification of financial assets to other comprehensive income (as applicable under the new standard)						
Less: Transfer from prior period to profit or loss in other comprehensive income						
Subtotal						
5. Gain or loss on reclassification of held-to-maturity investments to available-for-sale financial assets (as applicable under the old standard)						
Less: Transfer to profit or loss for the period charged to other comprehensive income in the previous period						
Subtotal						

Item	Amount during the year			Amount in previous year		
	Amount before tax	Income tax	Net amount after tax	Amount before tax	Income tax	Net amount after tax
6. Provision for credit impairment of other debt investments (as applicable under the new standard)	8,572,217.34	2,120,916.92	6,451,300.42	11,307,216.38	2,698,330.77	8,608,885 6
Less: Transfer from prior period to profit or loss in other comprehensive income	88,549.67		88,549.67	513,893.30		513,893.30
Subtotal	8,483,667.67	2,120,916.92	6,362,750.75	10,793,323.08	2,698,330.77	8,094,992.31
7. Cash flow hedge reserve (effective portion of cash flow hedge gains and losses)						
Less: Adjustments transferred to the amount initially recognized for the hedged item						
Transfer to profit or loss for the period previously charged to other comprehensive income						
Subtotal						
8. Translation differences on foreign currency financial statements						
Less: Transfer to profit or loss for the period previously charged to other comprehensive income						
Subtotal						
9. Other						
Less: Transfer from prior period to profit or loss in other comprehensive income						
Sub-total						
III. Total other comprehensive income	-171,083,479.34	-41,709,407.63	-129,374,071.71	183,167,433.76	45,782,051.39	137,385,382.37

73. Lease

(1) Details of finance lease

1) Finance lease lessor

Remaining lease term	Minimum lease amount
Within 1 year(including 1 year)	809,606,701.45
1-2 years (including 2 years)	665,565,620.21
2-3 years (including 3 years)	327,708,607.83
Over 3 years	44,663,082.54
Total	1,847,543,012.03

74. Consolidated cash flow statement

(1) Supplement toconsolidated cash flow statement

Item	Amount during the year	Amount in previous year
1.Adjustment from net profits to cash flows from operating activities		
Net profits	843,331,769.93	500,480,915.09
Add: Provision for impairment of assets	108,246,890.33	14,273,844.85
Impairment loss of credit	147,183,581.08	67,868,253.12
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	743,606,816.21	707,908,272.64
Amortization of intangible assets	44,203,677.46	38,125,634.78
Amortization of long-term prepaid expenses	29,344,690.60	27,251,863.06
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains listed with "-")	1,322,728.65	43,864,687.21
Losses on scrap of fixed assets (gains listed with "-")	24,870,415.20	-797,954,313.08
Losses on changes in fair values (gains listed with "-")	39,699,657.59	18,384,577.79
Financial expenses (gains listed with "-")	1,755,610,848.83	1,076,378,946.75
Investment losses (gains listed with "-")	-1,444,200,589.69	650,100,315.59
Decrease in deferred tax assets (increase listed with "-")	506,486,934.26	-59,481,592.94
Increase in deferred tax liabilities (Decrease listed with "-")	111,743,401.18	12,074,903.43
Decrease in inventories (Increase listed with "-")	-4,685,528,434.94	110,159,718.60
Decrease in operating receivables	3,921,884,007.22	-7,000,547,756.64
Increase in operating payables	3,265,223,344.09	4,069,363,649.80
Others	481,720,280.97	66,839,283.30
Net cash flow from operating activities	-3,465,316,522.79	-2,063,162,181.45
2. Significant investing and financing activities that do not involve cash receipts and disbursements		
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Finance leased fixed assets		
3. Changes in cash and cash equivalents		
Closing balance of cash	20,482,726,760.45	16,103,015,782.09
Less: Opening balance of cash	16,103,015,782.09	7,979,391,280.85
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	4,379,710,978.36	8,123,624,501.24

Note: Other for the year represents the increase in trading financial assets.

(2) Cash and cash equivalents

Item	Amount during the year	Amount in previous year
Cash	20,482,726,760.45	16,103,015,782.09
Including: Cash on hand	129,758.13	363,495.28
Cash at bank available for payment	16,400,441,943.84	15,266,690,848.29
Other monetary funds available for payment	3,384,243,473.66	348,280,271.69
Central bank deposits available for payment		
Deposits in other banks	697,911,634.87	487,681,166.83
Interbank funds		
Cash equivalents		
Including: Bond investments due within 3 months		
Closing balance of cash and cash equivalents	20,482,726,760.45	16,103,015,782.09
Including: Restricted cash and cash equivalents used by the parent company or a subsidiary of the Group	406,295,434.11	288,392,777.89

Note: The balance of cash and cash equivalents at the end of the year is net of interest receivable on bank deposits of RMB 10,585,925.79.

75. Foreign currency monetary items

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Monetary funds			38,663,515.95
Including: USD	4,741,414.14	6.5249	30,937,253.12
EUR	16,033.13	8.0250	128,665.71
GBP	9,027,134.07	0.8416	7,597,597.12
Accounts receivable			47,451.58
Including: EUR	5,912.97	8.0250	47,451.58
Prepayments			186,738.32
Including: USD	25,125.61	6.5249	163,942.09
EUR	1,899.00	8.0250	15,239.48
GBP	850.00	8.8903	7,556.76
Other receivables			32,624.50
Including: USD	5,000.00	6.5249	32,624.50
Accounts payable			13,570,759.87
Including: USD	100,349.96	6.5249	654,766.99
EUR	1,430,456.24	8.0250	11,479,411.33
JPY	22,619,900.00	0.0632	1,429,581.47
GBP	784.00	8.8903	6,970.00
ISK	24.00	1.2559	30.14
Receipts in advance			80,959.00
Including: USD	12,407.70	6.5249	80,959.00
Other payables			6,524.90
Including: USD	1,000.00	6.5249	6,524.90
Long-term borrowings			57,231,520.00
Including: HKD	68,000,000.00	0.8416	57,231,520.00
Bonds payable			6,572,766,642.45
Including: USD	1,007,335,996.33	6.5249	6,572,766,642.45

76. Assets with restrictions in titles or use rights

Item	Closing book value	Reason for restriction
Monetary funds	394,709,508.32	Investment custody funds, restricted time deposits, security deposits, special loans, judicially frozen funds
Accounts receivable	21,578,154.66	Pledges
Investment properties	2,187,853,847.96	Legal proceedings for security of action, release of pledge in progress, bank mortgage borrowing
Fixed assets	198,313,074.79	Bank mortgage loans
Long-term receivables	350,186,031.69	Loan pledge
Other non current assets	77,965,874.47	Proceedings for security of Action and release of pledge in connection with Judicial proceedings
Trading financial assets	947,677,301.55	
Including: Bonds	503,376,249.00	Transfer of transfer for buy-back business, pledge for pledged repo business
Stocks	7,988,087.00	One-year restriction on sale after transfer of board
Others	436,312,965.55	Restrictions on The Company's investments in pooled management plans and financial products because they do not have an open period or are still within the period of restricted sale commitments.
Other debt investments	2,411,840,395.00	Transfer of transfer for buy-back business and creation of pledge for pledged repo business

IX. Interest in subsidiaries

1. Structured entities included in the scope of consolidation

For details of the structured entities included in the consolidation scope of the enterprise, please refer to "Note VII. 12 Relevant information of the structured entities included in the consolidated statements".

2. Equity in structured entities not included in consolidated financial statements

(1) Basic information of structured entities not included in consolidated financial statements

On December 31st, 2020, the structural entity associated with The Company but not included in the scope of The Company's consolidated financial statements is asset management plans initiated by YUEKAI SECURITIES CO., LTD. (hereinafter referred to as " YUEKAI SECURITIES ") , a subsidiary within the scope of The Company's consolidation. The income from these structured entities, which are not included in the consolidated financial statements, consists primarily of income from holding investments directly or earning management fees through the management of these structured entities. YUEKAI SECURITIES' return on a consolidated assessment of its shareholding and its remuneration as administrator of the asset management plan are not included in the scope of consolidation due to the insignificant impact of variable returns on YUEKAI SECURITIES.

At December 31st, 2020, structured entities associated with The Company but not included in The Company's consolidated financial statements were primarily engaged in investment business. The total fiduciary assets of this structured entity asat December 31st, 2020 were RMB 1,203,027,828.34.

(2) Book value and maximum loss exposure of equity-related assets and liabilities

Item	Item presented in financial statements	Book value		Maximum loss exposure	
		Closing amount	Opening amount	Closing amount	Opening amount
Asset management plan	Trading financial assets	68,133,246.04	199,395,827.49	68,133,246.04	199,395,827.49

(3) Details of structured entities not included in the scope of the consolidated financial statements

Item	Closing amount	Opening amount
LianxunThird Board Hui 1 collective asset management plan		
LianxunTianxing capital No.1 collective asset management plan	1,718,275.77	3,097,854.64
LianxunTianxing capital No.2 collective asset management plan	620,300.66	878,245.01
LianxunTianxing capital No.3 collective asset management plan	296,718.36	281,127.78
LianxunSecurities No.1 collective asset management plan		
LianxunSecurities No.3 collective asset management plan		
LianxunSecurities No.5 collective asset management plan		
LianxunSecurities No.7 collective asset management plan		
LianxunSecurities pledge bao No. 7 collective asset management plan	81,087,944.84	187,197,800.00
Lianji No.2 collective asset management plan	4,361,153.41	7,940,790.06
Total	88,084,392.54	199,395,827.49

X. Significant commitment and contingencies

1. Significant commitment

(1) The Company, Guangzhou Development District Investment Holdings Group Co., Ltd. (hereinafter referred to as "Guangkai Investment"), and China Life Insurance Co., Ltd. (hereinafter referred to as "China Life Insurance") signed the *"Agreement of Acquisition of Trust Income of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan"* (hereinafter referred to as "Acquisition Agreement"), and the *"Difference replenishment agreement of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan"* (hereinafter referred to as the " Balance replenishment agreement"), which constitute the difference replenishment obligation and the acquisition obligation.

Zhongrong International Trust Co., Ltd. (hereinafter referred to as "Zhongrong Trust Company"), on behalf of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Scheme (hereinafter referred to as "trust plan"), participated in the establishment of industrial investment fund as a priority limited partner. For the partnership, Zhongrong Trust Company subscribed for a capital contribution of RMB 7.001 billion.

The total size of the trust plan is RMB 7.001 billion, which was initiated by Zhongrong Trust Company. China Life Insurance subscribed RMB 7 billion as a Class A beneficiary. Up to now, Zhongrong Trust Company has represented the "Partnership Capital" of the trust plan paid fund of RMB 3.001 billion

Difference replenishment obligation

The Group and Guangkai Investment and China Life Insurance signed the *"Supply Balance Agreement for Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan"*, and the agreement stipulates that Zhongrong Trust Company will transfer to China Life Insurance during any distribution period of the trust plan. The distribution of the trust income of Life Insurance failed to enable China Life to obtain sufficient current trust income for the trust unit under the trust plan during the accounting period. The contractual difference between the current trust income of the current life and the actual distribution of the trust income of the China Life Insurance period is supplemented until the China Life Insurance obtains the current trust income that can be allocated in full.

②Acquisition obligation

The Group and Guangkai Investment and China Life Insurance signed the *"Agreement of Acquisition of Trust Income of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan"*, The acquisition agreement stipulates that any accounting after the trust plan is established for 8 years, the actual principal allocated to China Life on the date of distribution is less than 20% of the historical maximum of the investment trust principal of China Life, or during the duration of the trust plan, and China Life may not receive the full amount of the current trust income available for distribution and other agreed conditions of China Life during the accounting period, China Life may initiated the delivery process when the condition of the current trust income, such as the current trust income, are allocated, and require the Group or Guangka Investment or the Group and Guangkai Investment to acquire the trust usufruct under the trust plan held by China Life Insurance.

(2) The Company signed the *"Letter of Guarantee for the First Phase Asset Support Special Plan of Guojun-Guangzhou Talent Leasing"* The Company was appointed as the guarantor of the "First Phase Asset Support Special Plan of Guojun-Guangzhou Talent Leasing", with Guangzhou Development District Talent Work Group Limited as the difference paye, In accordance with the " *Gujun-Guangzhou Talent Leasing Phase I asset support special plan difference payment agreement*", the difference payment obligation shall be paid by providing an unlimited joint and several liability guarantee to Shanghai GuotaiJunanSecurities Asset Management Co., Ltd. (the plan administrator) As at December 31st, 2020, the balance of the guarantee is RMB 504.0 million and the guarantee period is from April 25th, 2019 to February 26th, 2039.

(3) The Company's holding subsidiary, Guangzhou Hengyun Construction Investment Co., Ltd. provided mortgage loan guarantee to the purchasers of commercial properties in accordance with the practice of real estate operatio, the guarantee period is from the date of signing the loan contract between the Bank and the purchaser to the date when the mortgage of the house purchased by the purchaser is duly registered and the title deeds and real estate other rights certificates are handed over to the Bank for execution. The balance of guarantees assumed by Guangzhou Hengyun Construction Investment Co., Ltd. up to December 31st 2020 is RMB 253,800,000.

(4) Operating lease commitments

As of December 31st, 2020, the minimum future rent payable by YUEKAI SECURITIES CO., LTD., a subsidiary of The Company, under the non-cancellable operating lease agreements entered into is RMB 47,918,000 for within 1 year, RMB 40,117,400 for 1-2 years, RMB 30,385,000 for 2-3 years and above is RMB 49,156,600 and total amount is RMB 167,314,300.

(5) In 2014, Beijing Leadman Biochemistry Co., Ltd. Signed *"Amended and Restated Cooperative Business Agreement of DiaSys Diagnostic Systems (Shanghai) Co., Ltd."* with Germany DiaSys Diagnostic Systems Co., Ltd., Ms. Qian Yingying and Mr. Ding Yaoliang in the acquisition of the equity of DiaSys Systems Co. Ltd. not under common control.The DiaSys Diagnostic Systems (Shanghai) Co., Ltd. has been revised and the cooperative operation contract described in the contract stipulates the terms of the minority shareholder's compulsory sale right, namely: "Whether or not there are other contrary provisions in this contract, if the following event occurs (exit event) , Germany DiaSys Diagnostic Systems Co., Ltd., Ms, Qian Yingying and Mr. Ding Yaoliang (collectively referred to as "Exit Shareholders") have the right (but not the obligation) to require Leadman Company to purchase part or all of the shares held by the existingshareholders at the price specified in the contract at any time thereafter, The Group's equity, and it is able to send a written notice to the buyer indicating its willingness to initiate mandatory sale process, Exit event: After the lock-up period expires, the combined net profit growth of the Group and DiaSys Diagnostic Products (Shanghai) Co., Ltd. will increase to zero or negative for two consecutive years."

(6) In 2014, Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of The Company, signed a contract with Germany DiaSys Diagnostic Systems Co., Ltd. in the acquisition of the equity of DiaSysProduct Co. Ltd. not under common control. The DiaSys Diagnostic Products (Shanghai) Co., Ltd.has been revised and the cooperative operation contract described in the contract stipulates the terms of the minority shareholder's compulsory sale right, namely: "Whether or not there are other contrary provisions in this contract, if the following event occurs (exit event) , Germany DiaSys Diagnostic Systems Co., Ltd. have the right (but not the obligation) to require Leadman Company to purchase part or all of the shares held by the sellers at the price specified in the contract at any time thereafter, and it is able to send a written notice to the buyer indicating its willingness to initiate mandatory sale process, Exit event: After the lock-up period expires, the combined net profit growth of The Company and DiaSys Diagnostic Products (Shanghai) Co., Ltd. will increase to zero or negative for two consecutive years."

(7) DiaSys Diagnostic Systems (Shanghai) Co., Ltd. and DiaSys Diagnostic Products (Shanghai) Co., Ltd. reported consolidated net income growth of RMB -2,062,568.97 in 2019 and RMB -29,282,288.47 in 2020. Consolidated net income growth for fiscal year 2020 was RMB 29,282,288.47.

2. Contingencies

(1) The Company's holding subsidiary Guangzhou Suikai Property Investment Co., Ltd. ("Suikai Property Company"), which was included in the scope of consolidation in 2020, responded to the call from the higher level to quickly demolish the Yuzhu Steel Fucheng Steel Market, and Suikai Property Company implemented the negotiation and compensation for demolition and other work in the form of aggregated costs in batches. The expropriation and land formation were completed on June 13th 2019, for which Suikai Properties paid a total of RMB 28,613,321.85 for the demolition of buildings, machinery and equipment, compensation for loss of business, labour severance, attorney's fees, survey and appraisal fees, land rent and electricity for the transition period.

①On December 21st 2018, according to the resolution of the working meeting of the leadership team of Guangzhou Development District Investment Group Co., Ltd., Suikai Property Company was appointed as the main body of the demolition and compensation work of the steel market of Yuzhu Steel Fucheng and participated in the later development and construction work of the site, and the relevant demolition compensation and daily labour costs (with reference to the relevant district standards for the same period) will be borne by Suikai Property Company. Suikai Property Company will charge the demolition-related costs to profit and loss in one go.

②On June 5th 2019, the owner of the Steel Market in Yuzhu Steel Fucheng, on behalf of the First Joint Stock Economic Co-operative Society of Maogang, Yuzhu Street, Huangpu District, organised a bidding exercise for the Yuzhu Steel Fucheng site project. On the same day, Guangzhou Fuzhi Investment Co., Ltd. (" Fuzhi Company") won the tender (The Company was an associate of Suikai Property Company in FY2019 and no longer had an equity relationship with Fuzhi Company after it was included in the scope of consolidation) . Fuzhi Company and Huangpu District Yuzhu Street Maogang First Joint Stock Economic Co-operative Society signed the *"Huangpu District Maogang First Community Yuzhu Steel Fuchedng City Plot Project Cooperative Development Contract"*, which stipulates that "the relevant costs incurred by both A and B in promoting the work of the project company (including costs incurred before the signing of the agreement and costs for land formation and clearance) shall be borne by the project company upon written confirmation and agreement by both A and B."

③On June 28th 2020, Suikai Property Company and Fuzhi Company reached a "Memorandum of Understanding in relation to the costs associated with the Yuzhu Steel Fucheng Project", which confirmed that Fuzhi Company was responsible for the demolition costs paid for the preliminary demolition work of Suikai Property, the expenses of Suikai's work and the taxes and fees incurred in the process of advance payment and recovery totalling RMB 31,172,238.60. On December 30th 2019, RMB 10,000,000.00 of this amount was paid to Suikai Property Company and remains payable to Suikai Property Company in the amount of RMB 21,172,238.60. Due to the uncertainty of the estimated collectability of the remaining amount, non-operating income will be recognized when the amount is actually received.

(2) Hangzhou Bank Co. sued YUEKAI SECURITIES CO., LTD. in a contract dispute (third party: Tianjin Rongzhan Enterprise Management Co., Ltd.)

On October 29th 2020, YUEKAI SECURITIES CO., LTD. (hereinafter referred to as "YUEKAI Securities") was informed that Hangzhou Bank Co., Ltd. has filed a lawsuit against YUEKAI Securities in the Guangzhou Intermediate People's Court in a contract dispute and has taken pre-litigation property preservation measures. The Guangzhou Intermediate People's Court held the first hearing of the case on January 6th 2021, while the Guangzhou Intermediate People's Court decided to add Tianjin Rongzhan Enterprise Management Co., Ltd. as a third party and held another hearing on March 3rd 2021. At present, the Guangzhou Intermediate People's Court has not yet delivered its judgment. Due to the complexity of the dispute in this case, it is not possible to predict the subsequent development of the case and its outcome for the time being, and it is not possible to assess the impact of this case on YUEKAI Securities.

(3) YUEKAI SECURITIES CO., LTD. and LuJian in a dispute over the recognition of property rights

On January 26th 2021, the Shanghai Pudong New Area People's Court issued a ruling granting permission to auction and sell the shares of Zhejiang Hanye Co., Ltd. held by LuJian, with the proceeds to be used in priority to settle the financing principal and interest owed by Lu Jian to YUEKAI SECURITIES CO.

(4) On August 28th 2020, Sinopharm (Guangzhou) Medical Equipment Co., Ltd. (hereinafter referred to as "Sinopharm Guangzhou") sued Guangdong Dong Fang Uptodate & Special Medicines Co., Ltd. (hereinafter referred to as " Dong Fang Uptodate & Special Medicines") in a dispute over a sales and purchase contract, in which The Company was the third party. Sinopharm Guangzhou claimed that it purchased a batch of goods from Dong Fang Uptodate & Special Medicines in November 2017 with an advance payment of RMB 19.63 million and that the other party had not fulfilled its supply obligations, claiming that Dong Fang Uptodate & Special Medicines had paid the principal amount of the advance payment and interest. Dong Fang Uptodate & Special Medicines replied that due to the existence of the return of goods to Dong Fang Uptodate & Special Medicines in exchange for obligations by Beijing Leadman Biochemistry Co., Ltd., a holding subsidiary of The Company, after communication among Dong Fang Uptodate & Special Medicines, Sinopharm Guangzhou and The Company, it was agreed that The Company would provide RMB 19.63 million of goods to Dong Fang Uptodate & Special Medicines and Dong Fang Uptodate & Special Medicines would sell to Sinopharm Guangzhou Company and the goods to be supplied by The Company directly to Sinopharm Guangzhou Company. Sinopharm Guangzhou has applied to The Company for return of the goods in respect of the consignment and The Company has returned the payment to Sinopharm Guangzhou in January 2020. On November 26th 2020, the People's Court of Liwan District, Guangzhou City, Guangdong Province rendered a judgment at first instance ([2020] Y0103 Civil No. 10322), dismissing all of Sinopharm Guangzhou's claims.

On December 8th 2020, Sinopharm Guangzhou appealed against the first instance judgment to the Guangzhou Intermediate People's Court, and the second instance judgment is still pending.

On March 8th 2021, Sinopharm Guangzhou filed a lawsuit with the Beijing Daxing District People's Court, demanding The Company to return the principal amount of RMB 19.63 million which had been paid for the goods. The facts and reasons are: Sinopharm Guangzhou entered into a "Purchase Agreement" with The Company, and after purchasing products from The Company due to the return of some goods, The Company refunded RMB 19.63 million to Sinopharm Guangzhou on January 16th 2020. However, as The Company claimed in another case (the aforementioned case of Sinopharm Guangzhou v. Dong Fang Uptodate & Special Medicines) that the goods were shipped on behalf of Dong Fang Uptodate & Special Medicines, and the refund to Sinopharm Guangzhou on 16 January 2020 was a refund on behalf of Dong Fang Uptodate & Special Medicines. In relation to the disputed goods of RMB 19.63 million, Sinopharm Guangzhou argued that it had already made the corresponding payment, but The Company had not fulfilled its own obligations to deliver and refund the goods. The case has not yet been filed by the court and is currently at the speedy mediation and communication stage.

XI. Subsequent events after the balance sheet date

1. On January 22nd 2021, the State-owned Assets Supervision and Administration Bureau of Guangzhou Development District issued the Sui Kai State Capital [2021] No. 11 "Opinion of the State-owned Assets Supervision and Administration Bureau of Guangzhou Development District on the consent of Sui Kai to repay the debts of the original shareholder with the non-monetary assets of Floors 29-30 of Building E of Greenland Plaza", agreeing in principle that Guangzhou Sui Kai Property Investment Co., Ltd., a subsidiary of Development District Holdings Ltd. to repay the debts of the original shareholder, Kaitou Group, with the non-monetary assets of Floors 29-30 of Building E of Greenland Plaza, which shall be

implemented by the independent decision of Development Zone Holdings and Kaitou Group. As at the date of this report, the disposal of the material assets is still in progress.

As at the date of this report, the disposal of the material assets was completed on March 12th2021.

2. The proposed free transfer of assets of the "three supply and one industry" assets of Science City (Guangzhou) Park Investment and Operation Development Co., Ltd. (hereinafter referred to as the "Park Company")

As agreed by consensus between Development Zone Holdings and Science City Group, it is proposed that July 31st2020 shall be the base date for the transfer, and the asset appraisal report of the "three supply and one industry" assets of Development Zone Holdings Park Company and the seven sets of shop assets of Huangpu Vanke Centre in the name of Science City Group shall be used as the basis for the transfer, and the transfer shall be made in the following manner without compensation.

(1) Development Zone Holdings transferred the assets of the "three supplies and one industry" held and accounted for by the Park Company, with July 31st2020 as the base date for the transfer, and based on the results of the asset appraisal report (Joint Zhonghe Appraisal Report No. 6190 (2020)) with the base date of appraisal as 31 July 2020, the "three supplies and one industry" assets were appraised at RMB 11,018,200.00. The appraised value of the assets of the "Three Supply and One Industry" was RMB 11,018,200.00, which was transferred to the Science City Group without any compensation.

(2) The Science City Group has put under its name 7 sets of property assets of Huangpu Vanke Centre, including 7 sets of shops of Huangpu Wanteng Street, No. 4, Room 104, Room 202, Room 208, and Room 210, Room 213, Room 220, Room 225, No. 8 Wanteng Street, Huangpu District, with a total area of 488.91 m^2. The above property assets are currently in the name of Science City Group with clear title and none of them has created other rights such as mortgage. With July 31st2020 as the transfer date, the assets were transferred to the Park Company free of charge at a value of RMB 11,174,587.00 as confirmed in the asset valuation report.

The above-mentioned transfer of shops was completed on March 26th2021 by obtaining real estate right certificates.

3. The case of Beijing Leadman Biochemistry Co., Ltd., a holding subsidiary of The Company, against Sinopharm (Guangzhou) Medical Equipment Co., Ltd.

On December 29th2019, Sinopharm (Guangzhou) Medical Equipment Co., Ltd.issued a commercial promissory note in the amount of RMB 35.6 million to The Company for partial payment of the outstanding purchase price, which expired on 28 December 2020, but Sinopharm Guangzhou refused to pay the amount. The Company has filed a lawsuit with the Beijing Municipal Daxing District People's Court, which was filed on April 1st2021 and the case is pending further hearing.

XII. Related party relationships and transactions

1. Related party relationships

(1) Controlling shareholder and final controlling party

Name of controlling shareholder and final controlling party	Registered address	Nature of business	Registered capital	Proportion of ownership	Proportion of voting power (%)
Guangzhou Economic and Technological Development Zone Management	Guangzhou			100.00	100.00

(2) Subsidiaries

For details of The Company's subsidiaries, please refer to "Note VII 1 Basic information of subsidiaries included in the scope of consolidated statements".

(3) Joint ventures and associates

For details of the Group's joint ventures and associates, please refer to the relevant information disclosed in note VIII 20 Long term equity investments.

(4) Other related parties

Name of other related parties	Relationship with The Company
Chongqing Dingrui Real Estate Development Co., Ltd.	YUEKAI SECURITIES CO., LTD. shareholder Grand China Air Co., Ltd. is also a holding company of HNA Group
Guangzhou Knowledge City Investment Holding Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controlling party
Guangzhou Science City Investment Development Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controlling party
Guangzhou Zhisheng Investment Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controlling party
Hainan HNA Property Management Co., Ltd.	HNA Group's indirect shareholding companies, and YUEKAI SECURITIES CO., LTD. shareholders Grand China Air Co., Ltd. have a relationship with HNA Group.
LG Display (China) Co., Ltd.	Significant participating companies with more than 5% shareholding
ICT Academy Industrial Internet Innovation Centre (Guangdong) Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Mingluo Soft Control Information Technology Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Equity Exchange Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Zhifang Automation Technology Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou LidingHengyi Investment Co., Ltd (Limited Partnership)	Significant participating companies with more than 5% shareholding
Guangdong Huayang Environmental Protection Technology Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Development Zone State Enterprise Industrial Investment Fund Partnership (Limited Partnership)	Significant participating companies with more than 5% shareholding
Guangzhou Yuanshengde Municipal Service Co., Ltd.	Significant participating companies with more than 5% shareholding
Guangzhou Liding GEI Investment Management Co., Ltd.	Significant participating companies with more than 5% shareholding

2. Related transactions

(1) Purchase of goods

Related party	Content of related transaction	Incurred during the year	Incurred in previous period
Guangzhou Broadband Backbone Network Co., Ltd.	Provision of network services	320,629.24	97,680.00

Guangzhou Broadband Backbone Network Co., Ltd.	Network usage fee	18,867.92	20,827.08
Guangzhou Broadband Backbone Network Co., Ltd.	Equipment procurement	56,200.00	
Chongqing Dingrui Real Estate Development Co., Ltd.	Rental, Property	481,827.66	514,542.66
Hainan HNA Property Management Co., Ltd.	Rental, Property	62,410.05	67,783.31
Total		939,934.87	700,333.05

(2) Sales of goods/provision of labor services:

Related party	Content of related transaction	Incurred during the year	Incurred in previous period
Guangzhou Broadband Backbone Network Co., Ltd.	Property fees	435,559.40	150,245.68
Guangzhou Broadband Backbone Network Co., Ltd.	Consulting fee income	183,018.83	
Guangzhou Broadband Backbone Network Co., Ltd.	Interest income	540,031.69	
Guangzhou Mlong Real Estate Co., Ltd.	Operating services	56,603,773.41	
Guangzhou Mlong Real Estate Co., Ltd.	Income from occupancy of funds		7,400,099.74
Guangzhou Mlong Real Estate Development Co., Ltd.	Income from occupancy of funds		707,317.12
Guangdong Finance Trust Co., Ltd.	Brokerage transaction services business		333,731.52
Huizhou LianxunDewei Investment Partnership (Limited Partnership)	Provision of fund management services		1,240,000.01
Tibet Lianxun North Glass Venture Capital Partnership (Limited Partnership)	Provision of fund management services		185,236.79
Guangzhou GET Small Loan Co., Ltd.	Service fees, property management fee	128,893.24	121,923.13
Guangzhou Delong GET Investment Management Co., Ltd.	Service fees, property management fee	16,988.55	32,272.33
Guangzhou Liding GET Fund Management Co., Ltd.	Service fees, property management fee	39,303.11	6,839.62
LG Display (China) Co., Ltd.	Service fees, property management fee	6,588,740.89	6,618,816.51
LG Display Optical Electronic Technology (China) Co., Ltd.	Service fees, property management fee	764,387.38	946,165.34
Guangzhou Knowledge City Investment Holding Co., Ltd.	Property fees	16,796,848.93	
Guangzhou Science City Investment Development Co., Ltd.	Property fees	404,800.58	
Guangzhou Equity Trading Center Co., Ltd.	Property fees	314,173.18	
Guangzhou Financial Assets Trading Centre Co., Ltd.	Property fees	190,598.42	
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.	Property fees	60,392.49	
Guangzhou Liding GET Fund Management Co., Ltd.	Property fees	69,448.36	
Guangzhou Keith Fund Management Co., Ltd.	Property fees	18,113.16	
ICT Academy Industrial Internet Innovation Centre (Guangdong) Co., Ltd.	Property fees	406,243.86	
Guangzhou Mingluo Soft Control Information Technology Co., Ltd.	Property fees	144,699.41	
Total		83,708,008.39	17,222,788.79

(3) Details of related lease (Company as a leaser)

Name of lessee	Lease income recognized during the year	Lease income recognized in previous period
Guangzhou Broadband Backbone Network Co., Ltd	1,379,264.20	356,111.99
Guangzhou Detong GET Investment Management Co., Ltd.		74,619.05
Guangzhou Equity Exchange Co., Ltd.		904,562.14
Guangzhou GET Small Loan Co., Ltd.		475,575.69
Guangzhou Keith Fund Management Co., Ltd.	111,428.57	135,447.62
Guangzhou Liding GET Fund Management Co., Ltd.	129,390.30	20,142.86
LG Display (China) Co., Ltd.		
LG Display Optical Electronic Technology (China) Co., Ltd.	595,096.08	829,952.99
Guangzhou Zhilang Automation Technology Co., Ltd.		17,398.40
Guangzhou Detong GET Venture Capital Co., Ltd. (Limited Partnership)		21,485.71
Guangzhou Liding Hengyi Investment Co., Ltd. (Limited Partnership)	30,307.53	16,785.71
Guangzhou Liding GET Venture Capital Co., Ltd. (Limited Partnership)	30,307.53	30,714.29
Total	2,275,794.21	2,827,296.45

(4) Details of related guarantees

1) Company as a guarantor

Name of guaranteed party	Guarantee amount	Guarantee start date	Guarantee due date	Whether the guarantee has been fulfilled
Guangdong Huayang Environmental Protection Technology Co., Ltd.	9,000,000.00	2018-01	2021-01	No

2) Company as a guaranteed party

Name of guaranteed party	Guarantee amount	Guarantee start date	Guarantee due date	Whether the guarantee has been fulfilled
Guangzhou Jiusui Real Estate Co., Ltd.	424,851,140.44	2018-10-25	2028-10-21	No

(5) Related party fund borrowing

Name of related party	Borrowing amount	Start date	Due date	Closing interest receivable
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	21,200,000.00	2020-9-1	2021-6-21	24,939.44
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	13,200,000.00	2020-9-2	2021-6-21	15,528.31
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	3,600,000.00	2020-11-2	2021-6-21	4,235.00
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	2,000,000.00	2020-12-14	2021-6-21	2,357.78
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	144,000,000.00	2020-12-24	2020-12-25	
Guangzhou Mong Real Estate Development Co., Ltd.	21,650,852.00	2019-10-23	2020-7-1	786,482.13
Guangzhou Mong Real Estate Development Co., Ltd.	10,000,000.00	2019-1-16	2020-12-25	
Guangzhou Mong Real Estate Development Co., Ltd.	304,932,000.00	2019-1-16	2022-1-15	34,509,124.40
Guangzhou Mong Real Estate Development Co., Ltd.	40,000,000.00	2019-1-16	2022-1-15	4,534,666.67
Guangzhou Mong Real Estate Development Co., Ltd.	362,866,209.08	2019-6-28	2022-6-27	31,771,960.49
Guangzhou Mong Real Estate Development Co., Ltd.	32,000,000.00	2020-1-16	2020-5-15	563,440.00
Guangzhou Mkong Real Estate Co., Ltd.	569,559,031.46	2019-9-27	2022-9-26	41,724,343.15
Guangzhou Mkong Real Estate Co., Ltd.	9,800,000.00	2020-1-21	2023-1-20	491,666.00
Guangzhou Mkong Real Estate Co., Ltd.	19,539,385.00	2020-1-21	2023-1-20	1,070,432.64
Guangzhou Mkong Real Estate Co., Ltd.	1,000,000.00	2020-6-29	2023-6-28	28,450.00
Guangzhou Mkong Real Estate Co., Ltd.	10,937,400.00	2020-7-21	2021-9-30	284,007.82
Guangzhou Mkong Real Estate Co., Ltd.	1,890,885.00	2020-8-14	2021-9-30	42,114.17
Guangzhou Mkong Real Estate Co., Ltd.	8,702,770.00	2020-10-30	2021-10-29	81,822.63
Guangzhou Mkong Real Estate Co., Ltd.	680,000.00	2020-11-26	2021-11-25	3,876.00
Guangzhou Mkong Real Estate Co., Ltd.	5,800,000.00	2020-12-22	2021-12-21	9,183.33
Guangzhou Mkong Real Estate Co., Ltd.	5,390,000.00	2020-12-29	2021-12-28	2,344.65
Guangzhou GET Small Loan Co., Ltd.	30,000,000.00	2020-5-9	2021-5-9	1,117,924.53
Guangzhou GET Small Loan Co., Ltd.	50,000,000.00	2020-7-17	2021-7-17	1,370,754.71
Guangzhou GET Small Loan Co., Ltd.	20,000,000.00	2020-8-27	2021-8-27	399,371.07
Total	1,682,257,532.54			118,348,019.89

(6) Related transactions for the collection of fund occupancy fees

Name of guaranteed party	Types of related transactions	Amount during the year	Amount in previous year
Guangzhou Mong Real Estate Development Co., Ltd	Income from fund occupancy	68,987,264.76	207,317.12
Guangzhou Ivkong Real Estate Co., Ltd	Income from fund occupancy	33,391,036.43	7,400,699.74
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	Income from funds occupancy	462,040.35	
Guangzhou GET Small Loan Co., Ltd.	Interest on loans	2,838,050.31	1,769,785.07
Total		105,678,391.85	9,377,801.93

3. Balance of related party transactions

(1) Accounts receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Ivkong Real Estate Co., Ltd.	60,000,000.00	
LG Display (China) Co., Ltd.		363,469.38
Guangzhou Equity Trading Center Co., Ltd.		91,874.90
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.		10,000.00
LG Display Optical Electronic Technology (China) Co., Ltd.		7,756.00
Guangzhou GET Small Loan Co., Ltd.		3,052.33
Guangzhou Detong GET Investment Management Co., Ltd.		660.00
Total	60,000,000.00	476,812.61

(2) Interest receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Mong Real Estate Development Co., Ltd.	72,223,673.69	219,756.15
Guangzhou Ivkong Real Estate Co., Ltd.	43,239,240.34	7,844,741.72
Guangzhou Broadband Backbone Network Co., Ltd.	90,791.25	167,227.39
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	47,055.55	
Total	115,600,760.83	8,231,725.26

Note: The interest receivable balances of Guangzhou Broadband Backbone Network Co., Ltd are all interest receivable from finance lease business.

(3) Dividends receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Development Zone State Enterprise Industrial Investment Fund Partnership (Limited Partnership)	23,200,000.00	23,200,000.00
Total	23,200,000.00	23,200,000.00

(4) Other receivables of related parties

Related party	Closing balance	Opening balance
Guangzhou Ideal Real Estate Development Co., Ltd.	707,798,209.08	739,449,061.08
Guangzhou Ideal Real Estate Co., Ltd.	626,808,471.46	563,553,031.46
Guangzhou GET Small Loan Co., Ltd.	100,091,666.67	50,000,000.00
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	40,000,000.00	
Guangzhou Xiongtao Hydrogen Heng Technology Co., Ltd.	287,207.91	
Guangzhou Yuanshengde Municipal Service Co., Ltd.	13,540.00	13,540.00
Guangzhou Broadband Backbone Network Co., Ltd.		38,867.92
Total	**1,474,999,095.12**	**1,353,040,500.46**

(5) Non-current assets due within one year

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co., Ltd.	8,086,342.86	6,807,804.08
Total	**8,086,342.86**	**6,807,804.08**

(6) Long-term receivables of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co., Ltd.		8,086,342.86
Total		**8,086,342.86**

(7) Accounts payable of related parties

Related party	Closing balance	Opening balance
Huizhou TianxunDewei Investment Partnership (Limited Partnership)		103,333.30
Total		**103,333.30**

(8) Advances from customers of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co., Ltd	183,018.84	366,037.67
Guangzhou Kaike Star Trade Real Estate Development Co., Ltd.	24,151.38	
Guangzhou GET Small Loan Co., Ltd.	8,907.50	8,907.50
Guangzhou Equity Trading Center Co., Ltd.		134,087.80
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)		8,915.97
Guangzhou Liding GET Fund Management Co., Ltd.		6,737.50
Guangzhou Delong GET Investment Management Co., Ltd.		1,000.00
Total	**216,077.72**	**525,686.44**

(9) Dividends payable of related parties

Related party	Closing balance	Opening balance
Guangzhou Zhisheng Investment Co., Ltd.	43,983,333.33	
Total	43,983,333.33	

(10) Other payables of related parties

Related party	Closing balance	Opening balance
Guangzhou Uding GET Venture Capital Partnership (Limited Partnership)	82,260,030.34	80,360,030.34
Guangzhou Yuanshengde Municipal Service Co., Ltd.	16,531,827.43	16,531,827.43
Guangzhou Dedong GET Venture Capital Co., Ltd.	11,862,670.00	21,928,370.00
Guangzhou Broadband Backbone Network Co., Ltd.	1,000,000.00	1,275,069.50
Guangzhou Broadband Backbone Network Co., Ltd.	236,023.50	
Guangzhou Uding GET Investment Management Co., Ltd.		10,575.00
Guangzhou GET Small Loan Co., Ltd.		5,000.00
Guangzhou Uding GET Fund Management Co., Ltd.		1,000.00
Guangzhou Zhifang Automation Technology Co., Ltd.		50.00
Total	111,890,546.27	120,111,911.27

XIII. Notes to key items of parent company's financial statements

1. Notes to key items of financial statements

(1) Accounts receivable

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant but with provision for bad debt made on an individual basis	4,733,264.96	61.77	3,406,160.15	71.96
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	2,934,709.21	38.23		
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis				
Total	7,667,974.17	—	3,406,160.15	

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant but with provision for bad debt made on an individual basis	1,426,456.00	17.23	1,426,456.00	100.00
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	6,850,132.21	82.77		
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis				
Total	8,276,588.21	100.00	1,426,456.00	100.00

(1) Accounts receivable that are individually significant and with provision for bad debt made on an individual basis as at year end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Guangzhou JinjianMedical Equipment Co., Ltd.	1,426,455.92	1,426,455.92	1-2 years	100.00	Expected to be unrecoverable
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd.	1,578,422.25	789,211.13	1-2 years	50.00	Expected to recover 50%
Guangzhou Hongqi Optical Instrument Technology Co., Ltd.	790,950.55	395,475.28	Within 1 year	50.00	Expected to recover 50%
Guangzhou Sanjia Medical Information Industry Co., Ltd.	712,092.08	569,673.66	Within 1 year	80.00	Expected to recover 20%
Guangdong Leyuan Digital Technology Co., Ltd.	225,344.16	225,344.16	Within 1 year	100.00	Expected to be unrecoverable
Total	4,733,264.96	3,406,160.15	—	—	—

(2) Accounts receivable subject to provision for bad debt on credit risk characteristics basis

1) Accounts receivable with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(including 1 year)	2,929,709.21	100.00		6,850,132.21	100.00	
Total	2,929,709.21	100.00		6,850,132.21	100.00	

(3) Provision for bad debt recovered or reversed

None.

(4) Accounts receivable actually written off during the current year

None.

(5) The top five accounts receivable collected by debtors

Debtor	Book balance	Ratio to total accounts receivable (%)	Provision for bad debt
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd.	1,578,422.25	20.60	789,211.13
Guangzhou JinjianMedical Equipment Co., Ltd.	1,426,455.92	18.61	1,426,455.92
Guangzhou Kaiyun Property Service Co., Ltd.	812,704.31	10.61	
Guangzhou Hongqi Optical Instrument Technology Co., Ltd.	790,950.55	10.32	395,475.28
Guangzhou Sanjia Medical Information Industry Co., Ltd.	712,092.08	9.29	569,673.66
Total	5,320,625.11	69.43	3,180,815.99

2. Other receivables

Item	Closing balance	Opening balance
Interest receivable		
Dividends receivable	167,491,235.18	84,962,679.09
Other receivables	22,324,758,489.35	12,768,526,827.59
Total	**22,492,249,724.53**	**12,853,489,506.68**

(1) Interest receivable

None.

(2) Dividends receivable

Item	Closing balance	Opening balance	Reason for not recovery	Whether impairment has occurred
Dividends receivable aged within 1 year	**167,491,235.18**	**84,962,679.09**		
Including: Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.		77,436,927.73		
Guangzhou Kylin Development Co., Ltd.		7,525,751.36		
GDD Investment Holdings Co., Ltd.	156,815,888.02		The approval process is not yet completed.	No
Guangzhou GET Investment Holdings Co., Ltd.	2,776,864.63		The approval process is not yet completed.	No
Guangzhou GET Capital Management Co., Ltd.	4,411,018.80		The approval process is not yet completed.	No
Guangzhou GET Financial Leasing Co., Ltd.	3,487,463.73		The approval process is not yet completed.	No
Total	**167,491,235.18**	**84,962,679.09**	--	—

(3) Other receivables

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant but with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	22,324,758,489.35	100.00		
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis				
Total	**22,324,758,489.35**	**100.00**		

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant but with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	12,768,526,827.59	100.00		
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis				
Total	12,768,526,827.59	100.00		

1) Other receivables subject to provision for bad debt on credit risk characteristics basis

①Other receivables with the provision for bad debt made under other combination methods

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Provision for bad debt	Book balance	Accrual ratio (%)	Provision for bad debt
Combination 2	22,324,758,489.35			12,768,526,827.59		
Total	22,324,758,489.35	—		12,768,526,827.59	—	

2) The top five other receivable collected by debtors

Debtor	Nature of payment	Book balance	Aging	Ratio of total other accounts receivable (%)	Provision for bad debt
Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	Intercourse funds	4,814,243,304.39	Within 1 year, 1-2 years, 2-3 years	21.56	
Guangzhou Development District Industrial Fund Investment Group Co., Ltd.	Intercourse funds	3,114,703,333.33	Within 1 year, 1-2 years, 2-3 years	13.95	
Guangzhou GET Investment Holdings Co., Ltd.	Intercourse funds	3,110,000,000.00	Within 1 year	13.93	
Guangzhou GET Venture Capital Co., Ltd.	Intercourse funds	2,662,631,021.57	Within 1 year, 1-2 years	11.93	
YUEKAI SECURITIES CO., LTD.	Intercourse funds	2,503,979,861.10	Within 1 year, 1-2 years	11.22	
Total	—	16,205,557,520.39	-	72.59	

3. Long-term equity investments

(1) Classification of long-term equity investments

Investments in subsidiaries	Opening balance	Increase during the year	Decrease during the year	Closing balance
Investments in associates	17,677,326,229.74	7,298,739,554.24	1,973,324,139.58	23,002,741,644.40
Subtotal	1,408,531,039.91	127,817,983.24	8,245,965.96	1,528,103,057.19
Less: Provision for impairment of long-term equity investments	**19,085,857,269.65**	**7,426,557,537.48**	**1,981,570,105.54**	**24,530,844,701.59**
Investments in subsidiaries	668,033.93		668,033.93	
Total	**19,085,189,235.72**	**7,426,557,537.48**	**1,980,902,071.61**	**24,530,844,701.59**

(2) Details of long-term equity investments

1) Investments in subsidiaries

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance	Provision for impairment accrued during the year	Closing balance of provision for impairment
GUANGZHOU GET FINANCING & GUARANTEE CO.,LTD.	314,614,400.00			314,614,400.00		
Guangzhou Venture Capital Ltd	343,743,739.29			343,743,739.29		
Guangzhou GET Venture Capital Co., Ltd.	835,158,847.01	30,000,000.00		865,158,847.01		
Guangzhou GET Trading Co., Ltd.	174,004,631.29	200,000,000.00		374,004,631.29		
Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	4,197,610,626.02	2,785,000,000.00		6,982,610,626.02		
Guangzhou Hengyun Enterprises Holding Ltd.	222,364,048.00			222,364,048.00		
Guangzhou GET Investment Holdings Co.,Ltd.	995,000,000.00	4,000,000,000.00		4,995,000,000.00		
Guangzhou GET Capital Management Co., Ltd.	333,568,915.67			333,568,915.67		
Runpu Investment Co., Ltd.Guangzhou	1,822,301,517.46	108,525,690.00	1,930,827,207.46			
Guangzhou GET Financial Leasing Co., Ltd.	150,000,000.00			150,000,000.00		
Guangzhou Development Zone (Hong Kong) Investment Co., Ltd.	992,216.40			992,216.40		
Guangzhou Xyin Development Co., Ltd.	43,000,000.00	32,606,932.12	9,890,000.00	65,716,932.12		
Guangzhou High-tech Zone Industrial Investment Fund Co., Ltd.	40,000,000.00	100,000,000.00		140,000,000.00		
YUEKAI SECURITIES CO., LTD.	4,336,778,350.00			4,336,778,350.00		
Guangzhou GET Capital Operation Co., Ltd.		10,000,000.00		10,000,000.00		
GDD Investment Holdings Co., Ltd.	3,868,188,938.60			3,868,188,938.60		
Guangzhou Suikai Property Investment Co., Ltd.		32,606,932.12	32,606,932.12			
Total	17,677,326,229.74	7,298,739,554.24	1,973,324,139.58	23,002,741,644.40		

2) Long-term equity investments under the equity method

Investee	Opening balance	Change in the current year								Closing balance	Provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
I. Joint ventures											
II. Associates											
Guangzhou Broadband Backbone Network Co., Ltd.	190,768,859.53			4,103,646.22						194,872,505.75	
Guangzhou GET Small Loan Co., Ltd.	101,607,541.69			8,861,541.01			5,911,265.03			104,557,817.67	
Guangzhou Development District Hongdi Technology Co., Ltd.	668,033.93								-668,033.93		
Suigang Technology Investment (Guangzhou) Co., Ltd.	29,893,495.92	75,000,000.00		20,346.04						104,913,841.96	
SuigangZhibao (Guangzhou) Investment Co., Ltd.	75,007,728.20	30,000,000.00		-212,347.01						104,795,381.19	
Guangzhou Financial Assets Trading Centre Co., Ltd.	22,653,376.08			1,720,630.08			1,666,667.00			22,707,339.16	
Zhongcheng Automobile Insurance Co., Ltd.	923,514,512.10			7,689,127.12						931,203,639.22	
Guangzhou Equity Trading Center Co., Ltd.	64,417,492.46			635,039.78						65,052,532.24	
Total	1,408,531,039.91	105,000,000.00		22,817,983.24			7,577,932.03		-668,033.93	1,528,103,057.19	

Note: Guangzhou Hongdi Technology Co., Ltd. (hereinafter referred to as " Hongdi Company ") was formerly an investment enterprise held by the Development Zone. According to the Civil Ruling issued by the Guangzhou Intermediate People's Court in August 2018, the Court ruled to confirm the *"Report of Compulsory Liquidation of Guangzhou Hongdi Technology Co., Ltd."* compulsory liquidation proceedings. Development Zone Holdings wrote off the full amount of the impairment provision of RMB 668,033.93 made against the books of Redland during the year.

4. Operating revenue and cost

(1) Operating revenue and cost

Item	Amount during the year		Amount in previous year	
	Revenue	Cost	Revenue	Cost
Lease income	143,890,840.21	121,776,527.10	112,830,887.60	109,544,613.54
Other revenue	6,057,140.12	1,800,000.00	22,867,449.31	
Total	149,947,980.33	123,576,527.10	135,698,336.91	109,544,613.54

-Details of operating revenue by industrial classification standard of national economy

No	Categories of revenue	Incurred during the period	Incurred in previous period
1	General contracting		
2	Real estate sales		
3	Property leases:	143,890,840.21	112,830,887.60
	Including: Shops		
	Workshops		
	Office buildings	143,890,840.21	112,830,887.60
	Conference rooms		
	Apartments		
	Places		
	Others		
4	Property management services		
5	Engineering management services:		
	Including: Engineering services on behalf of the owner		
	Construction agency services		
	Demolition and relocation services		
6	Customs declaration, loading and unloading, warehousing and cargo inspection		
7	Accommodation and catering:		
	Including: Hotel accommodation		
	Catering		
8	Commercial wholesale and retail		
9	Consulting services:		
	Including: Investment promotion		
	Business consulting services		
	Others		
10	Information technology services		
11	Sports, culture and entertainment		
12	Electricity production industry		
	Including: Electricity		
	Steam		
13	Chemical raw materials and chemical products manufacturing		
14	Financial industry		
	Including: Financing guarantees		
	Securities business		
15	Others	6,057,140.12	22,867,449.31
	Total	149,947,980.33	135,698,336.91

5. Investment income

Source of investment income	Amount during the year	Amount in previous year
Gain on long-term equity investments accounted for under the cost method	567,346,990.04	566,831,242.08
Income from long-term equity investments accounted for under the equity method	22,817,983.24	31,790,635.96
Investment income earned while holding available-for-sale financial assets	25,393,029.60	22,886,493.44
Investment income from disposal of available-for-sale financial assets	89,666,160.97	-2,136,063.52
Investment income from financial products		268,803.31
Total	705,224,163.85	619,641,121.27

G. Supplement to parent company's cash flow statement

1.Adjustment from net profits to cash flows from operating activities	Amount during the year	Amount in previous year
Net profits		
Add: Provision for impairment of assets	31,510,011.23	174,648,561.97
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	11,260,029.09	1,626,456.00
Amortization of intangible assets	78,973,186.61	52,566,345.48
Amortization of long term prepaid expenses	102,858.59	38,834.95
Losses on disposal of fixed assets, intangible assets and other long term assets (gains listed with "-")		
Losses on scrap of fixed assets (gains listed with "-")		81,248.77
1.Adjustment from net profits to cash flows from operating activities	7,063.41	
Losses on changes in fair values (gains listed with "-")	194,753,556.00	26,948,576.00
Financial expenses (gains listed with "-")	545,101,001.50	486,842,084.87
Investment losses (gains listed with "-")	-705,224,163.85	-619,641,221.27
Decrease in deferred tax assets (increase listed with "-")	-2,817,257.27	356,614.00
Increase in deferred tax liabilities (Decrease listed with "-")		
Decrease in inventories (increase listed with "-")		
Decrease in financial assets at fair value through current profit or loss		
Decrease in operating receivables (Increase listed with "-")	-70,815,811.68	78,108,022.65
Increase in operating payables (Decrease listed with "-")	38,652,697.97	70,088,850.52
Others		
Net cash flow from operating activities	121,512,171.00	64,422,702.50
2.Significant investing and financing activities that do not involve cash receipts and disbursements		
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Finance leased fixed assets		
3.Changes in cash and cash equivalents		
Closing balance of cash	5,199,153,244.82	6,058,342,022.14
Less: Opening balance of cash	6,058,342,022.24	3,884,134,259.74
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	859,188,777.32	2,174,207,762.40

XIV. Other disclosures in accordance with relevant financial accounting principle

1. Guangzhou Haihui Technology Innovation Venture Capital Partnership (Limited Partnership) (hereinafter referred to as " Haihui Technology Innovation") is a partnership jointly invested by Guangzhou Venture Capital Ltd. (" Guangzhou Technology Innovation") , Li Mingzhi and Guangzhou Haihui Investment Management Co., Ltd. On 16 August 2019, Guangzhou Technology Innovation entered into a transfer agreement with Haihui Technology Innovation to transfer the shares held by Guangzhou Technology Innovation in Guangzhou Ruilikermi Automotive Electronics Co., Ltd., Guangzhou Fumei Soft Porcelain Co., Ltd., Guangzhou Fenghua Biological Engineering Co., Ltd., Guangzhou Keyi Optoelectronic Technology Co., Ltd., Guangdong Yimeilu Image Technology Co., Ltd., Guangdong Haohan Technology Co., Ltd., and Guangzhou Jinghua Precision Optics Co., Ltd.held by Technology Innovation Investment and the contract equity in the agreement, which Technology Innovation Investment signed with Zhongshan University and Yan Guangmei.

According to the agreement, the 8 equities shall be transferred at the same time and the transfer price shall be paid in one time within 5 working days from the date of signing the contract. If Haihui Technology Innovation fails to become the legal investor (shareholder) of the target enterprise / company in the process of handling the change procedures of the investor (shareholder) , the contract shall be terminated. In August 2019, Guangzhou Technology Innovation has received the transfer payment of 8 equities transferred by Haihui Technology Innovation.As at December 31st2020, the title handover procedures for 8 projects had not been fully completed.

As a result, the eight items have still not been derecognized in Guangzhou Technology and Innovation's statement of long-term equity investments and available-for-sale financial assets, and the transfer payments received are not recognized as income for the time being.

2. Scientific City (Guangzhou) Park Investment and Operation Development Co., Ltd. (hereinafter referred to as the "Park Company") moved the assets of the facilities and equipment formed by the "three supply and one industry" transformation out of the books for management

(1) Basic information of the "three supplies and one industry" construction and renovation project in the family area of Guangzhou Petrochemical Company employees

On September 30th 2018, the District State-owned Assets Bureau, the Park Company and Sinopec Group Asset Management Co., Ltd. Guangzhou Branch (hereinafter referred to as "Sinopec Guangzhou Branch") signed the *"Agreement on the Transfer of Property Management Functions of the Family Area of Employees of Sinopec Guangzhou"* (hereinafter referred to as the (hereinafter referred to as the "Agreement on Transfer of Property Management Functions") . The Agreement provides that Sinopec Guangzhou Branch shall pay the renovation costs to the Park Company in accordance with the approved plan.

The renovation cost is used for the repair and renovation of public facilities for property management in the district. The renovation mainly includes: fire fighting system, access control intercom system, public monitoring system, sewerage system and greening renovation of the district.

On April 28th, 2019, the Park Company and Guangzhou Dongjin New District Development Co., Ltd. signed the Contract for the Substitute Construction of the Guangzhou Petrochemical Property Management Facilities Improvement Project, which formally commenced the construction of the project in September 2019 and the relevant equipment was put into use in December 2019. As the completion account report of the project has not yet been issued, the total provisional cost of the project according to the construction contract was RMB 23,659,800.

As the above assets actually belonged to the assets formed by the Park Company for the construction and renovation of Sinopec Guangzhou Branch, the above assets were removed from the Park's statements for the management of pro forma registration.

(2) Asset records for the transformation of the "three services and one industry"

As at December 31st, 2020, the Park Corporation's pro forma set of accounts had a book balance of RMB 20,209,200 in fixed assets, accumulated depreciation of RMB 1,781,600, long-term amortization of RMB 3,157,700, special accounts payable of RMB 21,760,000 and construction payables of RMB 4,817,300.

XV. Approval of Financial Statements

The Group's financial statements for 2020 have been approved by the Group's Board of Directors.

Guangzhou Development District Holdings Group Co., Ltd.

April 29th, 2021

统一社会信用代码

91110101592354581W

营业执照

（副 本）(3-1)

扫描二维码登录"国家企业信用信息公示系统"了解更多登记、备案、许可、监管信息

名　称	信永中和会计师事务所（特殊普通合伙）	成立日期	2012年03月02日
类　型	特殊普通合伙企业	合伙期限	2012年03月02日 至 2042年03月01日
执行事务合伙人	张克、叶韶勋、顾仁荣、李晓英、谭小青	主要经营场所	北京市东城区朝阳门北大街8号富华大厦A座8层

经营范围　审查企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。（市场主体依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

仅供出具报告使用

登记机关

2021 年 01 月 08 日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

市场主体应当于每年1月1日至6月30日通过国家企业信用信息公示系统报送公示年度报告。

国家市场监督管理总局监制

会计师事务所

执业证书

名　　　称：信永中和会计师事务所（特殊普通合伙）

首席合伙人：谭小青

主任会计师：

经 营 场 所：北京市东城区朝阳门北大街8号富华大厦A座8层

组 织 形 式：特殊普通合伙

执业证书编号：11010136

批准执业文号：京财会许可[2011]0056号

批准执业日期：2011年07月07日

证书序号：0014624

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

二〇二　年　月　五　日

中华人民共和国财政部制

证书序号：000380

会计师事务所
证券、期货相关业务许可证

经财政部、中国证券监督管理委员会审查，批准

信永中和会计师事务所（特殊普通合伙） 执行证券、期货相关业务。

首席合伙人：叶韶勋

证书号：16　　发证时间：[illegible]年十 月十[illegible]

证书有效期至：二〇二一年十月　十五日

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

中国注册会计师协会

姓名
Full name 韦宗玉

性别
Sex 女

出生日期
Date of birth 1968-06-18

工作单位
Working unit 信永中和会计师事务所（特殊普通合伙）广州分所

身份证号码
Identity card No. 513301196806180023

信永中和会计师事务所(特殊普通合伙) 1101010089573

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

韦宗玉(440100720010)，已通过广东省注册会计师协会2018年任职资格检查。通过文号：粤注协〔2018〕58号。

440100720010

年 /y 月 /m 日 /d

证书编号：
No. of Certificate 440100720010

批准注册协会：
Authorized Institute of CPAs 广东省注册会计师协会

发证日期：
Date of Issuance 2003 年 /y 11 月 /m 20 日 /d

2018年3月换发

4

5

韦宗玉(440100720010)，已通过广东省注册会计师协会2019年任职资格检查。通过文号：粤注协〔2019〕94号

韦宗玉(440100720010)，已通过广东省注册会计师协会2020年任职资格检查。通过文号：粤注协〔2020〕132号。

440100720010

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年度检验登记

Annual Renewal Registration

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This certificate is valid for another year after this renewal.

年 月 日

7

中国注册会计师协会
THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

姓名 Full name 贺春海
性别 Sex 男
出生日期 Date of birth 1971-10-01
工作单位 Working unit 信永中和会计师事务所（特殊普通合伙）广州分所
身份证号码 Identity card No. 362430197110012017

信永中和会计师事务所(特殊普通合伙) 1101010009573

证书编号: 440100800007
No. of Certificate

批准注册协会: 广东省注册会计师协会
Authorized Institute of CPAs

发证日期: 2001 年 /y 11 月 /m 14 日 /d
Date of Issuance

2018年3月换发

4

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
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贺春海(440100800007)，已通过广东省注册会计师协会2018年任职资格检查。通过文号：粤注协（2018）58号。

440100800007

/y /m /d

5

贺春海(440100800007)，已通过广东省注册会计师协会2019年任职资格检查。通过文号：粤注协（2019）94号。

440100800007

贺春海(440100800007)，已通过广东省注册会计师协会2020年任职资格检查。通过文号：粤注协（2020）132号。

440100800007

6

年度检验登记

Annual Renewal Registration

本证书经检验合格，继续有效一年。

This certificate is valid for another year after this renewal.

信永中和会计师事务所(特殊普通合伙)

1101010059573

年 月 日

y m d

7

Guangzhou Development District Financial Holdings Group Co., Ltd.

2019 Independent Auditor's Report

CONTENTS **Page**

信永中和
ShineWing

信永中和会计师事务所
ShineWing
certified public accountants

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Independent Auditors' Report

XYZH/2020GZA10408

Guangzhou Development District Financial Holdings Group Co., Ltd.

1. Audit opinion

We have audited the financial statements prepared by Guangzhou Development District Financial Holdings Group Co., Ltd. (hereinafter referred to as "Development District Financial Holdings"), including the Consolidated and Parent Company's Balance Sheet as of December 31st, 2019, Consolidated and Parent Company's Income Statement, Consolidated and Parent Company's Cash Flow Statement, Consolidated and Parent Company's Statement of Change in Equity and Notes to the Financial Statements for 2019.

We believe that the attached financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises in all major aspects, and have fairly reflected the Consolidated and Parent Company's financial position of Development District Financial Holdings as of December 31st, 2019 and the Consolidated and Parent Company's operating results and cash flows of 2019.

2. Basis for the audit opinion

We have conducted our audits in accordance with the Chinese Standards on Auditing. The "Auditor's Responsibility" section further clarifies our responsibilities under these guidelines. In accordance with the Code of Professional Ethics of Chinese Certified Public Accountants, we are independent of the Development District Financial Holdings and have fulfilled other responsibilities in terms professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. The responsibility of the Management and those charged with governance of the financial statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Accounting Standards for Business Enterprise to achieve a fair reflection, and designing, implementing and maintaining necessary internal controls, so that the financial statements are free from material misstatements whether due to fraud or error.

In the preparation of the financial statements, the Management is responsible for assessing the going concern capability, disclose matters related to going concern (if applicable), and the application of going concern assumption, unless the Management plans to liquidate the Company, terminate operations, or there is no other viable options.

Those charged with governance is responsible for supervising the process of financial statements.

4. **Auditor's responsibility**

Our objective is to achieve reasonable assurance that the financial statements are free from material misstatements, whether due to fraud or error, and express an opinion on these financial statements based on our audit. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit performed in accordance with the auditing standards can detect all existing material misstatements. Misstatement can be caused by fraud or error. Misstatements are generally considered to be material if the reasonable expected misstatements, individually or collectively, may affect the economic decisions made by stakeholders based on the financial statements.

As part of an audit in accordance with Chinese Auditing Standards for Certified Public Accountants, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain sufficient and appropriate audit evidence as a basis for our audit opinion. As fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls, the risk of material misstatement due to fraud is more likely than for one resulting from error.

(2) Obtain an understanding of internal control relevant to the entity's audit in order to design audit procedures that are appropriate in circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and relevant disclosures made by the Management.

(4) Draw a conclusion on the appropriateness of the Management's use of the going concern assumption, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Development District Financial Holdings's ability to continue as a going concern. If we conclude that material uncertainties exist, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may cause the Development District Financial Holdings to continue as a going concern.

(5) Evaluate the overall presentation, the structure and content of the financial statements, and evaluate whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

(6) Based on the financial information of Development District Financial Holdings, we obtained sufficient and appropriate audit evidence to express an audit opinion on financial statement. We are responsible for guiding, supervising and implementing group audit, and fully responsible for audit opinion.

We communicate with those charged with governance regarding, among other matters, the audit scope, timing, and significant audit findings, including any significant deficiencies in internal control that we have identified during the audit.

ShineWing Certified Public Accountants

Beijing, China

Chinese Certified Public Accountants
WeiZongYu
Chinese Certified Public Accountants:
XunDan

April 28th, 2020

Consolidated Balance Sheet

As at December 31st, 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	December 31st, 2019	January 1st, 2019	December 31st, 2018
Current assets:				
Cash and cash equivalents	VIII. (1)	15,303,[illegible]	[illegible]2,652,845.55	8,942,652,845.55
△ Settlement reserves	VIII. (2)	[illegible]		
△ Lending funds				
☆ Financial assets held for trading	VIII. (3)	[illegible]		
Financial assets at fair value through profit or loss				
Derivative financial assets	VIII. (4)		[illegible]00.00	4,320,000.00
Notes receivable	VIII. (5)	[illegible]0,000.00	[illegible]217.08	117,789,535.44
Accounts receivable	VIII. (6)	[illegible]518.32	[illegible]3,638.75	481,233,638.75
☆ Receivables financing	VIII. (7)	25,849,[illegible]	62,822,217.76	
Prepayments	VIII. (8)	48,809,717.34	24,579,287.48	24,579,287.48
△ Premium receivable				
△ Reinsurance accounts receivable				
△ Provision of cession receivable				
Other receivables	VIII. (9)	7,233,174,458.60	4,761,057,566.59	4,761,057,566.59
△ Buyback of the financial assets sold	VIII. (10)	2,585,705,786.97		
Inventories	VIII. (6)	2,839,333,940.71	1,259,896,938.59	1,259,896,938.59
Including: Raw materials	VIII. (6)	157,101,543.41	155,240,882.68	155,240,882.68
Goods in stock (finished product)	VIII. (6)	175,909,321.26	215,299,335.92	215,299,335.92
☆ Contract assets				
Assets held for sale			17,961,754.76	17,961,754.76
Non-current assets due within 1 year	VIII. (7)	441,785,717.17	34,324,738.12	34,324,738.12
Other current assets	VIII. (8)	2,880,133,875.27	1,119,171,706.05	1,119,171,706.05
Total current assets		35,599,029,621.38	16,962,667,911.33	16,962,667,911.33
Non-current assets:				
△ Loans and advances				
☆ Debt instruments				
Available-for-sale financial assets	VIII. (14)	7,774,333,309.01	4,807,463,718.60	5,425,538,718.80
☆ Other debt instruments	VIII. (15)	2,712,133,867.03		
Held-to-maturity investments				
Long-term receivables	VIII. (16)	3,697,259,282.59	2,029,756,172.84	2,029,756,172.84
Long-term equity investments	VIII. (17)	8,890,250,830.04	5,011,908,341.21	5,074,327,361.67
☆ Other equity instrument investments	VIII. (18)	773,370,798.70	618,145,000.00	
☆ Other non-current financial assets				
Investment properties	VIII. (19)	9,734,748,435.33	6,598,878,179.92	6,598,878,179.92
Fixed assets	VIII. (20)	4,899,255,794.86	4,217,000,092.96	4,217,000,092.96
Construction in progress	VIII. (21)	1,388,508,303.79	2,216,695,253.56	2,216,695,253.56
Productive biological assets				
Oil and gas assets				
☆ Right-of-use assets				
Intangible assets	VIII. (22)	555,378,852.34	402,667,260.81	402,667,260.81
Development costs				
Goodwill	VIII. (23)	2,626,295,361.24	533,974,862.19	533,974,862.19
Long-term prepaid expenses	VIII. (24)	172,847,177.91	123,245,656.84	123,245,656.84
Deferred tax assets	VIII. (25)	211,135,580.31	151,654,087.37	151,654,087.37
Other non-current assets	VIII. (26)	2,398,312,748.84	3,829,512,195.83	3,829,512,195.83
Including: special reserve materials				
Total non-current assets		44,631,788,802.39	30,630,896,984.35	30,693,513,802.79
Total assets		80,170,818,423.77	47,593,564,895.68	47,656,181,714.12

Legal representative:
CFO:
Controller: 赵石梅

1

Consolidated Balance Sheet (Continued)

As at December 31st, 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd.　　　　Currency: RMB Yuan

Item	Note	December 31st, 2019	January 1st, 2019	December 31st, 2018
Current liabilities:				
Short-term loans	VIII. (18)	9,043,037,868.42	4,233,447,425.71	4,238,317,425.71
△ Loans from the central bank				
△ Borrowing funds				
☆ Financial liabilities held for trading				
Financial liabilities at fair value through profit or loss	VIII. (19)			
Derivative financial liabilities				
Notes payable	VIII. (31)	[illegible]	7,407,715.80	7,407,715.80
Accounts payable	VIII. (32)	[illegible]	[illegible]	798,475,546.27
Advances from customers	VIII. (33)	[illegible]	[illegible]	253,505,560.36
☆ Contract liabilities				
△ Sale of the financial liabilities bought back	VIII. (35)	[illegible]		
△ Deposits from customers and the interbank				
△ Funds for securities trading	VIII. (37)	4,048,867,057.56		
△ Securities underwriting brokerage deposits				
Payroll payable	VIII. (34)	[illegible]	72,347,758.14	72,347,758.14
Including: Wage payable	VIII. (34)	165,874,277.75	45,783,760.85	45,783,760.85
Welfare payable	VIII. (34)	1,612,703.40	828,258.52	828,258.52
#Including: employee bonus and welfare fund				
Taxes payable	VIII. (35)	753,300,617.24	239,087,003.50	239,087,003.50
Including: Taxes payable	VIII. (35)	349,527,332.58	230,116,385.80	230,116,385.80
Other payables	VIII. (36)	2,332,003,624.93	305,208,659.61	305,208,659.61
△ Handling charges and commissions payable				
△ Dividend payable for reinsurance				
Liabilities held for sale			10,859,235.45	10,859,235.45
Non-current liabilities due within 1 year	VIII. (38)	3,830,093,638.27	2,520,302,511.47	2,520,302,511.47
Other current liabilities	VIII. (39)	330,395,329.85	370,040,015.50	370,040,015.50
Total current liabilities		25,842,993,484.51	9,571,772,862.06	9,572,772,862.06
Non-current liabilities:				
△ Provision for insurance contracts				
Long-term borrowings	VIII. (40)	7,303,751,695.85	4,771,712,571.07	4,776,712,571.07
Bonds payable	VIII. (41)	14,265,847,542.82	5,088,578,568.23	5,088,578,568.23
Including: Preferred shares				
Perpetual bonds				
☆ Lease liabilities				
Long-term payables	VIII. (42)	2,578,258,319.37	2,460,092,386.05	2,460,092,386.05
Long-term payroll payable				
Provisions	VIII. (43)	1,037,802.00	49,567.25	49,567.25
Deferred income	VIII. (44)	209,845,754.01	192,327,368.00	192,327,368.00
Deferred tax liabilities	VIII. (23)	417,582,854.84	357,058,484.14	357,058,484.14
Other non-current liabilities	VIII. (45)	56,374,752.17	86,254,632.21	86,254,632.21
Including: special reserve funds				
Total non-current liabilities		24,832,542,911.01	12,938,005,832.95	12,938,005,832.95
Total liabilities		48,380,532,295.35	22,511,778,295.01	22,511,778,295.01
Owner's equity:				
Paid-in capital	VIII. (46)	10,993,733,809.64	10,993,733,809.64	10,993,733,809.64
State capital	VIII. (46)	10,993,733,809.64	10,993,733,809.64	10,993,733,809.64
State-owned legal capital				
Collective capital				
Private capital				
Foreign capital				
#Less: Returned investment				
Net amount of paid-in capital	VIII. (46)	10,993,733,809.64	10,993,733,809.64	10,993,733,809.64
Other equity instruments				
Including: Preferred shares				
Perpetual bonds				
Capital reserves	VIII. (47)	7,383,713,911.68	4,937,753,395.86	4,937,753,395.86
Less: Treasury shares				
Other comprehensive income	VIII. (50)	383,315,157.88	235,156,542.54	295,577,886.54
Including: Translation difference of foreign currency statements				
Special reserves				
Surplus reserves				
Including: Statutory surplus reserve				
Arbitrary surplus reserve				
#Reserve fund				
#Enterprise development fund				
#Profits return investment				
△ General risk provisions	VIII. (48)	10,530,475.86	9,831,916.30	9,831,916.30
Retained earnings	VIII. (50)	1,039,256,458.47	1,002,250,073.92	1,038,301,793.70
Total equities attributable to owners of parent company		19,811,353,262.83	18,575,761,766.35	18,582,305,252.52
* Minority interests		11,799,332,385.55	6,509,074,053.72	6,952,841,166.39
Total owners' equities		30,790,685,648.42	25,083,858,820.67	25,544,885,815.11
Total liabilities and owners' equities		80,170,218,443.77	47,595,924,085.02	47,056,183,734.12

Legal representative: 　　　　CFO: 　　　　Controller: 赵吉梅

3

As at December 31st, 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	Closing balance	Opening balance
Current assets:			
Cash and cash equivalents		[illegible]26,918,[illegible].72	4,371,525,646.58
☆ Financial assets held for trading			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivable			
Accounts receivable	XIII. (1). 1	6,[illegible].21	1,221,838.20
☆ Receivables financing			
Prepayments		[illegible]0.00	131,600.00
Other receivables	XIII. (1). 2	12,853,489,506.68	6,975,354,921.06
Inventories			
Including: Raw materials			
Goods in stock (finished product)			
☆ Contract assets			
Assets held for sale			
Non-current assets due within 1 year			
Other current assets			802,207,074.11
Total current assets		18,986,898,055.61	12,150,441,079.95
Non-current assets:			
☆ Debt instruments			
Available-for-sale financial assets		1,757,024,666.05	1,884,278,088.90
☆ Other debt instruments			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	XIII. (1). 3	19,085,189,235.72	11,958,103,827.85
☆ Other equity instrument investments			
☆ Other non-current financial assets			
Investment properties		1,956,828,046.17	1,975,907,759.73
Fixed assets		126,641,472.14	46,418,121.82
Construction in progress		24,616,292.21	12,545,282.09
Productive biological assets			
Oil and gas assets			
☆ Right-of-use assets			
Intangible assets		349,534.57	-
Development costs			
Goodwill			
Long-term prepaid expenses			
Deferred tax assets		356,614.00	-
Other non-current assets		470,458,843.24	1,384,508,964.35
Including: special reserve materials			
Total non-current assets		23,421,464,684.10	17,261,762,044.74
Total assets		42,408,362,739.71	29,412,203,124.69

Legal representative: CFO: Controller: 赵万梅

3

Parent Company's Balance Sheet (Continued)

As at December 31st, 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	Closing balance	Opening balance
Current liabilities:			
Short-term loans		[illegible]	719,894,940.55
☆ Financial liabilities held for trading			
Financial liabilities at fair value through profit or loss		26,948,576.0[illegible]	
Derivative financial liabilities			
Notes payable			
Accounts payable		5[illegible]254.70	21,427,090.87
Advances from customers		966,301.58	373,114.60
☆ Contract liabilities			
Payroll payable		17,820,920.78	12,235,418.92
Including: Wage payable		17,372,263.0[illegible]	9,967,363.29
Welfare payable		-	-
#Including: employee bonus and welfare fund		-	-
Taxes payable		19,034,120.76	3,292,361.53
Including: Taxes payable		18,250,758.15	3,225,826.29
Other payables		7,793,009,140.38	3,655,246,170.85
Liabilities held for sale			
Non-current liabilities due within 1 year		1,352,864,837.93	982,250,946.30
Other current liabilities		-	485,367,267.67
Total current liabilities		12,832,098,797.97	5,880,087,311.09
Non-current liabilities:			
Long-term borrowings		3,231,000,000.00	2,038,000,000.00
Bonds payable		9,483,145,938.07	4,988,503,504.23
Including: Preferred shares			
Perpetual bonds			
☆ Lease liabilities			
Long-term payables		756,870,880.01	889,311,707.25
Long-term payroll payable			
Provisions			
Deferred income		8,739,275.71	7,877,728.84
Deferred tax liabilities		100,714,500.55	58,301,858.70
Other non-current liabilities			
Including: special reserve funds			
Total non-current liabilities		13,578,470,594.34	7,981,994,799.02
Total liabilities		26,410,569,392.31	13,862,082,110.11
Owner's equity:			
Paid-in capital		10,363,233,809.64	10,363,233,809.64
State capital		10,363,233,809.64	10,363,233,809.64
State-owned legal capital			
Collective capital			
Private capital			
Foreign capital			
#Less: Returned investment			
Net amount of paid-in capital		10,363,233,809.64	10,363,233,809.64
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		5,462,687,149.48	5,226,931,857.22
Less: Treasury shares			
Other comprehensive income		302,143,501.61	174,905,576.04
Including: Translation difference of foreign currency statements			
Special reserves			
Surplus reserves		-	-
Including: Statutory provident fund		-	-
Arbitrary provident fund			
#Reserve fund			
#Enterprise development fund			
#Profit return investment			
Retained earnings		-130,271,113.33	-214,950,228.32
Total owner's equities		15,997,793,347.40	15,550,121,014.58
Total liabilities and owners' equities		42,408,362,739.71	29,412,203,124.69

Legal representative: 严绍才 CFO: Controller: 赵子梅

Consolidated Income Statement

As at December 31st, 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	2019	2018
I. Total operating revenue	VIII.(51)	6,461,192,013.01	3,702,519,083.19
Including: Operating revenue	VIII.(51)	5,962,011,067.09	3,703,519,083.19
△Interest income	VIII.(51)	329,476,065.11	
△Insurance premium earned			
△Handling charge and Commission income	[illegible]	[illegible]	
II. Total operating cost	[illegible]	[illegible]	3,715,520,635.76
Including: Operating cost	[illegible]	[illegible]	2,977,702,290.77
△Interest expenses	[illegible]	[illegible]	
△Handling charge and Commission expenses	[illegible]	[illegible]	
△Insurance termination refund			
△Net compensation expenses			
△Net withdrawal of insurance liability reserve			
△Policy dividend payments			
△Reinsurance costs			
Taxes and surcharges	VIII.(52)	477,635,648.41	529,293,093.48
Selling expenses	VIII.(53)	126,105,830.20	23,858,200.48
General and general and administrative expenses	VIII.(54)	453,148,400.20	305,101,607.82
Research & development expenses	VIII.(55)	79,521,898.61	
Financial expenses	VIII.(56)	957,967,211.47	293,492,949.30
Including: Interest expenses	VIII.(56)	1,356,514,858.41	464,877,380.35
Interest income	VIII.(56)	411,286,240.57	182,211,875.55
Net exchange profit and loss (Loss listed with "-")	VIII.(56)	-23,262,182.76	
Others			
Add: Other incomes	VIII.(57)	31,045,203.06	49,603,056.46
Investment incomes (Loss listed with "-")	VIII.(58)	655,820,888.85	451,659,347.71
Including: Investment income from associates and joint ventures	VIII.(58)	261,007,702.93	-9,066,547.37
☆Derecognition of gains on financial assets at amortized cost			
△Exchange earnings (Loss listed with "-")			
☆Net exposure hedging gains (Loss listed with "-")			
Income from changes in fair value (Loss listed with "-")	VIII.(59)	-38,384,577.79	
△Impairment loss of credit (Loss listed with "-")	VIII.(60)	-67,988,793.52	
Impairment loss of assets (Loss listed with "-")	VIII.(61)	-14,273,944.85	-6,574,803.95
Income from disposal of assets (Loss listed with "-")	VIII.(62)	43,884,687.21	565,838.64
III. Operating profit (Loss listed with "-")		805,583,697.77	465,235,346.27
Add: Non-operating revenue	VIII.(63)	87,126,102.39	26,527,505.25
Including: Government grants	VIII.(63)	75,906,511.17	24,579,264.69
Less: Non-operating expenses	VIII.(64)	158,611,059.30	23,237,878.18
IV. Total profits (Total losses listed with "-")		734,557,327.26	468,525,303.56
Less: Income tax expenses	VIII.(65)	334,176,412.17	258,269,820.41
V. Net profits (Net losses listed with "-")		400,380,915.09	209,256,683.06
(I) Classified by the attribution of ownership			
Net profits attributable to the owner of parent company		60,525,282.10	177,641,983.93
*Minority shareholder gains and losses		431,355,632.99	61,614,699.14
(II) Classified by continuity of operations			
Net profits from continuing operations		400,380,915.09	209,256,683.06
Net profits of discontinuing operations			
VI. Net after-tax amount of other comprehensive income	VIII.(59)	345,212,283.74	-101,095,349.84
The net after-tax value of other comprehensive incomes attributable to the owner of parent company		337,385,083.37	-94,226,293.18
(I) Other comprehensive income that cannot be reclassified into profit or loss		-	-
1.Remeasurement of changes in defined benefit plans			
2.Other comprehensive income not converted into profit or loss under equity method			
☆3. Fair value changes of other equity instrument investments			
☆4.Profit and loss from fair value changes of enterprise's own credit risks			
5.Others			
(II) Other comprehensive income reclassified into profit and loss		337,385,082.37	-94,226,293.18
1.Other comprehensive income converted into profit or loss under the equity method		85,720.19	3,942,767.27
☆2.Fair value changes of other debt instruments		-5,775,008.84	
3.Profit and loss from fair value changes of available-for-sale financial assets		199,576,365.75	-98,066,982.45
☆4.Amount reclassified from financial assets to other comprehensive income			
5.Gains and losses for held-to-maturity investment that are reclassified into available-for-sale financial assets			
☆6.Provision for credit impairment on other debt instruments		5,094,992.31	
7.Cash flow hedge reserve(effective portion of cash flow hedge gains and losses)			
8.Translation difference of foreign currency statements			
9.Others			
* Net other comprehensive income attributable to minority shareholders after tax		7,773,301.37	6,872,113.66
VII. Total comprehensive income		745,093,998.83	108,158,334.22
Total comprehensive income attributable to owners of the parent company		305,938,024.47	83,415,790.74
*Total comprehensive income attributable to minority shareholders		434,713,334.36	54,743,585.66

Legal representative: CFO: Controller:

Parent Company's Income Statement

FY 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	2019	2018
I. Operating revenue	XIII. (1). 4.	131,698,330.91	160,872,512.80
Less: Operating cost	XIII. (1). 4.	105,544,613.54	86,899,872.19
Taxes and surcharges		20,787,252.71	16,091,833.81
Selling expenses			
General and general and administrative expenses		83,083,330.58	71,790,559.24
Research & development expenses			
Financial expenses		[illegible]	99,070,133.57
Including: Interest expenses		[illegible]	197,393,386.87
Interest income		606,592,161.45	102,551,553.40
Net exchange earnings (Loss listed with "-")		-21,[illegible]	
Others			
Add: Other incomes		[illegible]	2,809,472.30
Investment incomes (Loss listed with "-")	XIII.(1). 5.	473,641,121.27	333,663,419.32
Including: Investment income from associates and joint ventures		31,790,635.96	10,613,076.78
☆ Derecognition of gains on financial assets at amortized cost			
☆ Net exposure hedging gains (Loss listed with "-")			
Income from changes in fair value (Loss listed with "-")		-26,948,376.20	
☆Impairment loss of credit (Loss listed with "-")			
Impairment loss of assets (Loss listed with "-")		-1,426,456.00	
Income from disposal of assets (Loss listed with "-")		33,248.77	
II. Operating profit (Loss listed with "-")		104,906,504.40	232,586,908.19
Add: Non-operating revenue		21,625,516.48	6,005,100.83
Including: Government grants		15,318,320.00	1,095,000.00
Less: Non-operating expenses		2,110,247.15	2,386,615.70
III. Total profits (Total losses listed with "-")		124,421,773.73	236,205,483.32
Less: Income tax expenses		-226,787.64	1,017,147.57
IV. Net profits (Net losses listed with "-")		124,648,561.37	235,188,335.75
(I) Net profits from continuing operations		124,648,561.37	235,188,335.75
(II) Net profits of discontinuing operations			
V. Net after-tax amount of other comprehensive income		127,237,925.57	-58,438,209.29
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1.Remeasurement of changes in defined benefit plans			
2.Other comprehensive income not converted into profit or loss under equity method			
☆3. Fair value changes of other equity instrument investments			
☆4. Fair value changes of enterprise's own credit risks			
5. Others			
(II) Other comprehensive income reclassified into profit and loss		127,237,925.57	-58,438,209.29
1.Other comprehensive income converted into profit or loss under the equity method			
☆2.Fair value changes of other debt instruments			
3.Profit and loss from fair value changes of available-for-sale financial assets		127,237,925.57	-58,438,209.29
☆4.Amount reclassified from financial assets to other comprehensive income			
5.gains and losses for Held-to-maturity investments that are reclassified into available-for-sale financial assets			
☆6.Provision for credit impairment on other debt instruments			
7.Cash flow hedge reserves (effective portion of cash flow hedge gains and losses)			
8.Translation difference of foreign currency statements			
9.Others			
VI. Total comprehensive income		251,886,486.94	176,750,126.46

Legal representative: 严剑 CFO: Controller: 赵石梅

Consolidated Cash Flow Statement

FY 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. Currency: RMB Yuan

Item	Note	2019	2018
I. Cash flow arising from operating activities:			
Cash received from sales of goods or rendering services		6,212,598,357.53	4,127,470,406.04
△Net increase in customer deposits and interbank deposits			
△Net increase in borrowing from the central bank			
△Net increase in borrowing from other financial institutions			
△Cash received from the original insurance contract premium			
△Cash received from reinsurance			
△Net increase in the fund's reserves and investments			
△Net increase in the disposal of financial assets at fair value through profit or loss for the current period		[illegible]	
△ Cash received from interest, fees and commissions		417,[illegible]	
△Net increase in borrowed funds		1,719,44[illegible]	
△ Repurchase business funds net increase		[illegible]	
△Net cash received from dealers in securities		[illegible]	
Received tax refunds		[illegible]	7,092,734.56
Cash received related to other operating activities		1,965,673,5[illegible]	589,880,804.69
Subtotal of cash inflow from operating activities		7,070,891,333.05	4,724,453,945.39
Cash paid for the purchase of goods and services		4,245,856,8[illegible]	3,098,162,294.67
△ Net increase in loans and advances to customers			
△Net increase of deposits in central bank and interbank			
△Cash paid for the original insurance contract			
△Net increase in lending funds			
△Cash for paid for interest, fees and commissions		68,641,728.09	
△Paid policy dividends in cash			
Cash paid to and for employees		817,918,607.75	491,284,485.41
Taxes paid		1,102,912,240.73	597,774,057.18
Cash paid related to other operating activities		2,898,690,001.43	856,456,305.23
Subtotal of cash outflows from operating activities		9,134,071,514.50	5,043,877,702.49
Net cash flow from operating activities		-2,063,180,181.45	-319,424,757.10
II.Cash flow from investment activities:			
Cash received from disinvestment		2,081,682,537.20	4,669,607,000.00
Cash received from the return of investment		489,450,253.07	283,422,996.30
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		76,377,076.48	546,675.17
Net cash received from dispose of subsidiaries and other business units		5,511,828.45	
Cash received related to other investing activities		2,020,491,879.80	530,267,091.00
Subtotal of cash inflow from investing activities		4,673,305,575.56	5,483,838,762.47
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets		1,453,800,268.36	1,611,989,440.07
Cash paid for investment		5,567,420,713.87	8,095,318,059.46
△Net increase in pledge loans			
Net cash paid by subsidiaries and other business units		1,785,842.88	714,530,481.87
Cash paid related to other investing activities		2,763,863,141.74	6,188,690,259.82
Subtotal of cash outflows from investing activities		9,786,871,958.85	16,610,510,741.22
Net cash flow from investing activities		-5,113,566,383.27	-11,126,671,978.75
III.Cash flow from financing activities:			
Cash received from external investment		2,535,825,522.94	3,202,500,000.00
Including: The subsidiary received cash from minority shareholders' investment		2,375,413,301.00	3,202,500,000.00
Cash received from loans granted		20,481,258,934.46	16,132,452,847.49
△Cash received from bonds issued		8,217,708,000.00	5,500,000,000.00
Cash received relating to other financing activities		709,881,620.48	2,360,000,000.00
Subtotal cash inflow from financing activities		31,944,673,078.88	27,194,952,847.49
Payment of debt in cash		14,263,973,931.83	10,438,792,793.93
Cash used to pay dividends, profits, or interest payments		1,526,380,515.45	592,168,904.75
Including: dividends and profits paid to minority interests by subsidiaries		106,795,303.10	46,270,813.00
Cash paid related to other financing activities		937,566,566.90	756,512,549.29
Subtotal cash outflow from financing activities		16,727,921,013.18	11,787,474,247.97
Net cash flow from financing activities		15,216,751,061.70	15,407,478,599.52
IV. Impact of exchange rate fluctuations on cash and cash equivalents		83,409,004.26	
V. Net increase in cash and cash equivalents		8,123,624,501.24	1,761,381,862.67
Add: Balance of cash and cash equivalents at the beginning of the period		7,975,391,290.85	6,218,009,417.18
VI. Balance of cash and cash equivalents at the end of the period		16,103,015,792.00	7,979,391,290.85

Legal representative: CFO: Controller:

Parent Company's Cash Flow Statement

FY 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd.　　　　Currency: RMB Yuan

Item	Note	2019	2018
I. Cash flow generated from operating activities:			
Cash received from sales of goods and rendering of services		135,782,209.51	105,462,458.87
Cash received from tax refunds		6,820,556.57	4,598,270.94
Cash received relating to other operating activities		103,124,618.07	119,915,589.67
Subtotal of cash inflow from operating activities		245,727,384.15	227,976,328.48
Cash paid for goods and services		[illegible]17,101.58	27,422,670.94
Cash paid to and on behalf of employees		[illegible]951.55	32,637,235.84
Payments of taxes and surcharges		[illegible]02.47	208,452,344.29
Cash paid relating to other operating activities		[illegible]26.07	52,441,674.32
Subtotal of cash outflows from operating activities		[illegible]81.65	321,053,925.39
Net cash flow from operating activities		[illegible]2,702.50	-93,977,596.91
II.Cash flow generated by investing activities:			
Cash received from withdrawals of investments		808,836,085.27	1,999,000,000.00
Cash received from the return of investment		597,727,131.50	326,016,008.18
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		48,624.70	56,345.00
Net cash received from dispose of subsidiaries and other business units			
Cash received related to other investing activities		3,438,874,746.05	4,637,643,803.97
Subtotal of cash inflow from investing activities		4,843,776,593.54	6,963,316,217.15
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets		73,082,284.92	11,430,858.19
Cash paid for investment		4,402,467,309.56	6,157,400,755.78
Net cash paid by subsidiaries and other business units			
Cash paid relating to other investing activities		10,009,778,288.08	11,846,172,876.84
Subtotal of cash outflows from investing activities		14,485,707,882.56	18,015,004,490.81
Net cash flow from investing activities		-9,642,511,298.98	-11,051,688,273.66
III.Cash flow generated by financing activities:			
Cash received from external investment		160,000,000.00	-
Cash received from loans granted		9,750,969,446.38	8,015,211,474.36
Cash received from bonds issued		4,500,000,000.00	5,000,000,000.00
Cash received related to other financing activities		5,429,055,037.05	1,341,592,000.00
Subtotal cash inflow from financing activities		19,840,024,483.43	14,356,803,474.36
Payment of debt in cash		6,023,757,576.14	2,190,000,000.00
Cash used to pay dividends, profits, or interest payments		713,131,159.07	184,767,709.31
Cash paid related to other financing activities		1,328,416,792.50	241,521,575.03
Subtotal cash outflow from financing activities		8,065,305,527.71	2,616,289,284.34
Net cash flow from financing activities		11,774,718,955.72	11,740,514,190.02
IV. Impact of exchange rate fluctuations on cash and cash equivalents		-37,422,598.84	
V. Net increase in cash and cash equivalents		2,174,257,762.40	594,848,213.45
Add: balance of cash and cash equivalents at the beginning of the period		3,884,154,259.74	3,289,305,046.29
VI. Balance of cash and cash equivalents at the end of the period		6,058,312,022.14	3,884,154,259.74

Legal representative: 　　　　**CFO:** 　　　　**Controller:** 赵石梅

Consolidated Statement of Changes in Equity

FY2018

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd.　　　　Currency: RMB Yuan

Item	Line number	2018													
		Equity attributable to shareholders of parent company												Non-controlling interest	Shareholders' equity
		Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Retained earnings	Subtotal		
			Preferred stocks	Perpetual bonds	Others										
Column number	—	1	2	3	4	5	6	7	8	9	10	11	12	13	14
I. Balance at the end of last year	1	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Add: Changes in accounting policies	2							[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
Correction of prior period errors	3														
Others	4														
II. Current year Opening balance	5	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
III. Current year movement	6					[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(1) Total comprehensive income	7							[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
(2) Capital contribution and reduction from shareholders	8					[illegible]		[illegible]					[illegible]	[illegible]	[illegible]
1. Shareholders' ordinary shares	9					[illegible]							[illegible]	[illegible]	[illegible]
2. Other equity instrument holders' investment	10														
3. Share-based payment included in shareholders' equity	11														
4. Others	12					[illegible]		[illegible]				[illegible]	[illegible]	[illegible]	[illegible]
(3) Special reserve	13														
1. Appropriation to special reserve	14														
2. Use of special reserve	15														
(4) Profit distribution	16										[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1. Appropriation to surplus reserve	17														
Including: Legal accumulation fund	18														
Optional accumulation fund	19														
Reserve fund	20														
Enterprise expansion fund	21														
Capital repatriation	22														
2. Appropriation to general risk reserve	23										[illegible]	[illegible]			
3. Distribution to shareholders	24											[illegible]	[illegible]	[illegible]	[illegible]
4. Others	25														
(5) Shareholders' equity internal transfer	26														
1. Capital reserve convert to capital	27														
2. Surplus reserve convert to capital	28														
3. Surplus reserve to cover loss	29														
4. Changes in employee benefit plan carried forward to retained earnings	30														
5. Other comprehensive income carried forward to retained earnings	31														
6. Others	32														
IV. Balance at the end of the year	33	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Legal representative:　　　　CFO:　　　　Controller: 赵石梅

Consolidated Statement of Changes in Equity(Continued)

FY [illegible]

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd.

Currency: RMB Yuan

Item	Line number	Share capital	Other equity instruments: Preferred stock	Other equity instruments: Perpetual bond	Other equity instruments: Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk provision	Retained earnings	Subtotal	Non-controlling interests	Shareholder's equity
Column number	—	15	16	17	18	19	20	21	22	23	24	25	26	27	28
I. Balance at the end of last year	1	[illegible]				[illegible]		[illegible]			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Add: Changes in accounting policies	2												-		-
Correction of prior period errors	3												-		-
Others	4												-		-
II. Current year Opening balance	5	[illegible]	-	-	-	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
III. Current year movement (Less marked with "-")	6	-	-	-	-	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
(I) Total comprehensive income	7	—	—	—	—	—	—	[illegible]	—	—	—	[illegible]	[illegible]	[illegible]	[illegible]
(II) Capital contribution and reduction from shareholders	8	-	-	-	-	[illegible]	-	-	-	-	-	-	[illegible]	[illegible]	[illegible]
1.Shareholder's ordinary share	9		—	—	—	[illegible]	—	—	—	—	—	—	[illegible]	[illegible]	[illegible]
2.Other equity instrument holder's investment	10						—	—	—	—	—		-		-
3.Dividend payable into shareholder's equity amount	11		—	—	—		—	—	—	—	—		-		-
4.Others	12		—	—	—	[illegible]							[illegible]	[illegible]	[illegible]
(III)Special reserve	13												-	-	-
1. Appropriation to special reserve	14	—	—	—	—	—	—	—		—	—				-
2. Use of special reserve	15	—	—	—	—	—	—	—		—	—				-
(IV)Profit distribution	16	-	-	-	-	-	-	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1.Extract surplus reserve	17	—	—	—	—	—	—	—	—		—			—	-
Including: legal accumulation fund	18	—	—	—	—	—	—	—	—		—			—	-
Optional accumulation fund	19	—	—	—	—	—	—	—	—		—			—	-
Lifeguard fund	20	—	—	—	—	—	—	—	—		—			—	-
Enterprise expansion fund	21	—	—	—	—	—	—	—	—		—			—	-
Capital redemption	22	—	—	—	—	—	—	—	—		—			—	-
2.Extract general risk reserve	23	—	—	—	—	—	—	—	—	—	[illegible]			—	-
3.Distribution to shareholders	24	—	—	—	—	—	—	—	—	—	—	[illegible]	[illegible]	[illegible]	[illegible]
4.Others	25												-		-
(V) Shareholder's equity internal transfer	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.Capital reserve convert to capital	27		—	—	—		—	—	—	—	—	—	-	—	-
2.Surplus reserve convert to capital	28		—	—	—	—	—	—	—		—	—	-	—	-
3.Surplus reserve recover loss	29	—	—	—	—	—	—	—	—		—		-	—	-
4.Changes in employee benefit plan convert to retained earnings	30	—	—	—	—	—	—		—	—	—		-	—	-
5.Other comprehensive income convert to retained earnings	31	—	—	—	—	—	—		—	—	—		-	—	-
6.Others	32												-		-
IV. Balance at the end of this year	33	[illegible]	-	-	-	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Legal representative: CFO: Controller:

19

Parent Company's Statement of Changes in Equity

FY 2019

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. | Currency: RMB Yuan

Item	Line number	2019 Share capital	Other equity instruments: Preferred stocks	Other equity instruments: Perpetual bonds	Other equity instruments: Others	Capital reserve	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserve	Retained earnings	Shareholder's equity
Column number	—	1	2	3	4	5	6	7	8	9	10	11
I. Balance at the end of last year	1	10,863,235,809.64				5,226,931,857.22		174,905,675.04			-174,893,399.85	16,090,179,942.05
Add: Changes in accounting policies	2	—	—	—	—	—	—	—	—	—	—	—
Correction of prior period errors	3	—	—	—	—	—	—	—	—	—	—	—
Others	4										-40,056,828.47	-40,056,828.47
II. Current year Opening balance	5	10,863,235,809.64	-			5,226,931,857.22	-	174,905,675.04	-	-	-214,950,228.32	16,050,123,113.58
III. Current year movement (Less marked with "-")	6	-	-			235,755,292.26	-	127,237,826.57	-	-	84,679,114.99	447,672,233.82
(1) Total comprehensive income	7	—	—	—	—	—	—	127,237,826.57	—	—	134,668,561.37	261,906,387.94
(2) Capital contribution and reduction from shareholders	8	-	-	-	-	235,755,292.26	-	-	-	—	-	235,755,292.26
1.Shareholder's ordinary share	9		—	—		235,755,292.26	—	—	—	—	—	235,755,292.26
2.Other equity instrument holder's investment	10						—	—	—	—	—	-
3.Dividends payable into shareholder's equity amount	11		—	—	—		—	—	—	—	—	-
4.Others	12		—	—	—							-
(3)Special reserve	13	-	-	-	-	-	-	-	-	-	-	-
1. Appropriations to special reserve	14	—	—	—	—	—	—	—			—	-
2. Use of special reserve	15	—	—	—	—	—	—	—			—	-
(4) Profit distribution	16	-	-	-	-	-	-	-			-49,989,446.38	-49,989,446.38
1.Extract surplus reserve	17	—	—	—	—	—	—	—				-
Including: legal accumulation fund	18	—	—	—	—	—	—	—				-
Optional accumulation fund	19	—	—	—	—	—	—	—				-
#Reserve fund	20	—	—	—	—	—	—	—				-
#Enterprise expansion fund	21	—	—	—	—	—	—	—				-
#Capital redemption	22	—	—	—	—	—	—	—				-
2.Distribution to shareholders	23	—	—	—	—	—	—	—	—	—	-49,989,446.38	-49,989,446.38
3.Others	24											-
(5) Shareholder's equity internal transfer	25	-	-	-	-	-	-	-	-	-	-	-
1.Capital reserve convert to capital	26		—	—	—	—	—	—	—	—	—	-
2.Surplus reserve convert to capital	27		—	—	—	—	—	—	—		—	-
3.Surplus reserve recover loss	28	—	—	—	—	—	—	—	—			-
4.Changes in employee benefit plan convert to retained earnings	29	—	—	—	—	—	—		—	—		-
(5) 5.Other comprehensive income convert to retained earnings	30	—	—	—	—	—	—		—	—		-
6.Others	31											-
IV. Balance at the end of this year	32	10,863,235,809.64	-	-	-	5,462,687,149.48	-	302,143,501.61	-	-	-130,271,113.33	16,497,795,347.40

Legal representative: 王玉涛 | CFO: [illegible] | Controller: 赵石楠

11

Parent Company's Statement of Changes in Equity (Continued)

FY 2018

Prepared by: Guangzhou Development District Financial Holdings Group Co., Ltd. | Currency: RMB Yuan

Item	Line number	2018 Share capital	Other equity instruments: Preferred stocks	Other equity instruments: Perpetual bonds	Other equity instruments: Others	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Shareholder's equity
Column number	—	12	13	14	15	16	17	18	19	20	21	22
I. Balance at the end of last year	1	10,363,235,809.64				4,931,847,048.00		233,345,783.33			-312,189,886.20	15,216,237,947.82
Add: Changes in accounting policies	2											-
Correction of prior-period errors	3											-
Others	4											-
II. Current year Opening balance	5	10,363,235,809.64	—	-	-	4,931,847,048.00	-	233,345,783.33	-	-	-312,189,890.05	15,216,237,947.82
III. Current year movement (Less marked with "-")	6	-	-			295,084,809.22	-	-58,438,209.29	-	-	125,795,895.20	361,838,895.13
(1) Total comprehensive income	7	—	—	—	—	—	—	-58,438,209.29	—	—	235,184,839.75	176,750,126.46
(2) Capital contribution and reduction from shareholders	8	-	-			295,084,809.22	-	-	-	-	-	295,084,809.22
1. Shareholder's ordinary share	9		—	—	—	295,111,068.07	—	—			—	295,111,068.07
2. Other equity instrument holder's investment	10						—	—			—	-
3. Dividends payable into shareholder's equity amount	11		—	—	—		—	—			—	-
4. Others	12		—	—	—	-26,258.85						-26,258.85
(3) Special reserve	13		-	-	-		-	-			-	-
1. Appropriations to special reserve	14	—	—	—	—	—	—	—		—	—	-
2. Use of special reserve	15	—	—	—	—	—	—	—		—	—	-
(4) Profit distribution	16	-	-	-	-	-	-	-	-	-	-129,894,940.55	-129,894,840.35
1. Extract surplus reserve	17	—	—	—	—	—	—	—	—			-
Including: legal accumulation fund	18	—	—	—	—	—	—	—	—			-
Optional accumulation fund	19	—	—	—	—	—	—	—				-
#Reserve fund	20	—	—	—	—	—	—	—				-
#Enterprise expansion fund	21	—	—	—	—	—	—	—				-
#Capital redemption	22	—	—	—	—	—	—	—	—			-
2. Distribution to shareholders	23	—	—	—	—	—	—	—	—	—	-129,894,940.55	-129,894,840.35
3. Others	24											-
(5) Shareholder's equity internal transfer	25	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserve convert to capital	26		—	—	—		—	—	—	—	—	-
2. Surplus reserve convert to capital	27		—	—	—	—	—	—	—			
3. Surplus reserve recover loss	28	—	—	—	—	—	—	—	—			-
4. Changes in employee benefit plan convert to retained earnings	29	—	—	—	—	—	—		—	—		-
5. Other comprehensive income convert to retained earnings	30	—	—	—	—	—	—		—	—		-
6. Others	31											-
IV. Balance at the end of this year	32	10,363,235,809.64	-	-	-	5,226,931,857.22	-	174,905,578.04	-	-	-184,393,290.85	15,580,177,944.05

Legal representative: 王宇杰 | CFO: | Controller: 赵石梅

I. Background of the Company

1. History, registration place, organization form and headquarters address

Guangzhou Development District Financia. Holdings Group Co., Ltd. (hereinafter referred to as "the Group"), previously known as Guangzhou GET Financia Holdings Co., Ltd., invested by the Management Committee of Guangzhou Economic and Technological Development District, is a wholly state-owned limited liability company registered in Guangzhou Industrial and Commerce Administration Bureau in November 6th, 1998. The registration number of business license changed from 4401081100074 to 440108000039287on April 12th, 2011, and the Unified Social Credit Code was changed to 914401167124402906on April 15th, 2016. Guangzhou GET Financial Holdings Co., Ltd was changed to Guangzhou Development District Financial Holdings Group Co., Ltd. on July 25th, 2017, which was authorized by the State-owned Assets Supervision and Administration of Guangzhou Development District (Sui State-owned Capital [2017] No.11) "Approval for the Change of Name of Guangzhou GET Finance Holdings Co., Ltd." The registered capital was RMB 10,363,233,810, and the Group's primary business is services.

Registered address and headquarter address: 33/F, 34/F, Financial Control Center, No.60 Science Avenue, Guangzhou Economic and Technological Development Zone.

Legal representative: Yan Yibin.

2. Nature of business and principal activities of the enterprise

Industrial park management service; Business management consulting service; Enterprise management services (excluding those involving licensed business projects); Real estate investment (excluding licensed business projects, projects prohibited by laws and regulation); Investment advisory services; Enterprise's own capital investment; Asset management (excluding licensing projects); Enterprise headquarters management; Providing entrepreneurship management services for entrepreneurs; Real estate leasing operation.

3. Name of the parent company and group headquarters

The controlling shareholder of the Group is the Guangzhou Economic and Technological Development Zone Management Committee and the ultimate controller of the Group is the Guangzhou Economic and Technological Development Zone Management Committee.

The Group consists of 15 secondary subsidiaries, including the Office, Party Group Work Department, Human Resources Department, Discipline Inspection and Audit Office, Finance and Capital Department, Wind Control Department, Capital Operations Department, Property Rights Management Department, Investment Development Department and Park Operations Department.

The Group has a Board of Directors, which is responsible for the management and control of major decisions and daily work of the Company under the leadership of the General Manager.

4. Approval and submission of financial reports

The approved preparer of the Group's financial report is the Board of Directors, with an approved filing date of April 28th, 2020.

5. Period of business

November 6th, 1998 to November 6th, 2048.

II. Basis for preparation of financial statement

1. Basis of preparation

The Group's financial statements are presented on a going concern basis, based on actual transactions and events, and were prepared in accordance with the "Accounting Standards for Business Enterprises" relevant rules, and based on accounting policies detailed in Note "4. Significant accounting policies and accounting estimates".

2. Going concern

The Group has been profitable and supported by financial resources, The Group prepared its financial statements on a going concern bases.

III. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Group comply with the requirements of the Enterprise Accounting Standards and give a true and complete picture of the Group and the Group's financial position, results of operations and cash flows and other relevant information.

IV. Significant accounting policies and accounting estimates

1. Accounting period

The Group accounting period is from January 1st to December 31st of each calendar year.

2. Functional currency

The Group's functional currency is RMB.

3. Basis of bookkeeping and pricing principles

The Group's accounting is based on the accrual basis of accounting, with the exception of trading financial assets, available-for-sale financial assets, other debt investments, other equity instruments and financial liabilities measured at fair value through profit or loss for the current period, which are measured at fair value, which are valued at historical cost.

4. Business combination

Assets and liabilities acquired by the Group as a consolidated party in a business combination under the common control are measured at the consolidated date at the book value of the consolidated party in the consolidated statements of the ultimate control party. The difference between the book value of net assets acquired and the book value of the combined consideration paid is adjusted for capital reserves; if the capital reserves are not sufficient to offset the difference, the retained earnings are adjusted.

Identifiable assets, liabilities and contingent liabilities of the purchaser acquired in a business combination not under the common control are measured at fair value at the acquisition date. The cost of consolidation is the sum of the fair value of cash or non-cash assets, liabilities issued or assumed, equity securities issued, etc., paid by the Group at the date of purchase to acquire control over the purchaser, as well as the costs directly related to each of the expenses incurred in the business combination (where the business combination is achieved in stages through multiple transactions, the cost of consolidation is the sum of the costs of each individual transaction).The excess of the cost of the consolidation over the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation is recognized as goodwill; If the consolidation costs is less than the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation, the fair value of the identifiable assets, liabilities and contingent liabilities acquired in the consolidation, as well as the fair value of the non-cash assets or equity securities issued in the consolidation consideration, are reviewed first; If, after review, the consolidation costs is still less than the fair value of the purchaser's share of the identifiable net assets acquired in the consolidation, the difference is included in non-operating income in the current period of consolidation.

5. Methodology for the preparation of the consolidated financial statements

(1) Principles for determining the scope of consolidation

The Group includes all controlled subsidiaries and structured entities within the scope of the consolidated financial statements.

(2) Principles, procedures and methodology for the preparation of consolidated financial statements

When preparing consolidated financial statements, if the subsidiary is inconsistent with the accounting policies or accounting periods adopted by the Group, necessary adjustments shall be made to the financial statements of the subsidiary in accordance with the accounting policies or accounting periods of the Group.

All significant internal transactions, balances and unrealized gains within the scope of the consolidation are eliminated in the preparation of the consolidated statements. The share of the subsidiary's shareholder's interest that is not attributable to the parent company and the share of net income, other comprehensive income and total comprehensive income attributable to minority shareholders for the current period are shown in the consolidated financial statements under "Minority interest, minority income, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders".

For subsidiaries that are consolidated under the common control, the results of operations and cash flows are included in the consolidated financial statements from the beginning of the period in which they are consolidated. In preparing the comparative consolidated financial statements, adjustments are made to the relevant items in the prior year's financial statements as if the consolidated reporting entity had existed from the point at which the ultimate controlling party commenced control.

For businesses not under the common control that merge to acquire subsidiaries, the results of operations and cash flows are included in the consolidated financial statements from the date the Group acquires control. In preparing the consolidated financial statements, adjustments are made to the financial statements of subsidiaries based on the fair value of each identifiable asset, liability and contingent liability as determined at the date of purchase.

The stepwise acquisition of an equity interest in an investee that is not under the common control through multiple transactions, resulting in a business combination in which the equity interest in the investee held prior to the date of purchase is remeasured to its fair value at the date of purchase and the difference between the fair value and its book value is recognized in current investment income; The equity interest in the investee held prior to the purchase date to which it relates to other comprehensive income under the equity method of accounting and other changes in owner's equity other than net gains and losses, other comprehensive income and profit distributions, which are converted to investment income or loss in the period to which they relate, except for other comprehensive income resulting from changes in the net liabilities or net assets of the investee's remeasured benefit plan.

The Group partially disposes of its long-term equity investments in subsidiaries without losing control, and adjusts the difference between the disposal price and the disposal price of the long-term equity investments corresponding to the share of the subsidiaries' net assets calculated continuously from the date of purchase or the date of consolidation, adjusted for capital premium or equity premium, and adjusted for retained earnings if the shortfall in capital reserves is eliminated in the consolidated financial statements.

If the Group loses control of an investee due to, for example, the disposal of a portion of its equity investment, the remaining equity interest is remeasured at its fair value at the date of loss of control in the preparation of the consolidated financial statements. The difference between the consideration received for the disposal of the equity and the fair value of the remaining equity, less the proportionate share of the original subsidiary's net assets calculated on a continuing basis from the date of purchase or consolidation, is included in the investment gain or loss in the period in which control is lost, offset by goodwill. Other comprehensive income, such as other comprehensive income related to equity investments in former subsidiaries, is transferred to current investment gains or losses upon loss of control.

6. Classification of joint venture arrangements and accounting treatment of joint operations

A joint arrangement is an arrangement under the common control of two or more participants, divided into joint operations and joint ventures.

When the company is a joint venture, the following items are recognized in relation to the share of joint venture interests:

Recognition of assets held separately, as well as recognition of jointly held assets by share of holdings;

Recognition of separately assumed liabilities and recognition of jointly assumed liabilities on the basis of share held;

Recognition of ncome from the sale of the company's share of the joint operating output;

Recognition of income from the sale of assets from joint operations on the basis of the company's share of ownership.

Recognize expenses incurred separately, as well as expenses incurred in joint operations based on the company's share.

7. Recognition criteria for cash and cash equivalents

Cash in the Group's statement of cash flows represents cash on hand and deposits readily available for payment, while cash equivalents in the statement of cash flows represent investments with a holding period of not more than three months, which are liquid, easily convertible into known amounts of cash and have little risk of changes in value.

8. Foreign currency operations and foreign currency translations

（1） Foreign currency operations

For non-functional currency economic operations, the Company records the accounts in local currency at the mid-point of the market exchange rate published by the People's Bank of China on the date of the operation; the month-end currency balances of foreign currency items are adjusted at the mid-point of the market exchange rate published by the People's Bank of China at year-end. The difference between the book amount in local currency translated at the year-end exchange rate and the book amount in local currency is recognized in profit or loss in the current period as "finance costs - exchange gains and losses"; exchange gains and losses arising from borrowings related to the purchase of fixed assets are treated in accordance with the principle of capitalization of borrowing costs.

(2) Translation of foreign currency financial statements

If a company's foreign operating subsidiaries, joint ventures, associates and branches use a different local currency from the company's, the company's foreign operating financial statements should be translated into the company's local currency when the company's foreign operations are included in the company's financial statements through consolidated statements, equity method accounting, etc. Prior to translation, the company adjusts its accounting period and accounting policies for foreign operations to conform to those of the company, prepares financial statements in the corresponding currency based on the adjusted accounting policies and accounting period, and then translates the financial statements for foreign operations as follows.

Balance sheet assets and liabilities are translated using current exchange rates at the balance sheet date, with the exception of "undistributed profit" items, which are translated using the current exchange rate at the time of occurrence for items of shareholcer interest.

Income statement items are translated using the monthly average exchange rate for the financial period to which they relate.

The resulting foreign currency financial statement translation differences are shown separately as "other comprehensive income" in the consolidated balance sheet under the item of owners' equity in the preparation of the consolidated financial statements.

9. Client transaction settlement funds

The funds received by the company for the settlement of customer transactions are deposited in the special account of the depository bank and managed separately from its own funds, and the funds for the settlement and settlement of securities transactions on behalf of customers are deposited into the clearing agency designated by the exchange and accounted for in the settlement reserve. The Company recognizes assets and liabilities at the same time when it receives payments for securities trading on behalf of its clients, and the handling fee, securities management fee, securities settlement risk fund and other related expenses paid by the Company on behalf of its clients are recognized as handling fee when it clears with the clearing agency, and the handling fee collected from the clients is recognized as handling fee income when it clears with the clients for securities trading.

10. Financial assets and financial liabilities (previous financial instruments guidelines)

(1) Financial assets

The Group recognizes a financial asset or financial liability when it becomes a party to a contract for a financial instrument.

1) Classification, basis of recognition and measurement of financial assets

The Group classifies financial assets owned by the Group based on the purpose and economic substance of the investment into financial assets at fair value through profit or loss, held-to-maturity investments, receivables and available-for-sale financial assets.

Financial assets carried at fair value through profit or loss for the current period, including transactional financial assets and financial assets designated at initial recognition as being carried at fair value through profit or loss for the current period. The Group classifies financial assets as transactional if one of the following conditions is met: the financial asset is acquired for the purpose of sale in the short term; is part of a centrally managed portfolio of identifiable financial instruments and there is objective evidence that the company has recently managed the portfolio in a short-term profit-making manner; Derivatives, except for those designated as effective hedging instruments; derivatives that are financial security contracts, derivatives linked to investments in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured and that are subject to settlement through delivery of the equity instrument. The Group will designate only those financial instruments that meet one of the following criteria for initial recognition as financial assets at fair value through profit or loss in the current period: The designation eliminates or significantly reduces inconsistencies in the recognition or measurement of related gains or losses resulting from differences in the measurement basis of the financial instrument; The portfolio of financial instruments is managed, evaluated and reported to key management personnel on a fair value basis, as set out in a formal written corporate risk management or investment strategy; A hybrid instrument that contains one or more embedded derivatives, unless the embedded derivatives do not materially change the cash flows of the hybrid instrument or it is clear that the embedded derivatives should not be separated from the underlying hybrid instrument; A hybrid instrument that contains embedded derivatives that need to be separated but cannot be measured separately at the time of acquisition or subsequent balance sheet date. Such financial assets are subsequently measured using fair value. Changes in fair value are recognized in fair value gains or losses; interest or cash dividends earned during the holding period of the asset are recognized as investment income; on disposal, the difference between its fair value and the amount initially recorded is recognized as investment income or losses, with adjustments for fair value gains or losses.

Held-to-maturity investments are non-derivative financial assets with fixed, recoverable or determinable maturities and which the Group has the express intention and ability to hold to maturity. Held-to-maturity investments are subsequently measured at amortized cost using the effective interest method, and their amortization or impairment, as well as gains or losses arising from derecognition, are recognized in profit or loss in the current period.

Accounts receivable is a non-derivative financial asset that is not quoted in an active market and for which a fixed or determinable recovery amount is available. Amortization or impairment, as well as gains or losses arising from derecognition, are recognized in profit or loss in the current period, using the effective interest method and measured subsequently at amortized cost.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale upon initial recognition, as well as financial assets that are not classified as other. Of these assets, investments in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, as well as derivative financial assets linked to the equity instrument and subject to settlement through delivery of the equity instrument, are subsequently measured at cost; other assets for which quoted prices exist in an active market or whose fair value cannot be reliably measured despite the absence of quoted prices in an active market are measured at fair value, with changes in fair value recognized in other comprehensive income. For these financial assets, the fair value is subsequently measured at fair value. In addition to impairment losses and exchange gains and losses arising from foreign currency financial assets, changes in the fair value of available-for-sale financial assets are credited directly to shareholders' equity, and upon derecognition of the financial asset, the cumulative amount of changes in fair value originally credited directly to equity is transferred to current income or loss. Interest on investments in available-for-sale debt instruments, calculated using the effective interest method during the holding period, and cash dividends declared by the investee units in respect of investments in available-for-sale equity instruments are recognized in profit or loss for the period as investment income.

Investments in equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured are measured at cost.

2) Basis for recognition and measurement of transfers of financial assets

A financial asset is derecognized if one of the following conditions is met: ① the contractual right to receive cash flows from the financial asset is terminated; ② the financial asset is transferred and the Group transfers almost all the risks and rewards of ownership of the financial asset to the transferring party; ③ the financial asset is transferred and the Group relinquishes control of the financial asset even though it neither transfers nor retains almost all the risks and rewards of ownership.

Where an enterprise neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset and has not relinquished control of that financial asset, the financial asset is recognized to the extent that it continues to be involved in the transferred financial asset and the liability is recognized accordingly.

When a transfer of a financial asset as a whole meets the conditions for derecognition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of the change in fair value originally included in other comprehensive income is recognized in profit or loss for the current period.

When a partial transfer of financial assets satisfies the conditions for derecognition, the carrying value of the transferred financial assets as a whole is apportioned between the derecognized and unterminated portions according to their respective relative fair values, and the difference between the consideration received for the transfer and the cumulative amount of the change in fair value originally included in other comprehensive income that should be apportioned to the derecognized portion is recognized in profit or loss in the current period.

3) Test methods for impairment of financial assets and accounting treatment

The Group examines the carrying value of financial assets other than those measured at fair value through profit or loss at the balance sheet date and provides for impairment if there is objective evidence that a financial asset is impaired.

When a financial asset measured at amortized cost is impaired, a provision is made for impairment to the extent that the present value of expected future cash flows (excluding future credit losses not yet incurred) is less than its carrying amount. If there is objective evidence that the value of the financial asset has been restored and is objectively related to events that occurred after the recognition of the loss, the originally recognized impairment loss is reversed and recognized in profit or loss in the current period.

4) When available-for-sale financial assets are impaired, cumulative losses resulting from decreases in fair value that would have been directly attributable to owner's equity are removed and recognized in impairment losses. Investments in available-for-sale debt instruments for which an impairment loss has been recognized are reversed and recognized in profit or loss if their fair value increases after the period in which the impairment loss was recognized and is objectively related to an event that occurred after the original impairment loss was recognized. Investments in available-for-sale equity instruments for which an impairment loss has been recognized are credited directly to owner's equity with an increase in fair value after the period.

(2) Financial liabilities

1) Classification, basis of recognition and measurement of financial liabilities

The Group's financial liabilities are classified at initial recognition as financial liabilities measured at fair value through profit or loss for the current period and other financial liabilities.

Financial liabilities measured at fair value through profit or loss, including transactional financial liabilities and financial liabilities designated at initial recognition as being measured at fair value through profit or loss (the relevant classification is disclosed by reference to the financial asset classification basis). Subsequent measurement at fair value results in gains or losses arising from changes in fair value and dividends and interest expense related to the financial liability being recognized in profit or loss in the current period.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

2) Conditions for derecognition of financial liabilities

Recognition of a financial liability or the part of a financial obligation that has been discharged is terminated when the present obligation of the financial liability has been discharged in whole or in part. An agreement between a company and its creditors to replace an existing financial liability with a new financial liability and to discontinue recognition of the existing financial liability and recognize the new financial liability at the same time if the contractual terms of the new financial liability and the existing financial liability differ materially. A company that materially modifies the contractual terms of all or part of an existing financial liability discontinues recognition of the existing financial liability or part thereof and recognizes the modified financial liability as a new financial liability. The difference between the book value of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

(3) Methodology for determining the fair value of financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the primary market and, where no primary market exists, at prices in the most favorable market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. The inputs used in fair value measurement are divided into three levels, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the underlying assets or liabilities; and level 3 inputs are unobservable inputs for the underlying assets or liabilities. The Group prioritizes the use of the first level of input values and finally the third level of input values. The level at which the fair value measurement result falls is determined by the lowest level at which the inputs that are significant to the fair value measurement as a whole fall.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, the balance sheet is presented as a net set-off when the following conditions are also met: (1) the Group has a legal right to set off the amount recognized and such legal right is currently enforceable; and (2) the Group plans to settle the financial asset and settle the financial liability on a net basis, or both.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid the delivery of cash or other financial assets to meet the obligation. Some financial instruments, while not expressly containing terms and conditions for the obligation to deliver cash or other financial assets, may indirectly create contractual obligations through other terms and conditions. (2) If a financial instrument is to be settled with, or may be settled with, the Group's own equity instrument, consideration needs to be given to whether the Group's own equity instrument used to settle the instrument is a substitute for cash or other financial assets or is intended to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a contract for a financial instrument that requires the Group to settle that financial instrument with, or may be settled with, its own equity instrument, where the amount of the contractual right or contractual obligation is equal to the amount of the own equity instrument available or to be delivered multiplied by its fair value at settlement, whether the amount of the contractual right or obligation is fixed or is based wholly or partly on changes in variables other than the market price of the Group's own equity instrument (such as interest rates, the price of a commodity or the price of a financial instrument), is classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated statements, the Group takes into account all terms and conditions agreed between Group members and holders of financial instruments. An instrument should be classified as a financial liability if the group as a whole has an obligation to deliver cash, other financial assets or settle them in another manner that causes the instrument to become a financial liability.

Where financial instruments or their components are financial liabilities, interest, dividends, gains or losses thereon, and gains or losses arising from redemption or refinancing, are recognized in profit or loss for the current period.

When a financial instrument or a component of an equity instrument is issued (including refinancing), repurchased, sold or written off, the Group treats it as a change in equity and does not recognize changes in the fair value of the equity instrument.

11. Financial assets and financial liabilities (New Financial Instruments Guidelines)

(1) Financial assets

1) Classification, basis of recognition and measurement of financial assets

The Group classifies financial assets into those measured at amortized cost, those measured at fair value through other comprehensive income and those measured at fair value through profit or loss for the current period based on the business model for managing financial assets and the contractual cash flow characteristics of financial assets.

The Group classifies financial assets that also meet the following criteria as financial assets measured at amortized cost: ①The business model for managing such financial assets is to collect contractual cash flows. ②The contractual terms of the financial asset state that the cash flow generated on a particular date is solely for the payment of the principal and interest based on the outstanding principal amount. Such financial assets are initially measured at fair value, with related transaction costs included in the initial recognition amount; they are subsequently measured at amortized cost. The difference between the initial amount and the amount due is amortized using the effective interest method, except for those designated as hedged items, and amortization, impairment, exchange gains or losses and gains or losses arising on derecognition are recognized in profit or loss in the current period.

The Group classifies financial assets that are measured at fair value and whose movements are included in other comprehensive income as follows: ①The business model for managing the financial asset is both to collect contractual cash flows and to sell the financial asset. ②The contractual terms of the financial asset state that the cash flow generated at a particular date is solely for the payment of the principal and interest based on the outstanding principal amount. Such financial assets are initially measured at fair value and the related transaction costs are included in the initial recognition amount. Except for financial assets designated as hedged items, gains or losses on such financial assets other than impairment losses or gains on credit, exchange gains or losses and interest on the financial asset calculated using the effective interest method are recognized in other comprehensive income; upon derecognition of a financial asset, the cumulative gain or loss previously recognized in other comprehensive income is removed from other comprehensive income and recognized in profit or loss in the current period.

The Group recognizes interest income based on the effective interest rate method. Interest income is determined by multiplying the carrying amount of the financial asset by the effective interest rate, except: ① in the case of financial assets acquired or derived from which credit impairment has occurred, interest income is determined from initial recognition based on the amortized cost of the financial asset and the effective interest rate adjusted for credit. ② Interest income is determined in subsequent periods on the amortized cost and effective interest rate of financial assets acquired or acquired without credit impairment but which become impaired in subsequent periods.

The Group designates investments in non-trading equity instruments as financial assets that are measured at fair value and whose movements are included in other comprehensive income. Once the designation has been made, it cannot be revoked. Investments in non-trading equity instruments designated by the Group that are measured at fair value and whose movements are included in other comprehensive income are initially measured at fair value and the related transaction costs are included in the initial recognition amount; with the exception of dividends received, which are part of the recovery of investment costs, which are included in current profit or loss, other related gains and losses, including foreign exchange gains and losses, are included in other comprehensive income and are not subsequently transferred to current profit or loss. When it is derecognized, the accumulated gain or loss previously included in other comprehensive income is transferred out of other comprehensive income and included in retained earnings.

Financial assets other than those classified above as financial assets carried at amortized cost and those classified as financial assets carried at fair value through other comprehensive income. The Group classifies them into two financial assets that are measured at fair value and the movements of which are recognized in profit or loss for the current period. These financial assets are initially measured at fair value and the related transaction costs are recognized directly in profit or loss for the current period. Gains or losses on such financial assets are recognized in profit or loss in the current period.

Contingent consideration recognized by the Group in a business combination not under common control constitutes a financial asset, which is classified as a financial asset at fair value through profit or loss for the current period.

2) Basis for recognition and measurement of transfers of financial assets

The Group will derecognize a financial asset that meets one of the following conditions: ① the contractual right to receive cash flows from the financial asset is terminated; ② the financial asset is transferred and the Group transfers substantially all risks and rewards of ownership of the financial asset; ③ the financial asset is transferred and the Group neither transfers nor retains ownership of substantially all risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

When a transfer of a financial asset as a whole meets the conditions for derecognition, the difference between the carrying value of the transferred financial asset and the sum of the consideration received for the transfer and the cumulative amount of the change in fair value that would have been included directly in other comprehensive income corresponding to the derecognition portion (the terms of the contract relating to the transferred financial asset stipulate that the cash flows arising at a given date are only payments of principal and interest based on the outstanding principal amount) is recognized in profit or loss for the current period.

When a partial transfer of financial assets satisfies the conditions for derecognition, the carrying value of the transferred financial assets as a whole is apportioned between the derecognized and unterminated portions according to their respective relative fair values, and the difference between the consideration received for the transfer and the amount to be apportioned to the derecognized portion of the cumulative amount of the change in fair value that would have been included in other comprehensive income (under the terms of the contract relating to the transferred financial assets, the cash flows arising on a given date are only payments of principal and interest based on the outstanding principal amount), and the apportionment of the difference between the carrying value of the aforementioned financial assets as a whole is recognized in profit or loss in the current period.

3) Expected credit losses

a) Application scope

The Group recognizes the following items for impairment and loss on the basis of expected credit losses: ①debt investment; ② lease receivables; ③ contract assets; ④ accounts receivable; ⑤ financial guarantee contracts.

b) Method of determining expected credit losses and accounting treatment (excluding receivables)

Expected credit losses are the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses represent the difference between all contractual cash flows receivable under the contracts and all cash flows expected to be received by the Group, discounted at the original effective interest rate, which is the present value of the total cash shortfall.

The Group's provision for loss is always measured at an amount equal to the expected credit loss over the entire duration of the following items: ① Finance operating lease receivable; ② Operating lease receivable

In addition to the above items, for other items, the Group measures a provision for losses based on the following: ① for financial assets whose credit risk has not increased significantly since initial recognition, the Group measures a provision for losses based on the amount of expected credit losses in the next 12 months; ② for financial assets whose credit risk has increased significantly since initial recognition, the Group measures a provision for losses based on the amount of expected credit losses over the entire lifetime of the financial instrument; ③ for financial assets whose credit impairment has occurred, the Group measures a provision for losses based on the amount of expected credit losses over the entire lifetime.

A determination of whether credit risk has increased significantly since initial recognition. The Group determines whether a financial instrument's credit risk has increased significantly by comparing the amount of the probability of default over the expected life of the instrument as determined at initial recognition with the probability of default over the expected life of the instrument as determined at the balance sheet date. However, if the Group determines that a financial instrument has only low credit risk at the balance sheet date, it can be assumed that the credit risk of the financial instrument has not increased significantly since its initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Group considers reasonable and informed information, including forward-looking information, that is available without undue additional cost or effort.

Portfolio-based assessment. The Group is unable to obtain sufficient evidence of a significant increase in credit risk at the level of a single instrument at a reasonable cost, and it is feasible to assess whether credit risk increases significantly on a portfolio basis, so the Group groups financial instruments by type of instrument, credit risk rating, type of collateral, initial confirmation date, remaining contractual term, industry in which the borrower is located, geographic location of the borrower and loan collateralization ratio as common risk characteristics and considers assessing whether credit risk increases significantly on a portfolio basis.

Expected credit loss measurement. ①Debt investments, where the credit loss is the present value of the difference between the contractual cash flows receivable by the group and the cash flows expected to be receivable. ②Lease receivables, credit losses are the present value of the difference between the contractual cash flows receivable by the Group and the cash flows expected to be received. Of these, the cash flows used to determine expected credit losses are consistent with those used by the Group to measure lease receivables in accordance with the leasing guidelines.

Financial instruments that assess expected credit risk by portfolio and measure expected credit losses

Item	Basis for determining the combination	Methodology for measuring expected credit losses
Other debt investments	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions
Financing	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to

Item	Basis for determining the combination	Methodology for measuring expected credit losses
		historical credit loss experience, combined with current conditions and projections of future economic conditions
Purchase and sale of financial assets	Single financial instrument	Recognition of expected credit losses for 12 months versus expected credit losses for the full duration, respectively, by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions

（2） Financial liabilities

1) Classification, basis of recognition and measurement of financial liabilities

The Group classifies financial liabilities as financial liabilities measured at amortized cost, except for the following: ①Financial liabilities measured at fair value through profit or loss for the current period, including transactional financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated as fair value through profit or loss for the current period. ② Financial liabilities arising from the transfer of financial assets that do not meet the conditions for derecognition or from continued involvement in the transferred financial assets. ③ A financial guarantee contract that does not fall under either ① or ② above, and a loan commitment at a below-market interest rate that does not fall under ① above.

Contingent consideration recognized by the Group as a purchaser in a business combination not under common control that results in a financial liability is accounted for at fair value through profit or loss for the current period.

2) Conditions for derecognition of financial liabilities

Recognition of a financial liability or the part of a financial obligation that has been discharged is terminated when the present obligation of the financial liability has been discharged in whole or in part. An agreement between the Group and a creditor to replace an existing financial liability with a new financial liability and to derecognize the existing financial liability and recognize the new financial liability at the same time if the contractual terms of the new financial liability and the existing financial liability differ materially. The Group derecognizes an existing financial liability or part of an existing financial liability when it makes a material change to the contractual terms of the existing financial liability, in whole or in part, and recognizes the modified financial liability as a new financial liability. The difference between the book value of the derecognized portion and the consideration paid is recognized in profit or loss for the current period.

（3） Fair value determination for financial assets and financial liabilities

The Group measures the fair value of financial assets and financial liabilities at prices in the primary market and, where no primary market exists, at prices in the most favorable market, and uses valuation techniques that are applicable at the time and supported by sufficient available data and other information. The inputs used in fair value measurement are divided into three levels, namely, level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the underlying assets or liabilities; and level 3 inputs are unobservable inputs for the underlying assets or liabilities. The Group prioritizes the use of the first level of input values and finally the third level of input values. The level at which the fair value measurement result falls is determined by the lowest level at which the inputs that are significant to the fair value measurement as a whole fall.

The Group's investments in equity instruments are measured at fair value. However, in limited circumstances, if there is insufficient recent information to determine fair value, or if there is a wide range of possible estimates of fair value and the cost represents the best estimate of fair value within that range, the cost may represent its appropriate estimate of fair value within that range.

(4) Offsetting of financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, the balance sheet is presented as a net set-off when the following conditions are also met: (1) the Group has a legal right to set off the amount recognized and such legal right is currently enforceable; and (2) the Group plans to settle the financial asset and settle the financial liability on a net basis, or both.

(5) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes between financial liabilities and equity instruments in accordance with the following principles: (1) A contractual obligation meets the definition of a financial liability if the Group cannot unconditionally avoid the delivery of cash or other financial assets to meet the obligation. Some financial instruments, while not expressly containing terms and conditions for the obligation to deliver cash or other financial assets, may indirectly create contractual obligations through other terms and conditions. (2) If a financial instrument is to be settled with, or may be settled with, the Group's own equity instrument, consideration needs to be given to whether the Group's own equity instrument used to settle the instrument is a substitute for cash or other financial assets or is intended to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In some cases, a contract for a financial instrument that requires the Group to settle that financial instrument with, or may be settled with, its own equity instrument, where the amount of the contractual right or contractual obligation is equal to the amount of the own equity instrument available or to be delivered multiplied by its fair value at settlement, whether the amount of the contractual right or obligation is fixed or is based wholly or partly on changes in variables other than the market price of the Group's own equity instrument (such as interest rates, the price of a commodity or the price of a financial instrument), is classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated statements, the Group takes into account all terms and conditions agreed between Group members and holders of financial instruments. An instrument should be classified as a financial liability if the group as a whole has an obligation to deliver cash, other financial assets or settle them in another manner that causes the instrument to become a financial liability.

Where financial instruments or their components are financial liabilities, interest, dividends, gains or losses thereon, and gains or losses arising from redemption or refinancing, are recognized in profit or loss for the current period.

When a financial instrument or a component of an equity instrument is issued (including refinancing), repurchased, sold or written off, the Group treats it as a change in equity and does not recognize changes in the fair value of the equity instrument.

12.Provision for bad debts in accounts receivable

（1） Receivables with a single significant amount and a single provision for bad debt

Basis for determining the materiality of an individual amount or monetary criterion	Non-medical devices segment: top 5 year-end balances or other receivables that are not in the top 5, but at the end of the year represent 10 per cent or more of receivables in a single amount.
Method of accruing a single significant amount and a single provision for bad debt	A separate impairment test is performed for receivables that are individually significant, and if an impairment test is performed, an impairment loss is determined and a provision for bad debt is made for the difference between the present value of future cash flows and their carrying value. Where no impairment is detected after separate testing, a provision for bad debts is included in the corresponding portfolio.

（2） Individual evaluation of credit risk for financial assets with significantly different credit risk

Basis or criteria for the individual evaluation of credit risk	In the medical devices section, credit risk is evaluated individually for financial assets with significantly different credit risks, such as: receivables from related parties; receivables that are in dispute with the other party or involved in litigation or arbitration; receivables for which there are clear indications that the debtor is likely to be unable to meet its repayment obligations; etc.
Methodology for credit risk accrual for individual evaluations	individual evaluation of credit risk

（3） Provisions for bad debt receivables based on a combination of credit risk characteristics

Basis for determining the combination:

Combination name	Basis for determination
Combination 1	Aging combination
Combination 2	Reimbursements receivable, government arrears, staff reserves, deposits, bonds, related transactions, electrical bill receivables, etc. (non-medical devices only)
Combination 3	Combination of credit risk characteristics of the securities segment, other receivables excluding those within the scope of consolidation

Provisions for bad debt are made on a portfolio basis:

Combination name	Method of calculation
Combination 1	Aging analysis
Combination 2	On an individual basis, if there is objective evidence of impairment in the portfolio, an impairment loss is recognized and a provision for bad debt is made based on the difference between the present value of its future cash flows and its carrying amount
Combination 3	Expected credit losses are calculated by reference to historical credit loss experience, combined with current conditions and projections of future economic conditions, through default exposure and expected credit loss rates over the entire duration.

1) The proportion of the provision for bad debts on receivables using the ageing analysis method is as follows:

Non-electricity and real estate, medical devices and securities sectors: Except for Guangzhou Hengyun Enterprises Holding Ltd., Beijing Leadman Biochemistry Co., Ltd. and its subsidiaries, Yuekai Securities Co.,Ltd.

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
Within 1 year	0	0

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
1-2 years	10	10
2-3 years	30	30
3-4 years	50	50
4-5 years	70	70
Over 5 years	100	100

Power and investment properties section: Guangzhou Hengyun Enterprises Holding Ltd. and its subsidiaries

Aging	Percentage of accounts receivable accrual (%)	Percentage of other receivables accrued (%)
Within 1 year	0.5	0.5
1-2 years	10	10
2-3 years	30	30
3-4 years	50	50
4-5 years	70	70
Over 5 years	100	100

Medical devices section: Beijing Leadman Biochemistry Co., Ltd. and its subsidiaries

Item	Basis for determining the combination	Method of calculation
Non-related party combinations	Aging of accounts receivable, other receivables and commercial promissory notes as credit risk characteristics	Prepare a table comparing the aging of accounts receivable, other receivables, commercial promissory notes and expected credit loss rates over the entire duration of the period, taking into account historical credit loss experience and taking into account current conditions and projections of future economic conditions, to calculate overdue credit losses

（4） Receivables for which a single amount is not material but for which a single provision for bad debts is made

Reasons for a separate provision for bad debts	There is objective evidence of impairment
Method of accrual of provision for bad debts	Separate impairment tests are performed on receivables for which there is objective evidence that the individual amounts are not significant, and impairment losses are determined and bad debt provisions are made

（5） Finance lease combination with provision for bad debt using the risk asset type approach

Risk asset type	Risk description	Percentage of provision for bad debts
Normal	Lessee with reliable credit, strong repayment ability, normal operation in all aspects, no negative factors that affect the full repayment of principal and interest on time and in full.	0
Interest	The lessee has good intentions to repay, and occasional delays and late payments do not ultimately affect the recovery of principal and interest. 1 to 3 months (inclusive) past due for normal principal or interest payments. There are a number of factors relating to the lessee, including repayment capacity, liquidity, security capacity, etc., that may adversely affect repayment, the continuation of which will affect the discharge of the claim and require special attention.	1-3

Risk asset type	Risk description	Percentage of provision for bad debts
Secondary	3-6 months (inclusive) overdue payment of principal or interest by the lessee. A clear problem of repayment capacity, which would not allow full repayment of the current principal and interest due solely on its normal operations, which may result in some loss even if the guarantee is enforced	10-20
Doubt	If the lessee is overdue for more than 6 months for payment of principal or interest, it will not be able to repay the current principal and interest in full and on time, even if the security is enforced, it will cause a large loss, but the amount of loss is not certain because of factors such as the existence of collateral (pledge) disposal	30-50
Loss	After all the measures or all the necessary legal procedures have been taken, the principal and interest will remain uncollectible, or only a very small part will be recovered.	80-100

(6) Notes and prepayments receivable and long-term receivables other than financial leases for which the company performs a separate impairment test and for which there is objective evidence of impairment are recognized as impairment losses based on the difference between the present value of future cash flows and their carrying amounts, with a provision for impairment.

(7) When a provision for bad debt is made for a receivable and there is objective evidence that the value of the financial asset has been restored and that it is objectively related to an event occurring after the recognition of the loss, the bad debt provision originally recognized should be reversed and recognized in profit or loss for the current period.

(8) Provisions for collateral compensation are made for reimbursement of receivables in accordance with industry requirements and no provision for bad debts on accounts receivable is made.

13. Securities underwriting

The Group's securities are underwritten by means of balance underwriting and distribution. Under balance underwriting, unsold securities at the end of the issue period are converted into trading financial assets at the agreed issue price, etc.

The Group recognizes the costs associated with the issuance of projects prior to their establishment in profit or loss for the current period. After the project is established, separately identifiable issuance costs are charged to the account of pending underwriting costs, and gains and losses are carried forward when the project is successfully issued. All project costs that are confirmed to be unsuccessful in issuance are recorded in profit or loss for the current period.

14. Method of accounting for bond-denominated operations

The Group recognizes revenue when it accepts a mandate to honor the maturity of bonds issued by the principal and when the related services provided by the bond-delivery business are completed.

15. Buy-back and sell-back payments

A buy-sell transaction refers to the purchase of related assets (including bonds and notes) from a counterparty at a certain price in accordance with a contract or agreement, and the resale of the same financial products at an agreed price on the maturity date of the contract or agreement. Purchases and sales are accounted for as actual payments made at the time of purchase and sale of the underlying assets and are shown in the balance sheet under "Buying back the sale of financial assets".

A sale and repurchase transaction is the sale of an underlying asset (including bonds and notes) to a counterparty at a price in accordance with a contract or agreement, and the repurchase of the same financial product at the agreed price on the maturity date of the contract or agreement. Sales of repurchases are accounted for on the basis of the amounts actually received at the time of the sale of the repurchased assets and are shown in the balance sheet under the item "Amount of financial assets sold for repurchases". The financial products sold remain on the Group's balance sheet in accordance with their original classification and are accounted for in accordance with the relevant accounting policies.

Interest income and expenditure on buy-backs and sell-backs are recognized at the effective interest rate over the period of the buy-back or sale. Where the difference between the effective interest rate and the contractual rate is small, interest income and expenditure are calculated at the contractual rate.

16. Customer asset management

The Group's Customer asset management business is divided into targeted asset management business, pooled asset management business and special asset management business.

The Group accounts for the different asset management plans it manages, with each product as the accounting subject, with separate accounting and separate financial reporting. The different asset management plans are independent of each other in terms of registering, setting up accounts, transferring funds, keeping books, etc. The accounting for pooled asset management business products is performed on the basis of the accounting for portfolio investment funds and the pooled asset plan is valued at fair value at each valuation date.

17. Financing and financing of securities

The Group's securities financing business refers to the business activities in which the Group lends funds to customers to buy securities or lends securities to customers to sell, and the customers deposit the corresponding collateral. The Group's financing and securities financing business is divided into two categories: financing business and securities financing business.

Financing operations, which are accounted for in accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments. The Group's financing, recognizes receivables and recognizes corresponding interest income.

In the securities business, the securities financed are not derecognized and the corresponding interest income is recognized, in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No. 23 – Transfers of Financial Assets.

The Group accounts for its securities brokerage business when it finances and finances securities on behalf of its clients.

The Group reasonably anticipates possible future losses based on the funds lent and the probability of default, fully reflecting the performance risk of the funds lent and securities to be assumed.

18. Inventories

The Group's inventories mainly include raw materials, working materials, consignment materials, packaging, low-value consumables, work-in-progress products, homemade semi-finished products, finished products (inventory products), development products, etc.

Inventories are valued at actual cost when acquired; the non-medical equipment segment is accounted for using the weighted average method when inventories are issued and the medical equipment segment is accounted for using the first-in-first-out method; low-value consumables and packaged goods are accounted for using the one-time amortization method.

The inventory system adopts the perpetual inventory system, and a comprehensive inventory count is conducted at the balance sheet date, and if the results of the count do not match the bookkeeping records, the reasons are identified and processed before the year-end closing of the accounts with the approval of the Board of Directors or the shareholders' meeting, in accordance with the Group's management authority.

Inventories are valued at the lower of cost or net realizable value at the end of the year, and a provision is made for the depreciation of inventories to the extent that their cost is not expected to be recoverable because of destruction, total or partial obsolescence, or sale prices below cost. Provision is made for the difference between the cost of individual items of inventory over their net realizable value and the cost of other raw and auxiliary materials in large quantities and at lower unit cost, by category.

The net realizable value of inventories of goods, such as goods in stock, products in process and materials used for sale, which are used directly for sale, is determined by the estimated selling price of the inventory less estimated selling costs and related taxes; the net realizable value of inventories of materials held for production is determined by the estimated selling price of the finished product produced less estimated costs to be incurred at completion, estimated selling costs and related taxes and fees.

Method of accounting for land for development: pure land development projects, the cost of which constitutes a separate cost of land development. If the cost of the project, which is developed together with the property as a whole, can be borne separately, it is generally apportioned according to the actual area and credited to the cost of commercial housing.

Method of accounting for the cost of public facilities: For public facilities that cannot be transferred at a fee, the standard allocation is determined in proportion to the benefit and included in the cost of commercial housing. For public facilities that can be transferred in return for a fee, the costs incurred will be aggregated using each facility item as a costing object.

19. Long-term equity investments

（1） Basis for determining joint control and significant influence

The Group's long-term equity investments mainly consist of equity investments held by the Group that are capable of exercising control and significant influence over the investee units, as well as equity investments in its joint ventures.

Control means that the Group has power over the investee, enjoys variable returns by participating in the investee's related activities, and has the ability to use its power over the investee to influence the amount of its returns.

Joint control is the control shared by agreement over an arrangement, and decisions about the activities of the arrangement must be made with the unanimous consent of the participants who share control. A joint venture arrangement is an arrangement under the joint control of two or more participants. A joint venture is a joint venture arrangement in which the joint venture party has rights only in the net assets of the arrangement.

Significant influence is the power to participate in decision-making on the financial and operating policies of the investee unit, but does not control or have joint control with other parties over the development of those policies. Significant influence is determined primarily by representation on the investee's board of directors or similar authority and by exercising significant influence through a voice in the financial and operational decision-making process of the investee; If there is clear evidence that the Group, directly or indirectly through a subgroup, owns more than 20% but less than 50% of the voting shares of the investee unit, it shall not be able to exercise significant influence if it cannot participate in the production and operation decisions of the investee unit in such cases. In determining whether significant influence can be exerted over the investee unit, the Group will consider, on the one hand, the voting shares of the investee unit held directly or indirectly by the Group and, on the other hand, the effect of current executable potential voting rights held by the Group and others, such as current convertible warrants, stock options and convertible corporate bonds issued by the investee unit, on the assumption of conversion into equity interest in the investee unit.

（2） Methodology for determining the cost of long-term equity investments, subsequent measurement and profit and loss recognition

The initial investment cost of a long-term equity investment at the date of consolidation is based on acquiring the consolidated party's share of the carrying value of the consolidated party's ownership interest in the consolidated financial statements of the ultimate controlling party if the consideration for the consolidation is by way of cash payments, transfers of non-cash assets or incurring debt. The difference between the initial investment cost of long-term equity investments and the book value of cash paid, non-cash assets transferred and liabilities assumed is adjusted for the equity premium in the capital reserve; if the equity premium in the capital reserve is not sufficient to offset it, the retained earnings are adjusted.

If equity securities are issued as merger consideration, the initial investment cost of the long-term equity investment at the date of consolidation is treated as equity based on acquiring the consolidated party's share of the book value of the consolidated party's ownership interest in the consolidated financial statements of the ultimate controlling party and the aggregate nominal value of the shares issued. The difference between the initial investment cost of a long-term equity investment and the total nominal value of the shares issued is adjusted for the equity premium in the capital reserves; if the equity premium in the capital reserves is not sufficient to offset it, the retained earnings are adjusted.

Business combinations not under the common control: the Group's initial investment cost for long-term equity investments is based on the cost of consolidation determined at the date of purchase.

The intermediary fees, such as audit, legal services, valuation consulting, and other related management fees incurred in connection with a merger are recognized in profit or loss when incurred; transaction fees for equity or debt securities issued as consideration for a merger are included in the initial recognition amount of the equity or debt securities.

Long-term equity investments acquired through cash payments, other than those acquired through business combinations as described above, are costed as investments based on the actual purchase price paid; Long-term equity investments acquired through the issuance of equity securities, which are costed at the fair value of the equity securities issued; Long-term equity investments made by the investor at the cost of the investment, based on the value agreed in the investment contract or agreement; The cost of long-term equity investments acquired through debt restructuring, non-monetary asset swaps, etc., is determined in accordance with the relevant accounting standards.

The Group adopts the cost method of accounting for long-term equity investments in which it is able to exercise control over the investee units and the equity method of accounting for investments in joint ventures and associates.

Under the cost method of accounting, long-term equity investments are valued at the initial investment cost and the cost of long-term equity investments is adjusted when the investments are added or recovered. Profits or cash dividends declared as distributions by the investee units are recognized as investment income.

Under the equity method of accounting, the initial investment cost is greater than the difference between the fair value share of the identifiable net assets of the investee unit at the time of investment, without adjusting the initial investment cost of the long-term equity investment; The cost of the initial investment is less than the difference between the fair value share of the identifiable net assets of the investee unit at the time of investment, which is recognized in profit or loss for the current period, and the cost of the long-term equity investment is adjusted. Upon acquisition of the long-term equity investment, the investment income and other comprehensive income are recognized separately on the basis of the share of the net gain or loss and other comprehensive income realized by the investee for the year to which they are entitled or to which they are entitled, and the carrying value of the long-term equity investment is adjusted; The carrying value of the long-term equity investment is reduced accordingly, based on the investor's share of the profits or cash dividends declared by the investee unit; Investors adjust the carrying value of long-term equity investments and record them in owners' equity for changes in owners' equity other than net gains or losses, other comprehensive income and distribution of profits of the investee units. In recognizing the share of the net profit or loss of the investee unit, the Group's accounting policies and the accounting period are followed in adjusting the net profit or loss of the investee unit by offsetting the unrealized gain or loss on internal transactions with associates and joint ventures that are attributable to the investee on a proportionate basis.

（3） Changes in long-term equity investments

If, as a result of additional investments or other reasons, the investee is able to exercise common control or significant influence over the investee but does not constitute control, the sum of the fair value of the equity investments previously held and classified as available-for-sale financial assets plus the additional investment costs is transferred to the equity method of accounting as the initial investment cost, the difference between its fair value and book value, and the cumulative change in fair value previously recognized in other comprehensive income to current income or loss. The difference between the initial investment cost calculated above and the share of the fair value of the identifiable net assets of the investee units at the date of the additional investment, calculated on the basis of the proportion of the new shares held after the additional investment, is not adjusted for the carrying value of the long-term equity investment if the former is greater than the latter; if the former is less than the latter, the difference is adjusted for the carrying value of the long-term equity investment and recognized in non-operating income in the current period.

For long-term equity investments in which control over investee units not under the same control can be exercised as a result of additional investments, etc., the initial investment cost, which is accounted for under the cost method, is the sum of the book value of the equity investments originally held plus the cost of the new investments in the preparation of the individual financial statements. Other comprehensive income recognized as a result of the equity method of accounting for equity investments existing prior to the date of purchase is accounted for on the same basis as the related assets or liabilities directly disposed of by the investee unit when the investment is disposed of. Where equity investments held prior to the date of purchase are classified as available-for-sale financial assets for accounting purposes, changes in cumulative fair value that were previously included in other comprehensive income are transferred to current profit or loss when they are accounted for using the cost method.

Where the Group no longer has common control or significant influence over an investee unit, including through the disposal of part of the equity investment, and the remaining equity after disposal is classified as available-for-sale financial assets, the difference between fair value and book value at the date of loss of common control or significant influence is recognized in profit or loss for the current period. Other comprehensive income recognized as a result of the equity method of accounting for the original equity investment is accounted for on the same basis as if the related assets or liabilities were disposed of directly by the investee when the equity method of accounting is discontinued;

If the investor loses control of the investee unit due to, for example, the disposal of part of the equity investment, the remaining disposed equity interest that can exercise common control or significant influence over the investee unit in the preparation of individual financial statements will be accounted for under the equity method, and the remaining equity interest will be adjusted as if it had been acquired under the equity method; The difference between fair value and book value at the date of loss of control is recognized in profit or loss in the current period for those financial assets classified as available-for-sale when the remaining equity interest after disposal does not exercise common control or significant influence over the investee unit.

(4) Disposal of long-term equity investments

Disposal of long-term equity investments, the difference between their carrying value and the actual acquisition price is recognized in current investment income. Long-term equity investments accounted for using the equity method of accounting are disposed of on the same basis as the related assets or liabilities directly disposed of by the investee unit, and the portion originally included in other comprehensive income is accounted for in the corresponding proportion.

20. Assets held for sale

The Group classifies a non-current asset or disposal group as held for sale if it has recovered its book value primarily through sale (including the exchange of non-monetary assets of a commercial nature, as described below) rather than ongoing use. The specific criteria are that the following conditions are also met: a non-current asset or disposal group is ready for immediate sale in its current condition in accordance with the practice of selling such assets or disposal groups in similar transactions; the Group has resolved on a plan of sale and secured a firm purchase commitment; and the sale is expected to be completed within one year. Of these, a disposal group is a group of assets that are disposed of as a whole in a transaction, whether by sale or otherwise, and liabilities directly related to those assets that are transferred in that transaction. Where a disposal group belongs to an asset group or combination of asset groups that apportions goodwill acquired in a business combination in accordance with Accounting Standards for Business Enterprises No.8 - Impairment of Assets, the disposal group shall contain the goodwill apportioned to the disposal group.

If the Group's initial measurement or remeasurement at the balance sheet date is classified as non-current assets held for sale and disposal group, the carrying value of which is higher than the net of fair value less costs to sell, the carrying value is written down to the net of fair value less costs to sell, and the amount written down is recognized as an asset impairment loss, which is recognized in profit or loss in the current period, with a provision for impairment of assets held for sale. For disposal groups, the asset impairment losses recognized are offset against the book value of goodwill in the disposal group and then against the book value of each non-current asset in the disposal group that is subject to the measurement provisions of Accounting Standards for Business Enterprises No.42 - Non-current assets held for sale, disposal groups and discontinued operations (hereinafter referred to as the "held for sale standard") on a pro rata basis. Any subsequent increase in the net fair value of the disposal group held for sale less costs to sell at the balance sheet date shall be restored to the amount of the previous impairment and reversed to the amount of the impairment loss recognized on the non-current assets held for sale that were measured using the held for sale criteria after being classified as held for sale; the reversed amount is recognized in profit or loss for the current period and increased proportionately to the carrying value of each of the non-current assets in the disposal group other than goodwill that were measured using the held for sale criteria; the reduced carrying value of goodwill and the impairment loss recognized on the non-current assets that were measured using the held for sale criteria before being classified as held for sale are not reversed.

Non-current assets held for sale or in disposal groups are not depreciated or amortized, and interest and other charges on liabilities held for sale in disposal groups continue to be recognized.

When a non-current asset or disposal group no longer meets the criteria for classification as held for sale, the Group does not continue to classify it as held for sale or remove the non-current asset from the disposal group held for sale and is measured at the lower of: (1) The carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment that would have been recognized had it not been classified as held for sale; (2) Recoverable amount.

21. Investment properties

The Group's investment properties include buildings that are leased; land use rights that are leased. Leased investment properties that are temporarily vacant but continue to be used for rental at the end of their lease term are still considered investment properties.

Investment property acquired is initially measured at the cost at the time of acquisition; the cost of purchased investment property, including the purchase price and related taxes and fees directly attributable to the asset; the cost of constructing the investment property on its own, consisting of expenses necessary to construct the asset before it reaches its intended state of serviceability; and the cost of investment property otherwise acquired is recognized in accordance with the relevant accounting standards.

Subsequent measurement is carried out using the cost model and is depreciated or amortized in the same way as fixed assets and intangible assets.

If, for example, the recoverable amount of investment property measured at cost at year-end is less than its book value due to a continuous decline in market prices, an impairment provision is made for the difference between the actual value of the asset and its book value.

When the use of investment property is changed to its own use, the investment property is converted to fixed or intangible assets from the date of the change. When the use of self-use investment property is changed to earn rent or capital appreciation, fixed assets or intangible assets are converted to investment property from the date of the change. When a conversion occurs, the book value before the conversion is used as the recorded value after the conversion.

Recognition of investment property is discontinued when the property is disposed of or permanently withdrawn from use and no economic benefit is expected to be derived from its disposal. The amount of disposal proceeds from the sale, transfer, obsolescence or destruction of investment properties, net of their book value and related taxes and fees, is recognized in profit or loss for the current period.

22. Fixed assets

Fixed assets are tangible assets that are held for the production of goods, provision of services, lease or management of operations and have a useful life exceeding one fiscal year. Fixed assets are recognized only when it is probable that the economic benefits associated with them will flow to the Group and their cost can be measured reliably.

Fixed assets are initially measured at cost. The cost of acquiring a fixed asset includes the purchase price, related taxes and other expenses directly attributable to the fixed asset that are incurred to bring the fixed asset to its intended state of serviceability.

Subsequent expenditure on fixed assets, including expenditure relating to the replacement of a component of fixed assets, is charged to the cost of fixed assets when the conditions for recognition of fixed assets are met, and the carrying value of the replaced component is deducted. Expenditures related to the routine maintenance of fixed assets are recognized in profit or loss for the current period as incurred.

The Group accrues depreciation on all fixed assets except those that are fully depreciated and are still in use, and land that is accounted for separately. Depreciation is provided using the average useful life method and is charged to the cost or current expense of the respective asset, depending on its use. The Group's classified depreciable lives, estimated net residual values and depreciation rates for fixed assets are as follows:

NO	Category	Depreciation period (years)	Projected residual value rate (%)	Annual depreciation rate (%)
1	Plant and property	20~50	0~10	1.80~5.00
2	Machinery and equipment	3~25	2~10	3.60~32.67
3	Transport equipment	4-8	3~10	11.25~23.75
4	Electronic equipment	5~8	3~5	11.88~19.40
5	Office equipment	5	5	19.00
6	Other equipment	5~6	2~10	15.00~19.60

At the end of each year, the Group reviews the estimated useful life, estimated net residual value and method of depreciation of fixed assets and treats changes, if any, as changes in accounting estimates.

Recognition of a fixed asset is discontinued when the asset is disposed of or when no economic benefit is expected to result from its use or disposal. The amount of disposal proceeds from the sale, transfer, obsolescence or destruction of fixed assets, net of their book value and related taxes and fees, is recognized in profit or loss for the current period.

The Group estimates the recoverable amount where there is an indication of impairment and writes down the book value to the recoverable amount when the recoverable amount of a fixed asset is less than its book value.

23. Construction in progress

Construction in progress is measured at the cost actually incurred. Self-operated construction works are measured according to direct materials, direct wages, direct construction costs, etc.; outsourced construction works are measured according to the project price payable, etc.; equipment installation works are determined according to the value of the installed equipment, installation costs, expenses incurred in commissioning works, etc. Construction-in-progress costs also include borrowing costs and exchange gains and losses that should be capitalized.

On the date when the construction work in progress reaches the scheduled state of availability, the estimated value of fixed assets will be carried forward according to the project budget, cost or actual cost of the project, etc., and depreciation will be provided from the following month onwards, and the difference in the original value of fixed assets will be adjusted after the completion of the final accounting procedures.

24. Borrowing costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary costs and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition or production of assets eligible for capitalization are capitalized when expenditures on the assets have been incurred, the borrowing costs have been incurred and the acquisition or production activities necessary to bring the assets to a predetermined state of use or sale have commenced; Capitalization ceases when the acquisition or production of assets eligible for capitalization reaches a predetermined state of availability or sale. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

Interest costs actually incurred during the period of the specialized borrowing are capitalized after deducting the amount of interest income earned on unspent borrowed funds deposited with the bank or investment income earned on temporary investments; General borrowings are capitalized based on the weighted average of asset expenditures in excess of the portion of accumulated asset expenditures dedicated to borrowing multiplied by the weighted average interest rate on the general borrowings occupied.

Assets eligible for capitalization are fixed assets, investment properties and inventories that require a significant period of time (usually more than one year) of acquisition, construction or production activity to reach a predetermined state of use or sale.

If there is an abnormal interruption in the acquisition or production of an asset eligible for capitalization that occurs for more than three consecutive months, the capitalization of borrowing costs is suspended until the acquisition or production of the asset recommences.

25. Intangible assets

Intangible assets are identifiable non-monetary assets owned or controlled by the Group that have no physical form, including land use rights, application software and proprietary technology.

Intangible assets are stated at actual cost at the time of acquisition, with the cost of purchased intangible assets being stated at actual expenditure incurred to bring the asset to its intended use; Expenditure on the research phase of internal research and development projects is recognized in current profit or loss as incurred; Development phase expenditures that qualify for capitalization are recognized as cost of intangible assets; Intangible assets invested by the investor should be determined at the value agreed in the investment contract or agreement, unless the contract or agreement provides an unfair value; Receiving intangible assets acquired by the debtor as non-cash assets against its obligations, or exchanging receivables for intangible assets, is recorded at the fair value of the exchanged intangible assets; For intangible assets that are inputs to non-monetary transactions, the fair value of the intangible asset and the related taxes and fees payable are recorded as cost; Acceptance of donated intangible assets, where the donor provides evidence thereof, valued at the amount indicated on the evidence plus the related taxes and fees payable; Where the donor has not provided relevant evidence, the amount estimated at the market price of an intangible asset of the same or similar type, plus related taxes and fees payable, if an active market exists for the same or similar intangible asset, as actual cost; If no active market exists for similar or similar intangible assets, the present value of the expected future cash flows of the intangible asset to be donated is used as the actual cost.

Intangible assets with a finite useful life are amortized on a straight-line basis over their expected useful lives from the time they become available for use.

Intangible assets with an indefinite useful life are not amortized, and the purchase of trading seats is accounted for as an intangible asset with an indefinite useful life, at the actual cost at the time of acquisition. Intangible assets with indefinite useful lives are not amortized and the Group reviews the useful lives of such intangible assets in each accounting period.

At the balance sheet date, the Group examines the ability of each intangible asset to generate expected future economic benefits for the enterprise and provides for impairment of the difference between the individual expected recoverable amount and its carrying value if the expected recoverable amount is less than its carrying value. Once an impairment loss on an intangible asset is recognized, it is not reversed in subsequent accounting periods.

26. Research and development

The Group's research and development expenses are divided into research phase expenses and development phase expenses according to their nature and the greater uncertainty as to whether the research and development activities will result in intangible assets. Research phase expenditures are recognized in profit or loss as incurred; development phase expenditures are recognized as intangible assets when the following conditions are also met:

（1） Completion of the intangible asset to make it technically feasible to use or sell it;

（2） Intent to complete the intangible asset and use or sell it;

（3） A market exists for the product produced using the intangible asset or for the intangible asset itself.;

（4） Adequate technical, financial and other resources are available to complete the development of the intangible asset and the ability to use or sell it;

（5） The expenditure attributable to the development phase of the intangible asset can be reliably measured.

Development phase expenditures that do not meet the above conditions are recognized in current profit or loss when incurred. Development expenditures that were recognized in profit or loss in prior periods are not recognized as assets in subsequent periods. Expenditures for the capitalized development phase are shown as development expenditures on the balance sheet and are reported as intangible assets from the date the project reaches a predetermined state of availability.

27. Long-term prepayments

Long-term prepayments are expenses that have been expended but have a benefit period of more than one year (excluding one year), and long-term prepayments are valued at actual cost at the time of incurrence and are amortized equally over the benefit period. If a long-term prepayment does not benefit subsequent accounting periods, the full amortized value of the item that has not been amortized is transferred to profit or loss in the current period.

Amortization period:

Item	Estimated useful life
Capacity substitution compensation	Remaining useful life of the unit
Other long-term prepayments	3-5 years

28. Goodwill

Goodwill is the excess of the cost of an equity investment or a business combination not under the same control over the share of the fair value of the identifiable net assets of the investee or purchaser acquired in the business combination at the date of acquisition or purchase.

Goodwill relating to subsidiaries is shown separately on the consolidated financial statements, and goodwill relating to associates and joint ventures is included in the carrying value of long-term equity investments.

29. Employee benefits

Employee benefits refer to the various forms of remuneration or compensation given by a company for services rendered by an employee or for the dissolution of a labourrelationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided by the enterprise to spouses, children, dependents, survivors of deceased employees and other beneficiaries are also part of the employee's benefits.

During the accounting period in which employees provide related services, the Group recognizes as a liability actual employee wages, bonuses, allowances and subsidies, employee benefits, social insurance premiums such as medical insurance premiums, employment injury insurance premiums and maternity insurance premiums, housing fund, trade union expenses and employee education expenses, which are recognized in profit or loss for the current period or in the cost of related assets. The liability is measured at the discounted amount if it is not expected to be fully paid within twelve months after the end of the annual reporting period in which the employee provides the related services and the financial impact is material.

Post-employment benefits are all forms of remuneration and benefits, other than short-term pay and termination benefits, that are provided after the employee retires or dissolves his or her employment with the enterprise in order to obtain services provided by the employee. The Group classifies post-employment benefit plans into defined contribution plans and defined benefit plans. Defined contribution plan: A post-employment benefit plan in which the company has no further obligation to pay after contributing a fixed fee to a separate fund. In the accounting period in which an employee provides services, including basic pension insurance, unemployment insurance, etc., the amount of contributions due under the defined contribution plan is recognized as a liability and included in current profit or loss or the cost of related assets. Defined benefit plan: A post-employment benefit plan other than a defined contribution plan.

Termination benefits refer to the termination of a company's labour relationship with an employee prior to the expiration of the employee's labour contract, or compensation given to the employee to encourage the employee to accept voluntary redundancy. If a company provides termination benefits to an employee, the employee compensation liability arising from the termination benefits is recognized and recognized in profit or loss for the current period at the earlier of: (1) When an enterprise cannot unilaterally withdraw a termination benefit provided as a result of a termination plan or layoff proposal. (2) When a business recognizes costs or expenses associated with a restructuring involving the payment of termination benefits.

30. Share-based payments

Share-based payments are transactions in which equity instruments are granted or liabilities determined on the basis of equity instruments are assumed in order to obtain services from employees or other parties. Share-based payments are divided into equity-settled share-based payments and cash-settled share-based payments.

Equity-settled share payments made in exchange for services rendered by the employees are measured at the fair value of equity instruments granted to the employees at the grant date. The amount of this fair value is included in the related costs or expenses on a straight-line basis during the waiting period based on the best estimate of the number of available equity instruments, with a corresponding increase in capital reserves, if the services are completed during the waiting period or if the required performance conditions are met before the right is granted.

Cash-settled share-based payments are measured at the fair value of the liabilities assumed by the Group that are determined on the basis of shares or other equity instruments. If the right is granted immediately, the related costs or expenses are recognized at the fair value of the liability assumed at the date of grant, increasing the liability accordingly; if the right is required to complete services during the waiting period or to meet specified performance conditions, at each balance sheet date in the waiting period, services acquired in the current period are charged to cost or expense and the liability is adjusted accordingly, based on the best estimate of the availability of the right, to the fair value of the liability assumed by the Group.

The fair value of the liability is remeasured at each balance sheet date and at the balance sheet date prior to the settlement of the related liability, and the change is recognized in profit or loss for the period.

31. Bonds payable

When a company issues bonds, the total actual issue price is included in the "bonds payable" account.

The difference between the total issue price of the bonds and the total face value of the bonds, as a premium or discount to the bonds, is amortized over the life of the bonds at the effective interest rate method or straight-line method when interest is accrued and is treated in accordance with the treatment of borrowing costs.

32. Provisions

The Group recognizes a liability for operations related to contingent matters such as external guarantees, discounting of commercial promissory notes, pending litigation or arbitration, product quality assurance, etc., when the following conditions are met: the obligation is a present obligation of the Group; it is probable that performance of the obligation will result in an outflow of economic benefits from the enterprise; and the amount of the obligation can be measured reliably.

The provisions is initially measured on the basis of the best estimate of the expenditure required to meet the related current obligation, taking into account factors such as risk, uncertainty and time value in money, which are related to contingencies. Where the time value of money is significant, the best estimate is determined by discounting the related future cash outflows. The carrying value of projected liabilities is reviewed at each balance sheet date and adjusted, if changed, to reflect the current best estimate.

33. General risk reserves

The subsidiary of the Group, Yuekai Securities Co., Ltd., Guangzhou GetFinancing& Guarantee Co., Ltd., sets aside general risk reserves and transaction risk reserves respectively at 10% of the net profit in the current year.

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

The Group classifies the preferred stocks perpetual bonds conforming to the equity instrument as an equity instrument and the rest as a financial liability. For the relevant accounting policies, please refer to Note IV (10)\(11)5. for the distinction between financial liability and equity instrument and the relevant treatment methods.

Preferred stocks and perpetual bonds classified as debt instruments are initially measured at their fair value, net of transaction costs, and subsequently measured at amortized cost using the effective interest rate method, with interest expense or dividend distribution treated as borrowing costs and gains or losses on repurchases or redemptions recognized in profit or loss.

Preferred stocks and perpetual bonds, which are equity instruments, are issued at consideration rnceived less transaction costs to increase the owner's equity, and their interest expense or dividend distribution is treated as profit distribution, and repurchases or cancellations are treated as changes in equity.

35. Revenue recognition principles

（1） Sale of goods

Revenue from sales of goods sold by the Group is recognized on the basis of the amount of the contract or agreement price received or receivable from the purchaser when the following conditions are also met: (1)The main risks and rewards of commodity ownership have been transferred to the purchaser; (2) Neither the right to continue management, normally associated with ownership, is retained, nor is effective control of the goods sold exercised; (3) The amount of income can be measured reliably; (4) The associated economic benefits are likely to flow into the business; (5) The associated costs incurred or to be incurred can be reliably measured.

（2） Render services

To the extent that the results of the labour supply transactions can be reliably estimated, the Group recognizes the related labour revenue at the balance sheet date using the percentage of completion method. Where the outcome of a transaction to provide services cannot be reliably estimated, the following shall be dealt with separately:

1) Where the cost of services already incurred is expected to be reimbursed, income from the provision of services is recognized at the amount of the cost of services already incurred and the cost of services is carried forward at the same amount;

2) Where the cost of services already incurred is not expected to be reimbursed, the cost of services already incurred should be recognized in profit or loss in the current period and no income from services rendered should be recognized.

The outcome of a transaction to provide services can be reliably estimated if: (1) the amount of revenue can be reliably measured; (2) the associated economic benefits are likely to flow to the company; (3) the pace of completion of the transaction can be reliably determined; (4) the costs incurred and to be incurred by the transaction can be reliably measured.

（3） Transfer of rights to use assets

The Group recognizes income from the transfer of rights to use assets when the economic benefits associated with the transfer can flow in and the amount of income can be reliably measured.

Interest income is determined based on the timing of the use of monetary funds and the applicable interest rate.

The amount of royalty income is determined in accordance with the time and method of calculation of the charges agreed upon in the relevant contract or agreement.

（4） Fees and commission income

The Group recognizes commission and fee income when the economic benefits associated with the transaction flow to the company, the related income can be measured reliably, and the specific income recognition criteria for each of the following operating activities are met.

（5） The Group's revenue recognitionis explained in the following:

1) Revenue from the sales of electricity and heat: The revenue from the sales of electricity is recognized at 24:00 at the end of each month based on the number of meter readings confirmed by both the company and the power supply bureau. The meter reading method is based on the Power Supply Bureau's electrical energy telemetry system, and if there is a problem with the system, the on-site meter reading will take precedence, and the company is required to confirm the electricity sold in the previous month on the first day of each month.

2) Investment properties sales revenue recognition: Revenue is recognized after the development products are completed and the delivery conditions agreed upon in the contract are met, and the revenue is delivered to the customer to sign for it.

3) Revenue from the desulphurization business is recognized on the sale of milled lime, stone powder, light calcium carbonate, etc. The main risks and rewards of ownership of the goods are transferred to the purchaser, and revenue is recognized upon receipt of the goods by the other party.

4) Principles for the recognition of revenue, cost of construction contracts

Where the results of the construction contract can be estimated reliably at the balance sheet date, contract revenue and contract costs should be recognized based on the percentage of completion method. Where the outcome of a construction contract cannot be reliably estimated, the following should be addressed separately:

①When contract costs are recoverable, contract revenue is recognized on the basis of actual contract costs that are recoverable and contract costs are recognized as contract costs in the period in which they are incurred.

②Contract costs that are unlikely to be recovered are recognized as contract costs as soon as they are incurred and no contract revenue is recognized.

The following methods are available to the company for determining the schedule of completion of the contract:

a. Cumulative actual contract costs incurred as a proportion of total projected contract costs.

b. The amount of contract work completed as a percentage of the total anticipated contract workload.

c. Actual measured progress towards completion.

Criteria for recognition of expected contract losses and method of accrual: expected contract losses arise when the total expected cost of the construction contract exceeds the total contract revenue, a provision for losses is made and recognized as a current expense. During the construction of the project, provision is made to offset the contract costs as the project progresses.

5) Revenue recognition for medical device products

The recognition of revenue from domestic sales of products is subject to the following conditions: the company has delivered the product to the purchaser in accordance with the contractual agreement, the amount of revenue from the sale of the product has been determined, payment for the goods has been recovered or proof of receipt has been obtained and the related economic benefits are likely to flow, and the costs associated with the product can be measured reliably. Revenue recognition for exported products is subject to the following conditions: the company has declared the product at customs, departed from the port and obtained a bill of lading in accordance with the contractual agreement, the amount of revenue from the sale of the product has been determined, payment for the goods has been recovered or a receipt has been obtained and the related economic benefits are likely to flow, and the costs associated with the product can be measured reliably.

6) Fees and commission income

Revenue from the business of buying and selling securities is recognized on the trading date.

d. Revenue from securities underwriting operations is recognized separately on an underwriting basis: 1) In the case of full underwriting, revenue is recognized on the resale of securities to investors at the issue price less the purchase price; 2) In the case of balance underwriting or reselling, the handling fee income for securities issued on behalf of the issuer is recognized at the end of the issue period when the issue price is settled with the issuer.

e. The sponsorship business and financial advisory business are recognized as revenue when the results of the transaction to provide services can be estimated reliably, in accordance with the conditions for recognition of revenue from the provision of services.

f. Income from asset management business of entrusted clients is recognized as gain or loss for the current period when the asset management contract or fund expires or when the gain or loss is settled periodically with the entrusted unit in accordance with the method and proportion of profit sharing stipulated in the contract.

g. Income from investment advisory services is recognized as income when the results of the transaction in which the services were rendered can be estimated reliably, in accordance with the conditions under which income from services rendered is recognized.

36. Government grants

Government grants are monetary or non-monetary assets acquired by the Group from the government without compensation. Government grants are recognized when the Group is able to meet the conditions attached to them and when they can be received.

Government grants are measured at the amount received or receivable for monetary assets; government grants are measured at fair value for non-monetary assets or, if fair value cannot be reliably obtained, at nominal amounts.

The Group's government grants are distinguished between asset-related government grants and revenue-related government grants. Of these, government grants related to assets are government grants acquired by the Group for the purpose of acquiring or otherwise forming long-term assets, and government grants related to revenue are government grants other than those related to assets. If government documents do not specify the recipients of the grant, the Group makes a judgment based on the aforementioned differentiation principle, and if it is difficult to differentiate, the entire group is classified as revenue-related government grants.

Government grants relating to assets are offset against the carrying value of the related assets or recognized as deferred income.

Government grants related to assets that are recognized as deferred income are amortized into profit or loss over the useful life of the related asset using the xx method.

When the related assets are sold, transferred, written off or destroyed before the end of their useful lives, the unallocated balance of the related deferred revenue is transferred to profit or loss in the period of disposal.

Government grants related to revenue, which are used to compensate for related costs or losses incurred in subsequent periods, are recognized as deferred revenue and are recognized in profit or loss or eliminated in the period in which the related costs or losses are recognized; those used to compensate for related costs or losses already incurred are recognized directly in profit or loss or eliminated in the current period. Government grants related to day-to-day activities are included in other gains or charged against related costs, based on the substance of economic operations. Government grants that are not related to day-to-day activities are included in the non-operating income and expenditure.

The Group's recognized government grants that are required to be returned are accounted for in the current period in which they are required in accordance with the following provisions:

（1） Where the carrying amount of the underlying asset is reduced on initial recognition, the carrying amount of the asset is adjusted.

（2） Where there is a related deferred income, the carrying amount of the related deferred income is reduced and the excess is recognized in profit or loss in the current period.

（3） In other cases, it is recognized directly in profit or loss for the current period.

37. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized on the basis of the differences (temporary differences) between the tax bases of the assets and liabilities and their carrying amounts. Deferred tax assets are recognized for deductible losses and tax credits that, under the tax laws, are available for offset against taxable income in subsequent years, as temporary differences. Deferred tax assets and deferred tax liabilities are measured at the balance sheet date at the tax rates that apply in the period in which the asset is expected to be recovered or the liability settled.

The Group recognizes deferred tax assets arising from deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilised.Deferred tax assets are written down to their carrying amount when it is probable that sufficient taxable income will not be available to offset the deferred tax asset in a future period. The amount of the write-down is reversed when it is probable that sufficient taxable income will be obtained.

38. Lease

The Group divides leases into finance leases and operating leases at the lease commencement date.

A financial lease is a lease that substantially transfers all the risks and rewards associated with ownership of an asset. When the Group is the lessee, at the commencement date of the lease, the lesser of the fair value of the leased asset and the present value of the minimum lease payment at the commencement date of the lease is recorded as the recorded value of the fixed asset leased under finance, the minimum lease payment is recorded as a long-term payable and the difference is recorded as an unrecognized finance charge.

An operating lease is a lease other than a finance lease. The Group's rent as lessee is recognized as income on a straight-line basis for each period of the lease term, and the Group's rent as lessor is recognized as income on a straight-line basis for each period of the lease term.

39. Held for sale

(1) The Group classifies non-current assets or disposal groups as held for sale if they are also: 1) immediately available for sale in their current condition in accordance with the practice of selling such assets or disposal groups in similar transactions; and 2) highly probable that a sale will occur, i.e., a resolution has been made on a plan of sale and a firm purchase commitment has been obtained and the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant authority or regulatory authority before the sale can take place. The Group measures the book value of each asset and liability in a non-current asset or disposal group in accordance with the relevant accounting standards before it is first classified as held for sale. If the carrying value of a non-current asset or disposal group held for sale is initially measured or re-measured at the balance sheet date and the carrying value is greater than fair value less costs to sell, the carrying value is reduced to fair value less costs to sell, and the amount of the reduction is recognized as an impairment loss on the asset and recognized in profit or loss for the current period, with a provision for impairment of assets held for sale.

(2) Non-current assets or disposal groups acquired by the Group specifically for resale are classified as held for sale at the date of acquisition if they meet the condition that "the sale is expected to be completed within one year" at the date of acquisition and if they are likely to meet other classification conditions for the held for sale category within a short period of time (usually three months). In the initial measurement, the comparison assumes that it is the lower of the initial measurement amount that would not have been classified as the category held for sale or the net of fair value less costs to sell. Except for non-current assets or disposal groups acquired in a business combination, differences arising from the initial measurement of non-current assets or disposal groups at fair value less costs to sell, net, are recognized in profit or loss in the current period.

(3) If the Group loses control of a subsidiary as a result of the sale of its investment in the subsidiary, regardless of whether the Group retains part of its equity investment after the sale, the Group will classify its investment in the subsidiary as a whole as held for sale in the parent company's individual financial statements and all assets and liabilities of the subsidiary as held for sale in the consolidated financial statements when the investment in the subsidiary to be sold meets the criteria for classification as held for sale.

(4) Any increase in the net fair value of non-current assets held for sale less costs to sell at the subsequent balance sheet date shall be restored to the amount previously written down and reversed within the amount of the impairment loss recognized on the assets classified as held for sale, with the reversed amount recognized in profit or loss for the current period. Impairment losses recognized before the classification of assets held for sale are not reversed.

(5) Impairment losses recognized on assets held for sale in the disposal group are offset against the carrying value of goodwill in the disposal group and then proportionately offset against the carrying value of each non-current asset based on its proportionate share of the carrying value.

Where the fair value of the disposal group held for sale at the subsequent balance sheet date, less costs to sell, increases on a net basis, the amount previously written down should be restored and reversed to the extent of impairment losses recognized on assets classified as non-current assets after the relevant measurement requirements have been applied, and the reversed amount is recognized in profit or loss in the current period. The book value of goodwill that has been eliminated and impairment losses on assets recognized before the classification of non-current assets as held for sale are not reversed.

Impairment losses recognized in the disposal group held for sale are subsequently reversed and the carrying value of each non-current asset, other than goodwill, is increased proportionately to its share of the carrying value of the disposal group.

(6) Non-current assets held for sale or in disposal groups are not depreciated or amortized, and interest and other charges on liabilities held for sale in disposal groups continue to be recognized.

(7) Non-current assets held for sale or disposal groups that are no longer classified as held for sale because they no longer meet the criteria for classification as held for sale or are removed from disposal groups held for sale are measured at the lower of: 1) their carrying value before classification as held for sale, adjusted for depreciation, amortization or impairment that would have been recognized had they not been classified as held for sale; and 2) recoverable amounts.

(8) Upon derecognition of non-current assets held for sale or disposal groups, unrecognized gains or losses are recognized in profit or loss in the current period.

40. Fair value measurements

(1) Initial measurement of fair value

The Group measures the fair value of assets and liabilities measured at fair value, taking into account the characteristics of the asset or liability, using the price that would be paid by market participants to sell an asset or transfer a liability in an orderly transaction that would occur on the measurement date. When the underlying asset or liability is measured at fair value, a sale of the asset or transfer of the liability by a market participant at the measurement date is an orderly transaction under current market conditions; an orderly transaction to sell the asset or transfer the liability takes place in the primary market for the underlying asset or liability. Where no primary market exists, the transaction is assumed to take place in the most advantageous market for the underlying asset or liability; the assumptions used by market participants in pricing the asset or liability to maximize its economic benefits are used. When measuring non-financial assets at fair value, the ability of a market participant to put the asset to its best use to generate an economic benefit, or to sell the asset to another market participant that is able to put it to its best use, is considered.

(2) Valuation techniques

The Group measures the underlying asset or liability at fair value using valuation techniques that are applicable in the current circumstances and are supported by sufficient available data and other information, primarily the market, income and cost method, with the relevant observable inputs being used in preference to unobservable inputs when applying the valuation techniques and only when the relevant observable inputs are not available or practicable to obtain.

(3) Fair value hierarchy

The Group determines the level of fair value measurement results based on the lowest level of inputs that are significant to the fair value measurement as a whole: the first level of inputs is unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date. An active market is one in which the underlying asset or liability is traded in sufficent volume and frequency to provide pricing information on an ongoing basis. Level 2 inputs are inputs that are directly or indirectly observable for the underlying asset or liability in addition to the level 1 inputs. The third level of input is the unobservable input of the underlying asset or liability.

41. Accounting treatment of transfers of financial assets and securitization of non-financial assets

When a transfer of a financial asset occurs, it is judged on the basis of the transfer of substantially all the risks and rewards of ownership of the relevant financial asset: the corresponding financial asset is derecognized if it has been transferred in full; if it has not been transferred and substantially all the risks and rewards of ownership of the relevant financial asset have been retained, it is not derecognized; if it has neither transferred nor retained substantially all the risks and rewards of ownership of the relevant financial asset, derecognition is determined on the basis of the extent to which control over the financial asset is involved: if control over the financial asset is relinquished, the financial asset is derecognized; if control over the financial asset is not relinquished, the relevant financial asset is recognized to the extent of its continued involvement in the financial asset and the related liability is recognized accordingly. If a financial asset meets the conditions for derecognition of a partial transfer, the difference between the consideration received for the transfer and the corresponding book value is included in current profit or loss, and the cumulative change in the fair value of the financial asset directly attributable to the owner's interest is also transferred to current profit or loss; if the conditions for derecognition of a partial transfer are met, the book value of the entire financial asset involved in the transfer is apportioned between the derecognized portion and the unterminated portion according to their respective relative fair values, and the apportioned book value is treated on the basis of the entire transfer against the portion of the partial transfer. If the conditions for derecognition are not met, the consideration received is recognized as a financial liability.

42. Income tax expenses

Income tax is accounted for using the balance sheet liability method.

The Group is based on the calculation of the current income tax (i.e. the current income tax payable) and the deferred tax (deferred income tax expenses or income). The sum of the two is recognized as the income tax expenses (or income) in the income statement, but does not include the income tax impact of the business combination and the transactions or events directly included in the owner's equity.

43. Discontinued operations

A discontinued operation is a component of the Group that either has been disposal of or is classified as held for sale, and is separately identifiable and satisfies one of the following conditions: (1) It represents a separate major line of business or geographical area of operations; (2) It is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; (3) It is a subsidiary acquired exclusively with a view to resale.

44. Other significant accounting policy and accounting estimates

Accounting methods related to repurchasing shares: If the Group's shares are acquired due to the reduction of registered capital or rewards for employees, etc., the amount actually paid shall be treated as treasury shares and register simultaneously. If the shares repurchased are write off, the difference between the total face value of the shares calculated by the face value of the write off shares and the number of write off shares and the amount paid by the actual repurchase will be reduced against the capital reserve. If the capital reserve is insufficient, the amount will be reduced the reducing retained earnings. If the shares repurchased are awarded to the employees of the Group, the share belongs to equity-settled share-based payments. When the Group receive the amount of the employee purchase shares, the resale amount of the treasury shares paid to the employee and the accumulated amount of the capital reserve (other capital serve) during the waiting period, and the capital reserve (equity premium) is adjusted according to the difference.

V. Statement of accounting policies and changes in accounting estimates and corrections of errors

1. Changes in accounting policies and their impact

(1) Adjustments to the presentation of items in the financial statements

According to the Circular of the Ministry of Finance on the Revision of the Format for Issuing Financial Statements of Financial Enterprises for the Year 2018 (Caikuai [2018] No. 36), in 2019, the Ministry of Finance issued the Notice on the Revision of the Format for Issuing Financial Statements of General Enterprises for 2019 (Caikuai [2019] No. 6), Circular on the Revision of the Format for Issuing Consolidated Financial Statements (2019 Edition) (Caikuai [2019] No. 16). the format of financial statements for general and financial enterprises has been revised. The Group has adjusted the format of the financial statements accordingly

(2) Implementation of the new financial instruments guidelines

On March 31st, 2017, the Ministry of Finance separately issued "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments (Revised 2017)" (Caikuai [2017] No. 7), Accounting Standards for Business Enterprises No. 23 - Transfers of Financial Assets (Revised 2017) (Caikuai [2017] No. 8), Accounting Standards for Business Enterprises No. 24 - Hedge Accounting (Revised 2017) (Caikuai [2017] No. 9), Issued Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments (2017 Revision) on May 2, 2017 (Caikuai [2017] No. 14) (These guidelines are hereinafter referred to collectively as the "New Financial Instruments Guidelines"). Require domestic listed companies to implement the new financial instruments guidelines from January 1st, 2019.

In preparing the consolidated financial statements, the Group directly consolidated the financial statements of Yuekai Securities Co., Ltd, Guangzhou Hengyun Enterprise Holdings Ltd. and Beijing LeadmanBiochemistry Co., Ltd. prepared in accordance with the New Financial Instruments Standard with the financial statements of other companies in the scope of consolidation that have not implemented the New Financial Instruments Standard.

1) Changes in accounting estimates and their impact

None.

2) Implementation of the new financial instruments standards from 2019 onwards and the status of items relating to the financial statements at the beginning of the year for which the change in presentation of items in the financial statements was adjusted

a. Consolidated balance sheet

Item	December 31st, 2018	January 1st, 2019	Adjustments		
			Adjustments for conversion of guidelines for new financial instruments	Adjustments for changes in presentation of items in the financial statements	Total adjustments
Notes and accounts receivable	799,023,174.19			-799,023,174.19	-799,023,174.19
Including: Notes receivables	117,789,535.44	55,167,317.68	-62,622,217.76		-62,622,217.76
Accounts receivables	681,233,638.75	681,233,638.75			
Receivables financing		62,622,217.76	62,622,217.76		62,622,217.76
Available-for-sale financial assets	5,425,598,718.80	4,807,453,718.80	-618,145,000.00		-618,145,000.00
Long-term equity investment	5,074,527,361.67	5,011,908,543.23	-62,618,818.44		-62,618,818.44
Investments in other equity instruments		618,145,000.00	618,145,000.00		618,145,000.00
Other comprehensive income	245,177,849.24	246,336,162.14	1,158,312.90		1,158,312.90
Retained earnings	1,020,307,791.20	1,002,796,072.92	-17,511,718.28		-17,511,718.28
Non-controlling interest	6,552,340,266.78	6,506,074,853.72	-46,265,413.06		-46,265,413.06

b. Parent company balance sheet:

Item	December 31st, 2018	January 1st, 2019	Adjustments		
			Adjustments for conversion of guidelines for new financial instruments	Adjustments for changes in presentation of items in the financial statements	Total adjustments
Notes and accounts receivable	1,221,838.20			-1,221,838.20	-1,221,838.20
Including: Notes receivables					
Accounts receivables	1,221,838.20	1,221,838.20			

3) Correction of material prior-period errors and impact

None.

VI. Taxes

The main types of taxes applicable to enterprises, the basis of tax calculation and tax rates, as well as the specific tax situation, involving tax incentives, also need to explain the preferential tax burden and related approvals.

1. Main tax types and rates

Tax type	Tax base	Tax rate
Value-added tax	Taxable income is subject to VAT at the applicable rate of tax on the difference between the deductions for input tax, etc., allowed against the current period	16%、13%、11%、10%、9%、6%、5%、3%
City maintenance and construction tax	According to the turnover tax payable	7%、5%
Education surcharge	According to the turnover tax payable	3%
Local education supplement	According to the turnover tax payable	2%
Corporate income tax	Based on taxable income	15%、20%、25%
VAT on land	VAT acquired on the transfer of real estate and at the prescribed rate	30%-60%
Property tax	Rental income or original value of property	12%、1.2%

Note： According to the Notice on the Deepening of Policies Related to VAT Reform (hereinafter referred to as the Notice), which will be implemented from April 1st, 2019.For general VAT payers who make VAT taxable sales or import goods, where the original tax rate is 16%, the tax rate shall be adjusted to 13%; Where the original 10% tax rate was applied, the tax rate shall be adjusted to 9%.

2. Tax incentives and approvals

(1)In accordance with the relevant provisions of the Announcement of the Ministry of Finance and the State Administration of Taxation on Preferential Tax Policies for the Development of Public Rental Housing (Announcement of the State Administration of Taxation No. 61 of 2019), from January 1st 2019 to December 31st 2020, urban land use tax will be exempted for land used during the construction of public rental housing and land occupied by public rental housing after its completion. Both parties to a public rental housing lease are exempted from stamp duty on the signing of a lease agreement; public rental housing is exempted from property tax; and rental income from the operation of public rental housing is exempted from VAT.

In 2019, the Group was approved by the Taxation Bureau of Guangzhou Development Zone to grant property tax abatement for accelerator phases I to III, management committee building, foreign activity center, etc., amounting to RMB 6,873,500, and the application for granting township land tax abatement amounting to RMB 1,055,000, with the abatement period being from January 1st, 2019, to December 31st, 2019.

(2)GDD Investment Holdings Co.,Ltd. According to the provisions of Article 25 of the CaiShui Li Zi [1986] No. 8, the houses used jointly by the taxpaying unit and the tax-exempt unit shall be divided into parts for their respective use, and property tax shall be levied or exempted respectively. Investment property leased by the company to tax-exempt units at no cost is exempt from property tax for the period January 1st, 2019 to December 31st, 2019.

According to the provisions of "exemption of land use tax on the land of tax exempt units using tax-exempt units without compensation (such as public security, customs and other units using the land of railways, civil aviation and other units), and exemption of land use tax on the land of tax exempt units using tax-exempt units without compensation, tax-exempt units shall pay land use tax according to regulations", the Company shall exempt the land use tax on the land of tax-exempt units using tax-exempt units without compensation from January 1st, 2019 to December 31st, 2019.

(3)Guangzhou High-tech Zone Industrial Investment Fund Co.,Ltd. and Optical Electromechanical (Guangzhou) Science and Technology Research Institute Co. Ltd. according to the Guangdong Provincial Department of Finance and the State Administration of Taxation of Guangdong Province Taxation Bureau's externally publicized document Guangdong Finance Law [2019] No. 6 "Notice on the Implementation of Universal Tax Relief Policies for Small and Micro Enterprises in Our Province", the VAT small-scale taxpayers are reduced by 50% to levy resource tax, urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding securities transaction stamp duty), cultivated land occupation tax and education fee surcharge, local education surcharge. The implementation period is from January 1st, 2019 to December 31st, 2021.

(4)According to the "Notice on the Implementation of Universal Tax Relief Policy for Small and Micro Enterprises" (Caishui [2019] No. 13): for small and micro enterprises with annual taxable income of not more than RMB 1 million, the annual taxable income is reduced by 25% and the corporate income tax is paid at a rate of 20%. Ltd. and Desai Products, Apis and Kwangmei Electric (Guangzhou) Science and Technology Research Institute Co., Ltd., a subsidiary of Yuekai Securities Co., Ltd.

(5)Beijing LeadmanBiochemistry Co., Ltd received the Certificate No. GR201811001959 of "High-tech Enterprise Certificate" jointly issued by Beijing Municipal Science and Technology Commission, Beijing Municipal Finance Bureau and Beijing Municipal Taxation Bureau of State Administration of Taxation on September 10th, 2018, which can enjoy 15% preferential corporate income tax rate for high-tech enterprises, valid until 2021.

(6) Desai Diagnostic Systems (Shanghai) Co., Ltd. has obtained the High Tech Enterprise Certificate issued by Shanghai Science and Technology Commission, Shanghai Finance Bureau, Shanghai State Taxation Bureau and Shanghai Local Taxation Bureau since 2014, which is valid for 3 years, and the extended High-Tech Enterprise Certificate, Certificate No. GR201731001034, obtained on November 23rd, 2017, which can enjoy 15% preferential corporate income tax rate for High-Tech Enterprises, valid until 2020.

VII. Business combination and consolidated financial statements

1. Basic information on subsidiaries included in the scope of the consolidated statements

The basic information of the secondary enterprises within the scope of the merger is disclosed below:

NO	Company Name	Level	Business Type	Main place of business	place of registration	Business nature	Shareholding (%)		Voting rights (%)	Acquisition method
							Direct	Indirect		
1	Guangzhou GET Capital Management Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Business services	100.00		100.00	Investment establishment
2	Guangzhou Venture Capital Ltd	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment and asset management	79.91		73.91	Investment establishment
3	Guangzhou GET Finance Holdings Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment and asset management	91.50	8.50	100.00	Investment establishment
4	Guangzhou Kylin Development Co.,Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Property management	59.13	0.87	100.00	Investment establishment
5	GDD Investment Holdings Co.,Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Building and construction industry	70.11		70.11	Investment establishment
6	Guangzhou GET Fancing & Guarantee Co.,Ltd.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Guarantee services	100.00		100.00	Investment establishment
7	Guangzhou GET Investment Holdings Co.,Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Business services	100.00		100.00	Investment establishment
8	Guangzhou High-tech Zone Industrial Investment Fund Co.,Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Investment	40.00		60.00	Investment establishment
9	Guangzhou GET Financial Leasing Co., Ltd.	2	Domestic financial subsidiary	Guangzhou	Guangzhou	Leasing and business services	75.00	25.00	100.00	Investment establishment
10	Guangzhou Development Zone (Hong Kong) Investment Co., Ltd.	2	Overseas subsidiary	Hong Kong	Hong Kong	Business services	100.00		100.00	Investment establishment
11	Ponpu Investment Co., Ltd.Guangzhou	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Business services	100.00		100.00	transfer of shareholding
12	Guangzhou Kaide Environmental Protection Beauty Co., Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Municipal facilities management	90.00	10.00	100.00	Investment establishment
13	Guangzhou High-Tech Zone Technology	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Science and technology extension and application	100.00		100.00	Investment

NO	Company Name	Level	Business Type	Main place of business	place of registration	Business nature	Shareholding (%)		Voting rights (%)	Acquisition method
							Direct	Indirect		
	Holdings Group Co., Ltd.					services				establishment
14	Guangzhou Hengyun Enterprises Holding Ltd.	2	Domestic non-financial subsidiary	Guangzhou	Guangzhou	Thermal power generation	26.12		26.12	Business combinations not under the common control
15	Yuekai Securities Co. Ltd.	2	Domestic financial subsidiary	Huizhou	Huizhou	Securities	47.24		47.24	Business combinations not under the common control

Note: Business Type: 1)Domestic non-financial subsidiary; 2) Domestic financial subsidiary; 3) Overseas subsidiary; 4)enterprise; 5) Construction enterprise.

Acquisition method: 1) Investment establishment; 2)Business combinations under the common control; 3) Business combinations not under the common control; 4) Others.

2. Reasons for owning less than half of the voting rights of the investee unit but being able to exercise control over the investee unit:

(1) The Company included Guangzhou Hengyun Enterprises Holding Ltd. with a 26.12% shareholding in the consolidated statement for the following reasons: the Company is the largest shareholder of the Company; Mr. GuoXiaoguang, an employee of the Company, is the Chairman of the Company and the Company effectively controls the financial and operational decisions of the Company.

(2) The Company included Beijing Leadman Biochemistry Co., Ltd., a 29.91% shareholder, in the scope of the consolidated statements for the following reasons: the Company is the largest shareholder of the company; it represents more than half of the board of directors and the Company effectively controls financial and operational decisions of the company.

(3) The Company included Yuekai Securities Co., Ltd., which holds 47.24% of the shares, in the consolidated statements for the following reasons: the Company is the first largest shareholder of the Company and the other shareholders hold a small and dispersed proportion of the Company's shares; although it does not account for half of the Board of Directors, the Company effectively controls the financial and operational decisions of the Company in view of its high shareholding in the Company.

3. Reasons for owning more than half of the voting rights of the investee unit directly or indirectly through other subsidiaries but failing to exercise control over them:

(1) Guangzhou Yuanshengde Municipal Services Co., Ltd. registered capital is RMB 400million, the Company's shareholding ratio of 100.00%, the Division's main business belongs to the municipal supporting matters, business directly under the Guangzhou Development Zone Management Committee arrangements, the Company has no control over the company's production and operation, no significant impact.

(2) Guangzhou Development Zone Employee Service Center has a registered capital of RMB 9.32 million, the Company's shareholding ratio of 100.00%. the center is an asset allocated by the management committee, the Company only owns its property rights, and does not have the right to produce and operate, and has no significant impact on its production and operation cannot be controlled.

(3) The registered capital of the Water Supply Management Center of Guangzhou Development Zone is RMB 62,098,700, with a shareholding of 100.00% of the Company; the registered capital of the Water Purification Plant of Guangzhou Development Zone is RMB 26,488,700, with a shareholding of 100.00% of the Company. According to the "Guangzhou Development Zone State-owned Assets Supervision and Administration Office [2009] No. 133", the net assets of the Water Supply Management Center and Water Quality Purification Plant were transferred to the Company. The Company does not have control over the financial and operational decisions of the Guangzhou Development Zone Water Supply Management Center and the Guangzhou Development Zone Water Quality Purification Plant, nor does it have the right to derive benefits from their operating activities, without significant influence.

4. Significant non-wholly owned subsidiaries

(1) Non-controlling interest

NO	Name of subsidiary	Minority shareholding	Profit or loss attributable to minority shareholders for the year	Dividends paid to minority shareholders for the year	Accumulated minority interests at year-end
1	Guangzhou Venture Capital Ltd	26.09	2,848,059.05		122,611,855.01
2	Beijing Leadman Biochemistry Co., Ltd.	70.09	-9,212,993.58	13,500,000.00	1,538,129,960.67
3	Guangzhou Hengyun Enterprises Holding Ltd.	73.88	303,568,517.51	93,296,303.10	4,761,980,346.52
4	GDD Investment Holdings Co., Ltd.	29.89	162,880,790.71		2,865,904,978.39
5	Guangzhou get cedar Investment Holding Co.,Ltd	33.49	-4,545,031.57		297,825,058.43
6	Yuexiu Securities Co.,Ltd.	52.76	1,425,979.45		2,596,420,075.29

(2) Key financial information

Name of subsidiary	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Guangzhou Venture Capital Ltd	224,007,818.69	519,068,267.18	743,076,085.87	237,555,579.44	35,563,223.89	273,118,803.33
Beijing Leadman Biochemistry Co., Ltd.	748,604,886.84	965,552,242.85	1,714,157,129.69	170,582,875.87	93,592,343.22	264,175,219.09
Guangzhou Hengyun Enterprises Holding Ltd.	5,155,919,473.09	6,472,257,588.40	11,628,177,061.49	6,434,958,011.94	574,562,805.71	7,009,520,817.65
GDD Investment Holdings Co.,Ltd.	6,303,925,167.72	6,502,973,854.37	12,806,899,022.09	695,682,547.45	2,702,652,847.36	3,398,335,394.81
Guangzhou get cedar Investment Holding Co.,Ltd	888,239,930.65	159,030.80	888,398,961.45	297,858.32		297,858.32
Yuekai Securities Co.,Ltd.	12,185,496,939.72	2,884,785,361.98	15,070,282,301.70	8,463,066,724.90	1,743,648,852.19	10,206,715,577.09

(Continued)

Name of subsidiary	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Guangzhou Venture Capital Ltd	232,617,856.24	241,696,037.52	474,313,893.76	73,783.21	10,472,196.47	10,545,979.68
Beijing Leadman Biochemistry Co., Ltd.	854,635,707.31	1,731,121,595.11	2,585,757,302.42	264,588,104.91	155,692,107.94	420,280,212.85
Guangzhou Hengyun Enterprises Holding Ltd.	3,651,819,573.31	6,912,580,962.79	10,564,400,536.10	5,325,501,967.10	762,953,299.84	6,088,455,266.94
GDD Investment Holdings Co.,Ltd.	3,961,742,215.40	5,965,521,508.68	9,927,263,724.08	785,245,646.20	2,067,877,635.44	2,853,123,281.64

(Continued)

Name of subsidiary	Amount during the year			
	Gross operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangzhou Venture Capital Ltd		10,916,286.14	26,185,368.46	3,612,619.33
Beijing Leadman Biochemistry Co., Ltd.	515,143,483.47	27,966,885.83	27,966,885.83	124,648,403.19
Guangzhou Hengyun Enterprises Holding Ltd.	3,228,593,752.37	434,027,134.57	434,177,319.07	757,405,602.54
GDD Investment Holdings Co.,Ltd.	1,645,389,066.03	529,951,814.66	529,951,814.66	190,371,657.75

Name of subsidiary	Amount during the year			
	Gross operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangzhou get ceder Investment Holding Co.,Ltd		-13,628,987.87	-13,628,987.87	-859,114,473.64
Yuekai Securities Co.,Ltd.	559,534,615.03	-2,568,450.25	-5,066,558.93	-1,893,928,982.51

(Continued)

Name of subsidiary	Prior year amount			
	Gross operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangzhou Venture Capital Ltd		11,498,333.31	-40,070,862.97	-36,499,781.19
Beijing Leadman Biochemistry Co., Ltd.				
Guangzhou Hengyun Enterprises Holding Ltd.	3,118,942,761.44	93,860,271.42	106,769,128.04	441,344,981.08
GDD Investment Holdings Co.,Ltd	178,096,430.82	-18,225,049.02	-18,225,049.02	-309,733,859.82

5. Treatment of inconsistent parent-subsidiary accounting periods: None

6. Changes in the scope of consolidation this year

(1) The new subjects included in the scope of the merger this year

Company Name	Shareholding (%)	Net assets at the end of the year	Net profit for the year	Remarks
Yuekai Securities Co.,Ltd.	47.24	4,863,566,224.61	2,568,450.25	Net profit arising from consolidation
Guangzhou get cedar Investment Holding Co.,Ltd	66.53	900,811,947.96	918,143.05	
Guangzhou Songling Enterprise Management Co.,Ltd.	66.51	-22,107,271.82	-12,710,844.82	Net profit arising from consolidation
Optical Electromechanical (Guangzhou) Science and Technology Research Institute Co.,Ltd.	100.00	-8,726,710.80	-67,291,141.89	
Guangzhou Lengke Property Management Co.,Ltd	66.67	594,776.54	143,552.86	
Guangzhou TianheOptical Electromechanical Parking Lot	100.00	1,842,606.58	1,767,606.58	
Hunan Leadman Medical Equipment Co.,Ltd.	51.00	2,349,062.47	-150,917.53	
Shanghai Shangtuo Industrial Co., Ltd.	100.00	5,266,431.86	7,598,426.43	Net profit arising from consolidation
Guotuo (Xiamen) Cold Chain Logistics Co., Ltd	51.00	19,995,329.97	25,663,360.63	

(2) Subjects no longer included in the scope of consolidation this year

NO	Company name	Place of registration	Business nature	Shareholding (%)	Voting rights (%)	Reasons for non-consolidation
1	Guangzhou Broadband Backbone Network Co. Ltd	Guangdong Guangzhou	Telecommunications, radio and television and satellite transmission services	46.97	46.97	Equity dilution due to capital increases by other parties
2	Wuhan Leadman Medical Devices Co., Ltd.	Wuhan	Sales of in vitro diagnostic reagents			Equity transfer
3	Jilin Leadman Medical Devices Co., Ltd.	Jilin Changchun	Medical Device Wholesale			Equity transfer

(3) Key financial data for subjects no longer included in the consolidation for the year

Company Name	Disposal time	Disposal date			December 31st, 2018		
		Assets	Liabilities	Shareholder's equity	Assets	Liabilities	Shareholder's equity
Guangzhou Broadband Backbone Network Co., Ltd	August 31st, 2019	287,197,228.79	132,068,338.97	155,128,889.82	302,058,215.73	149,959,974.29	152,098,241.44
Jilin Leadman Medical Devices Co., Ltd.	January 8th, 2019	17,861,754.76	10,859,235.45	7,002,519.31	17,861,754.76	10,859,235.45	7,002,519.31
Wuhan Leadman Medical Devices Co., Ltd.	October 15th, 2019	24,622,047.52	12,795,041.72	11,827,005.80	23,209,607.97	8,856,150.75	14,353,457.22

(Continued)

Company Name	January 1st, 2019 - Disposal Date			January - December 2018 (previous year)		
	Revenue	Costs	Total profits	Revenue	Costs	Total profits
Guangzhou Broadband Backbone Network Co., Ltd	74,639,884.45	72,232,766.96	2,407,117.49	60,251,748.28	59,200,697.88	1,051,050.40
Jilin Leadman Medical Devices Co., Ltd.	33,015,548.32	28,939,829.10	4,067,752.53	33,015,548.12	28,939,829.10	4,067,751.53
Wuhan Leadman Medical Devices Co., Ltd.	15,013,486.34	17,504,278.04	-2,862,037.21	61,678,026.55	60,375,791.40	1,302,755.62

7. Business combinations under the common control that occurred during the year: None

8. Business combinations not under the common control that occurred during the year

Company Name	Purchase date	Net book value of the purchased party	Fair value of identifiable net assets of the purchaser		Trade consideration	Goodwill		Income of buyer from purchase date to year-end	Net profit of the purchaser to year-end
			Amount	Method of determination		Amount	Method of determination		
Yuekai Securities Co.,Ltd.	May 21st, 2019	4,863,993,871.97	4,937,970,624.31	Assessing value	6,336,778,350.00	2,022,571,679.66	Asset base method assessment	559,504,615.63	-2,568,450.25
Shanghai Shangtuo Industrial Co.,Ltd.	September 26th, 2019	10,406,590.68	12,418,967.89	Assessing value	82,714,021.96	77,379,515.34	Asset base method assessment	28,339,468.12	7,595,426.43

9. Reverse purchases incurred during the year: none

10. Absorption consolidation that occurred during the year:

(1) Incorporation of merged projects through absorption not under the common control

Consolidated party absorbed	Major assets incorporated		Major liabilities incorporated	
	Item	Amount	Item	Amount
Guangzhou Mechanical and Electrical Technology Research Institute	Accounts receivables	22,954,637.30	Employee benefits payables	971,638.49
	Fixed assets	167,168,831.00	Other accounts payables	193,848,875.80
	Long-term equity investments	783,313.13	Deferred income	12,304,079.17
Total		190,906,781.43		207,124,593.46

Note: According to the Guangzhou development zone state-owned assets supervision and administration bureau, Guangzhou development zone in Huangpu district, Guangzhou city bureau of finance "on the Optical Electromechanical (through) Science and Technology Research Institute Co., Ltd as the Guangzhou enterprises manufacturing Technology Research Institute of approval, the main body" (Sui Kai State Capital [2019] No. 212) Spirit, agreed to by the Optical Electromechanical (through) Science and Technology Research Institute Co., Ltd as a successor in Guangzhou Institute of manufacturing Technology of the main body, Guangzhou high-tech Technology holdings group Co., Ltd., to undertake all assets transferred to Guangzhou opto-mechatronics Technology Institute of Optical Electromechanical (through) Science and Technology Research Institute Co., Ltd. By Optical Electromechanical (through) Science and Technology Research Institute Co., Ltd Guangzhou comprehensively through opto-mechatronics Technology Institute of intellectual property rights, qualifications of all the intangible assets, such as the qualification of creditor's rights debt, foreign investment, etc.

11. Significant restrictions on the use of enterprise group assets and discharge of enterprise group liabilities by subsidiaries: None

12. Information on the structured subjects included in the scope of the consolidated financial statements

In the case of products of which the Company is an investor or manager, the Company has the contractual right to manage the product or asset management plan, and because of its participation in related activities with variable returns and its ability to influence the amount of returns by using the above-mentioned contractual right, the related product or asset management plan is included in the scope of consolidation. The structured elements included in the scope of consolidation during the year are as follows:

Name	Year-end book value
Industrial Yuanrong-Guangzhou Development Zone Intellectual Property Lease Debt Asset Support Special Program	15,050,000.00
Securities Industry Support for Private Enterprise Development Series of Unicom Securities Single Asset Management Plan No.1	204,548,023.31

13. Changes in share of ownership interest in subsidiaries: None

14. Change in scope of consolidation for other reasons

Name of Purchased Party	Point of acquisition of shareholding	Equity acquisition costs	Shareholding ratio	Consolidation date	Basis for determining the date of consolidation	Consolidated to year-end purchaser's income	Consolidated to year-end net profit of the purchaser
Guangzhou Songling Enterprise Management Co.,Ltd.	June 13th, 2019	9,999,899.00	100%	May 31st, 2019	Ability to control and lead the operating and financial activities of the purchaser	0.00	-19,396,427.00

Note: On June 13th, 2019, Guangzhou get cedar Investment Holding Co., Ltd, a subsidiary of the Japanese group, was granted 100% of the equity of Guangzhou Songling Enterprise Management Co., Ltd. held by Cedar Junhua Real Estate (Guangzhou) Co., Ltd. at a price of RMB 9,999,900. The acquisition of Guangzhou Songling enterprise management Co., Ltd. does not constitute a business and the transaction does not form a business combination

VIII. Notes to key items of the consolidated financial statement

As for the financial statement data disclosed below, unless otherwise noted indicated, Opening refers to January 1st, 2019, Closing refers to December 31st, 2019, current year refers to the date from January 1st, 2019 to December 31st, 2019, and previous year refers to January 1st, 2018 to December 31st, 2018. Unless otherwise indicated, Renminbi (RMB) is the functional currency, unit: Yuan.

1. Cash and cash equivalents

(1) Balance of cash

Item	Closing balance	Opening balance
Cash on Hand	363,495.28	492,550.39
Cash at Bank	15,356,808,173.90	7,978,541,689.79
Other monetary funds	546,555,723.97	963,618,605.37
Total	15,903,727,393.15	8,942,652,845.55
Including: Total amounts deposited overseas	12,538,121.70	

(2) Details of restricted monetary funds

Item	Closing balance	Opening balance
Loan funds for targeted use		51,149,292.17
Deposits	72,499,072.70	15,720,885.69
Fixed deposits or call deposits for guarantees	66,300,000.00	
Investment regulatory funds	1,776,354.58	467,391,386.84
Non-redeemable structured deposits	124,000,000.00	408,000,000.00
Litigation freeze	11,023,451.28	
Funds placed abroad with restrictions on repatriation	8,686,177.08	
Total	284,285,055.64	942,261,564.70

2. Settlement reserves

(1) Presentation by categories

Item	Closing balance	Opening balance
Customer reserves	353,748,102.53	
Corporate reserves	133,933,064.30	
Total	487,681,166.83	

(2) Presentation by currency

Item	Closing balance			Opening balance		
	Original currency	Exchange rate	In RMB	Original currency	Exchange rate	In RMB
Customer common reserves						
Including: RMB	303,866,999.84	1.00	303,866,999.84			
Customer credit reserves						
Including: RMB	49,881,102.69	1.00	49,881,102.69			
Corporate-owned reserve funds						
Including: RMB	128,818,882.84	1.00	128,818,882.84			
Corporate credit reserves						
Including: RMB	5,114,181.66	1.00	5,114,181.66			
Total			487,681,166.83			

3. Financial assets held for trading (Applicable to New Financial Instrument Standard)

Item	Closing balance					
	Fair value			Initial cost		
	Classified as financial assets at fair value through profit or loss	Designated as financial assets at fair value through profit or loss	Subtotal of fair value	Classified as financial assets at fair value through profit or loss	Designated as financial assets at fair value through profit or loss	Subtotal of initial cost
Bonds	1,138,459,377.00		1,138,459,377.00	1,117,831,853.29		1,117,831,853.29
Public funds	374,436,616.59		374,436,616.59	369,846,885.70		369,845,885.70
Stocks	361,350,547.04		361,350,547.04	410,996,569.15		410,995,569.15
Bank financial products	133,153,489.25		133,153,489.25	132,300,000.00		132,300,000.00
Asset management plans	199,395,827.49		199,395,827.49	200,195,460.27		200,195,460.27
Others	54,926,066.94		54,926,066.94	54,926,066.94		54,926,066.94
Total	2,261,721,924.31		2,261,721,924.31	2,286,097,835.35		2,286,097,835.35

(Continued)

Item	Opening balance					
	Fair value			Initial cost		
	Classified as financial assets at fair value through profit or loss	Designated as financial assets at fair value through profit or loss	Subtotal of fair value	Classified as financial assets at fair value through profit or loss	Designated as financial assets at fair value through profit or loss	Subtotal of initial cost
Bonds						
Public funds						
Stocks						
Bank financial products						
Asset management plans						
Others						
Total						

4. Derivative financial assets

Item	Closing balance	Opening balance
OCBC Bank's USD 10 million lock-in business		4,100,000.00
Total		4,100,000.00

5. Notes receivable

(1) Classification of notes receivable

Item	Closing balance	Opening balance
Bank acceptance bills	[illegible]	1,468,317.68
Commercial acceptance bills	[illegible]	53,699,000.00
Total	34,849,000.00	55,167,317.68

(2) Notes receivable endorsed or discounted as at year end and not yet expired as at the balance sheet date

Categories	Amount derecognized as at year end	Amount not derecognized as at year end
Bank acceptance bills		—
Commercial acceptance bills	250,000.00	
Total	250,000.00	

6. Receivables financing (Applicable to New Financial Instrument Standard)

Item	Closing balance	Opening balance
Notes receivable	25,849,352.71	62,622,217.76
Accounts receivable		
Total	25,849,352.71	62,622,217.76

7. Accounts receivable

Categories	Closing balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant and with provision for bad debt made on an individual basis	4,801,434.20	0.54	4,711,814.20	98.13
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	849,612,906.85	94.76	81,375,559.59	9.58
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	42,165,919.06	4.70	72,009.00	0.17
Total	896,580,301.11	—	86,159,382.79	—

(Continued)

Categories	Opening balance			
	Book balance		Bad debt provision	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant and with provision for bad debt made on an individual basis				
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	755,266,723.06	99.99	74,033,084.31	9.80
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis	99,569.00	0.01	99,569.00	100.00
Total	755,366,292.06	—	74,132,653.31	—

(1) Accounts receivable that are individually significant and with provision for bad debt made on an individual basis as at year end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Guangzhou JinjianMedical Equipment Co., Ltd.	1,426,456.00	1,426,456.00	Within 1 year	100.00	Expected to be unrecoverable
Li Qingjun	3,375,028.20	3,285,358.20	1-2 years	97.34	Expected to be unrecoverable
Total	4,801,484.20	4,711,814.20		—	

(2) Accounts receivable subject to provision for bad debt on credit risk characteristics basis

1) Accounts receivable with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(including 1 year)	353,496,461.47	67.27	11,150,596.80	320,036,307.67	63.61	10,235,284.56
1-2 years	53,235,995.18	10.13	5,323,599.53	94,943,079.56	18.87	9,494,307.97
2-3 years	75,190,883.09	14.31	22,557,264.91	28,268,441.87	5.62	8,480,532.57
3-4 years	733,450.53	0.14	366,725.27	17,177,000.08	3.41	8,588,500.05
4-5 years	4,291,555.96	0.82	3,433,244.77	27,138,275.55	5.39	21,645,880.39
Over 5 years	38,544,128.31	7.33	38,544,128.31	15,588,569.77	3.10	15,588,569.77
Total	525,492,474.54	—	81,375,559.59	503,151,674.58	—	74,033,084.31

2) Accounts receivable with the provision for bad debt made under other combination methods

In the combination, accounts receivable for which there is conclusive evidence of recoverability without provision for bad debt:

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Provision for bad debt	Book balance	Accrual ratio (%)	Provision for bad debt
Government arrears, staff reserves, deposits, guarantees, related transactions, electricity bills receivable, etc.	324,120,432.32			252,115,048.56		
Total	**324,120,432.32**			**252,115,048.56**		

(3) Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis as at year end

Debtor	Book balance
Guangzhou Ruiyang New Materials Co., Ltd.	2,009.00
Guangdong Fuskey Catering Management Co., Ltd.	70,000.00
Deposits receivable	13,673,242.97
Self-operating business settlement receivable	61,628.71
Trading deposits receivable under the pooled asset management plan	4,200,000.00
Handling fees, income receivable	19,716,056.93
Taxes receivable on withholding and payment of asset management projects	2,830,115.10
Others	1,612,857.34
Total accounts receivable	**42,165,910.05**
Less: Provision for bad debt	72,009.00
Total	**42,093,901.05**

(4) Provision for bad debt recovered or reversed

Debtor	Amount reversed or recovered	Accumulated amount of provision for bad debt accrued before reversal or recovery	Reason and method of reversal and recovery
Guangzhou Kaidi New Medical Technology Co., Ltd.	27,560.00	27,560.00	Deposits against rent
Total	**27,560.00**	**27,560.00**	

(5) Accounts receivable actually written off during the current year

Debtor	Nature of accounts receivable	Write-off amount	Reason of write-off	Write-off procedure	Whether the payment is generated by related transaction or not
Customer financing receivable	Financing funds	3,697.89	The parties are unable to repay		No
Total		**3,697.89**			

(6) The top five accounts receivables collected by debtors

Debtor	Book balance	Ratio to total accounts receivable (%)	Provision for bad debt
Guangzhou Power Supply Bureau Co., Ltd.	264,408,634.18	29.49	
Beijing Jiuzhou Tong Pharmaceutical Co., Ltd.	54,167,169.63	6.04	16,175,101.53
Sinopharm (Guangzhou) Medical Equipment Co., Ltd.	38,199,765.62	4.26	1,901,877.13
Anhui SanjinTianrun Technology & Trade Co., Ltd.	21,045,394.79	2.35	4,677,794.93
Beijing Jiuzhou TONG Medical Equipment Co., Ltd.	17,499,917.23	1.95	1,749,991.72
Total	395,320,881.45	44.09	24,504,765.31

8. Prepayments

(1) Aging of advances to suppliers

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(including 1 year)	47,307,397.03	96.92		21,800,333.72	88.69	
1-2 years	1,290,857.57	2.64		689,625.96	2.81	
2-3 years	119,639.79	0.25		1,768,754.40	7.20	
Over 3 years	91,823.00	0.19		320,567.40	1.30	
Total	48,809,717.34	—		24,579,287.48	—	

(2) The top five advances to suppliers collected by debtors

Debtor	Book balance	Ratio to total advances to suppliers (%)	Provision for bad debt
Dongguan Jiufeng Natural Gas Storage and Transportation Co., Ltd.	4,133,864.89	8.47	
Shanghai Boyunshi Biotechnology Co., Ltd.	3,386,868.81	6.94	
Guangzhou Economic and Technological Development Zone sub branch of China Construction Bank Co., Ltd.	1,166,600.00	2.39	
Shanghai Shendao Biotechnology Co., Ltd.	916,718.58	1.88	
Dongguan Meishi Furniture Co., Ltd.	647,545.54	1.33	
Total	10,251,597.82	21.01	

9. Other receivables

Item	Closing balance	Opening balance
Interest receivable	62,962,620.70	
Dividends receivable	23,200,000.00	19,570,410.96
Other receivables	7,147,011,837.90	4,741,487,555.63
Total	7,233,174,458.60	4,761,057,966.59

(1) Interest receivable

1) Classification of Interest receivable

Item	Closing balance	Opening balance
Finance lease business	11,236,920.64	
Related fund borrowing	8,064,497.87	
Interest receivable on perpetual debts	43,661,202.19	
Total	62,962,620.70	

(2) Dividends receivable

Item	Closing balance	Opening balance	Reason for not recovery	Whether impairment has occurred
Dividends receivable aged within 1 year				
Including: Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	23,200,000.00	19,570,410.96	The approval process is not yet completed.	No
Total	23,200,000.00	19,570,410.96		

(3) Other receivables

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant and with provision for bad debt made on an individual basis	6,287,259.77	0.09	1,973,062.99	31.38
Other receivables subject to provision for bad debt on credit risk characteristics basis	7,145,521,427.39	99.91	2,823,786.27	0.04
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis	66,026.18	0.00	66,026.18	100.00
Total	7,151,874,713.34	—	4,862,875.44	—

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant and with provision for bad debt made on an individual basis	18,373,390.00	0.39	918,669.50	5.00
Other receivables subject to provision for bad debt on credit risk characteristics basis	4,729,395,463.41	99.61	5,362,628.28	0.11
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis	66,026.18		66,026.18	100.00
Total	4,747,834,879.59		6,347,323.96	—

1) Other receivables that are individually significant and with provision for bad debt made on an individual basis as at year end

Debtor	Book balance	Provision for bad debt	Aging	Accrual ratio (%)	Accrual reason
Jiangxi Huadian Electrical Power Co., Ltd.	1,746,000.00	1,746,000.00	Over 5 years	100.00	High expected credit loss
Zhongguancun Technology Leasing Co., Ltd.	4,541,259.77	227,062.99	Within 1 year;3-4 years	5.00	Deposits with lower risk of recovery
Total	6,287,259.77	1,973,062.99		—	

2) Other receivables subject to provision for bad debt on credit risk characteristics basis

a) Other receivables with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(including 1 year)	65,789,028.60	92.34	167,073.28	1,102,718,379.32	98.86	325,088.76
1-2 years	2,396,732.07	3.36	239,673.21	6,403,861.69	0.57	640,386.18
2-3 years	676,342.12	0.95	202,902.63	1,652,094.52	0.15	495,628.36
3-4 years	166,679.95	0.23	83,339.97	1,289,641.99	0.12	644,821.00
4-5 years	349,976.05	0.50	264,540.00	694,693.00	0.06	510,004.50
Over 5 years	1,866,248.18	2.62	1,866,248.18	2,746,699.48	0.25	2,746,699.48
Total	71,245,006.97	—	2,823,786.27	1,115,505,370.00	—	5,362,628.28

b) Other receivables with the provision for bad debt made under other combination methods

In the combination, other receivables for which there is conclusive evidence of recoverability without provision for bad debt:

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Provision for bad debt	Book balance	Accrual ratio (%)	Provision for bad debt
Government arrears, staff reserves, deposits, guarantees, related transactions, etc.	7,074,276,420.42			3,613,490,093.41		
Total	7,074,276,420.42			3,613,490,093.41		

3) Other receivables that are individually insignificant but with provision for bad debt made on an individual basis at year end

Debtor	Book balance	Provision for bad debt	Aging	Accrual ratio (%)	Accrual reason
China Construction Third Bureau Second Construction Engineering Co., Ltd.	66,026.18	66,026.18	Over 5 years	100.00	Aging is over 5 years, Expected to be unrecoverable
Total	66,026.18	66,026.18			

4) Provision for bad debt recovered or reversed

Debtor	Amount reversed or recovered	Accumulated amount of provision for bad debt accrued before reversal or recovery	Reason and method for reversal or recovery
Owners (Property maintenance funds)	1,192,824.50	1,192,824.50	Low risk of expected credit losses
Total	1,192,824.50	1,192,824.50	

5) Other receivables actually written off during the current year: None.

6) The top five other receivables collected by debtors

Debtor	Nature of payment	Book balance	Aging	Ratio to total other accounts receivable (%)	Provision for bad debt
Guangzhou Mong Real Estate Development Co., Ltd.	Intercourse funds	739,449,061.08	Within 1 year	10.34	
Guangzhou Mong Real Estate Co., Ltd.	Intercourse funds	563,559,031.46	Within 1 year	7.88	
Finance Bureau of Guangzhou Economic and Technological Development Zone	Finance discount	49,680,555.57	Within 1 year	0.69	
Guangzhou Public Resources Trading Center	Deposits	31,690,000.00	Within 1 year	0.44	
Guangzhou Yuexiu Finance lease Co., Ltd.	Deposits	23,000,000.00	Within 1 year	0.32	
Total	—	1,407,378,648.11	—	19.67	

7) Other receivables that were terminated due to the transfer of financial assets: None.

8) Amount of assets and liabilities formed by the transferring other receivables, such as securitization, factoring, and continuing to be involved: None

9) Receivables involving government grant: None.

10. Buyback of the financial assets sold

Item	Closing amount	Opening amount
Stock pledge repurchase	938,423,466.41	
Pledge reverse repurchase	99,111,771.51	
Bond matching operations in the same industry	1,624,517,977.79	
Less: Provision for impairment	76,347,428.74	
Total	2,585,705,786.97	

(1) Details——by categories of financial assets

Item	Closing amount	Opening amount
Stocks	938,423,466.41	
Bonds	1,723,629,749.30	
Including: National debts	99,111,771.51	
Corporate bonds	91,898,224.98	
Financial bonds	1,532,619,752.81	
Less: Provision for impairment	76,347,428.74	

Item	Closing amount	Opening amount
Total	2,585,765,786.97	

(2) Pledged buyback financing funds

Remaining term	Closing amount	Opening amount
Within 1 month	166,806,265.92	
1-3 months	100,971,760.00	
3-12 months	683,965,922.00	
Over 1 year	85,791,290.00	
Total	1,037,535,237.92	

(3) Details of collateral

Item	Closing fair value	Opening fair value
Collateral	4,118,620,447.13	
including: collateral that can be sold or remortgaged	1,612,891,700.00	
including: Collateral sold or remortgaged	1,510,089,090.00	

11. Inventories

(1) Classification of inventories

Item	Closing balance		
	Book balance	Provision for depreciation	Book value
Raw materials	138,435,886.03	1,134,342.62	137,301,543.41
Homemade semi-finished and in-process products	10,078,033.68	848,579.41	9,229,454.27
Goods in stock (finished goods)	62,171,255.12	5,037,272.23	57,133,982.89
Turnover materials (packaging, low-value consumables, etc.)	2,220,109.82	1,243.10	2,218,866.72
Development costs	1,638,624,158.56		1,638,624,158.56
Development products	118,835,338.37		118,835,338.37
Project construction (completed but not settled)	181,319.51		181,319.51
Land reserves (real estate enterprises)	855,656,636.98		855,656,636.98
Total	2,826,202,738.07	7,021,437.36	2,819,181,300.71

(Continued)

Item	Opening balance		
	Book balance	Provision for depreciation	Book value
Raw materials	159,240,882.68		159,240,882.68
Homemade semi-finished and in-process products	30,657,203.10		30,657,203.10
Goods in stock (finished goods)	79,935,673.11	692,649.56	79,243,023.55
Turnover materials (packaging, low-value consumables, etc.)	2,078,236.35		2,078,236.35
Development costs	857,621,280.54		857,621,280.54
Development products	136,056,312.37		136,056,312.37
Project construction (completed but not settled)			
Land reserves (real estate enterprise)			

Item	Opening balance		
	Book balance	Provision for depreciation	Book value
Total	1,260,589,588.15	692,649.56	1,259,896,938.59

Note 1): the land reserve area of real estate enterprises at the beginning of the year is 0.00 square meters, an increase of 23650.00 square meters, and the land reserve as at year end is 23650.00 square meters.

2). The closing balance of inventories contains borrowing costs capitalized in the amount of RMB 52,605,189.84.

3).Completed and unsettled assets formed by construction contracts as at year end

Item	Closing balance
Cumulative costs incurred	181,319.51
Cumulative gross profits recognized	
Less: Expected losses	
Amount settled	
Completed and unsettled assets formed by construction contracts	181,319.51

12. Non-current assets due within 1 year

Item	Closing balance	Opening balance
Long-term receivables-financing lease funds	441,785,717.17	34,324,238.12
Total	441,785,717.17	34,324,238.12

13. Other current assets

Item	Closing balance	Opening balance
Financing funds provided	2,297,057,850.31	
Deposit out margin	51,122,961.06	15,330,542.74
Net entrusted loan	15,000,000.00	30,500,000.00
Input tax and retained tax to be deducted and certified	323,671,663.55	134,919,301.41
Withholding tax and surcharges	7,922,697.09	4,283,262.79
Enterprise income tax prepaid	6,165,755.19	12,591,267.13
Prepayment	11,490,768.10	3,047,331.98
Financial products	168,500,000.00	918,500,000.00
Others	200,179.97	
Total	2,881,131,875.27	1,119,171,706.05

(1) Financing funds provided

1) Details—— by categories

Item	Closing balance	Opening balance
Domestic		
Including: Individuals	2,282,514,950.00	
Organization	17,187,724.10	
Less: Provision for impairment	2,644,823.79	

Item	Closing balance	Opening balance
Total	2,297,057,950.31	

2) Details of collateral provided by customers to companies in connection with securities financing

Categories of collateral	Closing fair value	Opening fair value
Funds	290,739,303.43	
Stocks	6,739,302,272.70	
Bonds	27,481,991.92	
Others	8,133,621.92	
Total	7,065,657,189.97	

14. Available-for-sale financial assets

(1) Details of available-for-sale financial assets

Item	Closing balance		
	Book balance	Provision for impairment	Book value
Available-for-sale debt instruments	2,000,000,000.00		2,000,000,000.00
Available-for-sale equity instruments	5,777,378,720.08	3,187,411.05	5,774,191,309.03
At fair value	606,928,454.76		606,928,454.76
At cost	5,170,450,265.32	3,187,411.05	5,167,262,854.27
Total	7,777,378,720.08	3,187,411.05	7,774,191,309.03

(Continued)

Item	Opening balance		
	Book balance	Provision for impairment	Book value
Available-for-sale debt instruments			
Available-for-sale equity instruments	4,809,953,718.80	2,500,000.00	4,807,453,718.80
At fair value	713,017,767.87		713,017,767.87
At cost	4,096,935,950.93	2,500,000.00	4,094,435,950.93
Total	4,809,953,718.80	2,500,000.00	4,807,453,718.80

(2) Available-for-sale financial assets at fair value as at year end

Item	Available-for-sale equity instruments	Available-for-sale debt instruments	Total
Cost of equity instruments/ amortized cost of debt instruments	61,817,557.06	2,000,000,000.00	2,061,817,557.06
Fair value	606,928,454.76	2,000,000,000.00	2,606,928,454.76
Accumulated amount of fair value change included in other comprehensive income	545,110,897.70		545,110,897.70
Impairment amount accrued			

(3) Available-for-sale financial assets at cost as at year end

Investee	Book balance				Provision for impairment				Shareholding ratio in the investees (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
New development joint venture capital investment enterprise	14,466,633.34		800,000.00	29,666,633.34					6.67	
Guangzhou Development District Water Purification Management Center	16,488,688.45			16,488,688.45					100.00	
Guangzhou Development District Water Supply Management Center	62,098,679.98			62,098,679.98					100.00	
Guangzhou Development District Staff Service Center	9,310,000.00			9,310,000.00					100.00	
Guangzhou Intellectual Property Trading Center Co., Ltd.	1,500,000.00			1,500,000.00					30.00	
Guangzhou Yuanshengde Municipal Service Co., Ltd.	400,000,000.00			400,000,000.00					100.00	
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	300,000,000.00			300,000,000.00					9.98	15,421,643.84
Guangzhou Gongxin Innovation Industry Development Research Institute	100,000.00			100,000.00					14.29	
Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd.	500,000,000.00			500,000,000.00					48.93	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investee (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Guangzhou Origin No.1 Venture Capital Enterprise (Limited Partnership)	25,000,000.00		2,359,520.81	22,640,315.19					23.15	
Guangzhou GET Gazelle Venture Capital Partnership (Limited Partnership)	25,850,000.00			25,850,000.00					18.43	
Guangzhou Liding GET Equity Investment Fund Partnership (Limited Partnership)	160,157,100.00			160,157,100.00					23.89	
Jinghui (Guangzhou) Equity Investment Partnership (Limited Partnership)	40,000,000.00			40,000,000.00					4.00	
Guangdong Huayang Environmental Protection Technology Co., Ltd.	2,935,800.00			2,935,800.00					8.40	
Guangzhou Bank Corporation	3,520,272.00			3,570,272.00					0.04	
Guangzhou Pui Real Estate Development Co., Ltd.	2,000,000.00			3,000,000.00					30.00	
Department of Pharmacology, School of Medicine, Zhongshan University	5,000,000.00			5,000,000.00					50.00	
Guangzhou Ruili Kemi Automotive Electronics Co., Ltd.	6,412,330.10			6,412,330.10					4.20	
Guangdong Famai Soft Porcelain Co., Ltd.	5,636,087.00			5,636,087.00					13.92	
Guangzhou Fenghua Biological Engineering Co., Ltd.	10,366,864.08			10,366,864.08					12.50	
Guangzhou Jinghua Precision	20,000,000.00			20,000,000.00					11.40	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investees (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Optics Co., Ltd.										
Guangzhou Keyi Optoelectronic Technology Co., Ltd.	4,000,000.00			4,000,000.00					5.50	
Beijing Smart Cloud City Investment Fund Center (Limited Partnership)	6,000,000.00			6,000,000.00					1.21	
Guangzhou Hexin Instrument Co., Ltd.	1,000,000.00			1,000,000.00					1.17	
Guangdong New Supply and Marketing Trade Chain Co., Ltd.	10,000,000.00			10,000,000.00					2.99	
Guangzhou Yingbo Optoelectronic Technology Co., Ltd.	1,000,000.00			1,000,000.00					4.08	
Guangzhou Huafeng Biological Technology Co., Ltd.	3,000,000.00			3,000,000.00					4.50	
Guangzhou Liding GET Investment Management Co., Ltd.	420,000.00			420,000.00					20.00	
Guangzhou Huiyuan Electronic Technology Co., Ltd.	1,000,000.00			1,000,000.00					5.50	
Guangzhou Lidar Biotechnology Co., Ltd.	6,000,000.00			6,000,000.00					2.50	
Guangzhou Yilan Wood Energy Saving Technology Co., Ltd	1,000,000.00			1,000,000.00					14.29	
Beaver (Guangzhou)	4,985,100.00			4,985,100.00					17.05	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investee (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Biotechnology Co., Ltd.										
Guangzhou Youtian Mechanical and Electrical Equipment Co., Ltd.	2,500,000.00			2,500,000.00	1,500,000.00			2,500,000.00	1.20	
Guangzhou Shirong Electronics Co., Ltd.	1,000,000.00			1,000,000.00					5.63	
Guangzhou Yifudi Medical Technology Co., Ltd.	1,000,000.00			1,000,000.00					10.00	
Guangzhou Zeji Pharmaceutical Technology Co., Ltd.	3,000,000.00			3,000,000.00					2.51	
Yeban Biotechnology Co., Ltd.	3,000,000.00			3,000,000.00					1.09	
Guangzhou Zhifeng Automation Technology Co., Ltd.	1,000,000.00			1,000,000.00					18.87	
Guangzhou Zhanghong Environmental Technology Co., Ltd.	1,000,000.00			1,000,000.00					5.00	
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	50,000,000.00			50,000,000.00					10.00	
Pu Lin Medical Technology (Guangzhou) Co., Ltd.	5,000,000.00		5,000,000.00							
Guangzhou Satellite TV Bo Biotechnology Co., Ltd.	3,000,000.00			3,000,000.00					5.05	
Guangdong Maike Medical Technology Co., Ltd.	2,000,000.00			2,000,000.00					3.77	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investee (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Guangzhou AntaiChangqing Information Technology Co., Ltd.	150,000.00			150,000.00					15.00	
Guangzhou Chengping Communication Technology Co., Ltd.	8,000,000.00	9,000,000.00		17,000,000.00					7.38	
Guangzhou Lingfeng Investment Partnership(Limited Partnership)	30,000,000.00			30,000,000.00					14.98	
Jiaxing Liding No.1 Venture Capital Partnership (Limited Partnership)	9,000,000.00			9,000,000.00					46.16	
Jiaxing Lianheng Equity Investment Partnership (Limited Partnership)	10,000,000.00			10,000,000.00					25.71	
Guangzhou Mingjiao Soft Control Information Technology Co., Ltd.	200,000,000.00			200,000,000.00					28.79	
Guangzhou Langchengsheng Asset Management Co., Ltd.	2,500,000.00		2,500,000.00							
Guangzhou GET Qianrun Artificial Intelligence Equity Investment Partnership (Limited Partnership)	200,000,000.00	100,000,000.00		300,000,000.00					99.80	
Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership)	40,000,000.00			40,000,000.00					19.96	
Guangdong Fengrun Environmental Protection Co.,	20,526,604.00			20,526,604.00					0.95	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investees (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Ltd.										
Taidou Microelectronics Technology Co., Ltd.	10,000,000.00			10,000,000.00					0.80	
Guangzhou Nengji Testing Co., Ltd.	9,999,999.68			9,999,999.68					5.56	
Guangzhou Value Innovation Park Industrial Investment Fund Partnership (Limited Partnership)	1,000,000.00			1,000,000.00					0.01	
Xintongyuan Industrial Internet Innovation Center (Guangdong) Co., Ltd.	2,000,000.00			2,000,000.00					20.00	
Guangzhou Nuochengtianhua Pharmaceutical Technology Co., Ltd.	70,000,000.00			70,000,000.00					7.00	
LG Display (China) Co., Ltd.	1,646,001,592.30			1,646,001,592.30					5.00	25,769,396.67
BaekjeShenzhou Biological Pharmaceutical Co., Ltd.	100,000,000.00			100,000,000.00					5.00	
Guangzhou Silok Polymer Co., Ltd.		15,000,000.00		15,000,000.00					10.00	
Ankai (Guangzhou) Microelectronics Technology Co., Ltd.		30,000,000.00		30,000,000.00					2.61	
Guangzhou Baidu Venture Capital Artificial Intelligence Equity Investment Partnership (Limited Partnership)		50,000,000.00		50,000,000.00					15.85	
Xuzhou Haotong New Material Technology Co., Ltd.		11,730,000.00		11,730,000.00					1.76	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investees (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Guangzhou Faisi Technology Co., Ltd.		8,000,000.00		8,000,000.00					7.21	
Luheng Technology (Guangzhou) Co., Ltd.		4,000,000.00		4,000,000.00					6.78	
Guangdong New Farmer Agricultural Technology Co., Ltd.		4,999,999.20		4,999,999.20					3.63	
Guangzhou Hantou GET Investment Consulting Co., Ltd.		4,000.00		4,000.00					40.00	
Guangdong Hengxing Intelligent Equipment Manufacturing No.1 Investment Fund Partnership (Limited Partnership)		20,000,000.00		20,000,000.00					36.67	
Guangzhou Huangpu Shiying Technology Innovation Equity Investment Partnership (Limited Partnership)		60,000,000.00		60,000,000.00					20.00	
Guangzhou Yueqian Communication Technology Co., Ltd.		9,599,995.00		9,999,996.00					3.26	
Guangzhou Hongsheng Venture Capital Partnership (Limited Partnership)		20,000,000.00		20,000,000.00					75.00	
Guangzhou Yuanhe Origin No.2 Venture Capital Partnership (Limited Partnership)		10,800,000.00		10,800,000.00					20.00	

Investee	Book balance				Provision for impairment				Shareholding ratio in the investees (%)	Cash dividends for current year
	Opening	Increase during the year	Decrease during the year	Closing	Opening	Increase during the year	Decrease during the year	Closing		
Guangzhou Yimi GET Industrial Investment Fund Partnership (Limited Partnership)		6,800,000.00		6,800,000.00					40.00	
Hantou GET (Guangzhou) Equity Investment Management Partnership (Limited Partnership)		100,000.00		100,000.00					2.20	
Guangzhou Development District Chengjing Industrial Investment Fund Partnership (Limited Partnership)		500,000,000.00		500,000,000.00					14.28	
Guangzhou Yimi GET Equity Investment Management Partnership (Limited Partnership)		90,000.00		90,000.00					9.00	
Guangdong XingchuangZhengpu Instrument Co., Ltd.		1,500,000.00		1,500,000.00		687,411.05		687,411.05	0.15	
Guangzhou Majing Medical Technology Development Co., Ltd.		1,750,000.00		1,750,000.00					10.00	
Haihui Technology Innovation Venture Capital Partnership (Limited Partnership)		220,400,000.00		220,400,000.00					48.21	
Total	4,096,935,950.93	1,084,179,995.20	10,659,680.81	5,170,450,265.32	2,500,000.00	687,411.05		3,187,411.05		41,185,040.51

Note 1): The State-owned Assets Supervision and Administration Office of Guangzhou Development Zone allocated the net assets of Guangzhou Development District Water Supply Management Center and Guangzhou Development District Water Purification Management Center to the Company in

accordance with the text of "Sui Kai State-owned Assets Office [2009] No. 133", the allocation document stipulates that the asset operation and management, personnel system and financial budget management system of Guangzhou Development District Water Supply Management Center and Guangzhou Development District Water Purification Management Center remain as they are. The Company has no control over the financial and operational decisions of the Guangzhou Development District Water Supply Management Center and the Guangzhou Development District Water Purification Management Center, nor does it have the right to derive benefits from their operational activities;

Note 2): Guangzhou Development District Staff Service Center is an asset allocated by the Management Committee, the Company only owns its property rights, does not have the right and control over its production and operation, without significant impact;

Note 3): The Company's 100% shareholding in Guangzhou Yuanshengde Municipal Service Co., Ltd. is explained as follows: the Company's direct shareholding is 98% and its indirect shareholding is 2% (the Company's wholly-owned subsidiary Guangzhou GET Capital Management Co., Ltd. owns 2% of its shares); the main business of Guangzhou Yuanshengde Municipal Service Co., Ltd. belongs to municipal ancillary matters and the business is directly under the arrangement of Guangzhou Development Zone Management Committee; the Company has no control over the production and operation of Guangzhou Yuanshengde Municipal Service Co., Ltd. and has no significant influence;

Note 4): The Company holds 23.29% equity interest in Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership), 23.15% equity interest in Guangzhou Origin No.1 Venture Capital Enterprise (Limited Partnership), 48.93% equity interest in Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd., 35.60% equity interest in Guangzhou GET Gazelle Venture Capital Partnership (Limited Partnership), 30% equity interest in Guangzhou Puli Real Estate Development Co., Ltd., 50% equity interest in Department of Pharmacology, School of Medicine, Zhongshan University, 46.16 % equity interest in JiaxingLiding No.1 Venture Capital Partnership(Limited Partnership), 35.71% equity interest in JiaxingLuanheng Equity Investment Partnership (Limited Partnership), 28.79% equity interest in Guangzhou Mingluo Soft Control Information Technology Co., Ltd., and 25% equity interest in Guangzhou kangchengheng Asset Management Co., Ltd. However, it does not actually participate in the daily management decisions and actual operations of the company, which has no significant impact on the company.

Note 5): Guangzhou GET Qianrun Artificial Intelligence Equity Investment Partnership (Limited Partnership) ("GET Qianrun") is jointly established by the Company's subsidiary Guangzhou GET Finance Holdings Co., Ltd. ("GET Finance Holdings") and Guangdong Qianrun M & A Investment Fund Management Co., Ltd. ("Guangdong Qianrun"). GET Finance Holdings is a limited partner with the contribution proportion of 99.80%, the proposed investment of 300 million Yuan will be financed by the District Finance. As of December 31st, 2018, GET Finance Holdings had contributed RMB 200 million. Guangdong Qianren is a general partner and executes partnership matters with a 0.2% contribution. GET Qianrun is actually as an investment in Baidu Venture fund Phase II, according to the partnership agreement, its exit purchase price is arranged in accordance with the "principal + interest rate of bank loan for the same period ".The general partner shall be entitled to or bear the compensation responsibility for 51% of the difference between the expected earnings and the target earnings (principal + interest income calculated by interest rate of bank loan for the same period). GET Finance Holdings has a high level of principal security and agreed returns, with the remaining returns and risks fully attributable to the general partner. Accordingly, GET Finance Holdings does not have control and significant influence over GET Qianrun.

Note 6): Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership) (hereinafter referred to as "Hengkai Emerging Equity") was jointly funded by Guangzhou Development Zone Urban Development Fund Management Co., Ltd., Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd., Guangzhou GET Finance Holdings Co., Ltd. and Guangzhou Hengyun Equity Investment Co., Ltd.The total scale is RMB 501 million, including RMB 5 million subscribed by Guangzhou Development Zone Urban Development Fund Management Co., Ltd., RMB 196 million subscribed by Guangzhou Development District Emerging Industry Investment Fund Management Co., Ltd., RMB 100 million subscribed by Guangzhou GET Finance Holdings Co., Ltd., and RMB 200 million subscribed by Guangzhou Hengyun Equity Investment Co., Ltd.The fund manager is Guangzhou Development Zone Urban Development Fund Management Co., Ltd. and is responsible for the daily operation and management of the fund. The objective of Hengkai Emerging Fund is to solely invest in the Innovation Workshop Intelligence (Guangzhou) Venture Capital Partnership,Hengkai Emerging Fund can only send one observer to the Innovation Workshop Intelligence (Guangzhou) Venture Capital Partnership without voting rights. Based on the principle of substance over form, the Company does not have significant influence over Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership) and is therefore recognized as an available-for-sale financial asset.

(4) Changes in the impairment of available-for-sale financial assets during the reporting period

Categories of available-for-sale financial assets	Available-for-sale equity instruments	Available-for-sale debt instruments	Total
Impairment balance accruedat the beginning of the period	2,500,000.00		2,500,000.00
Accrual in the current period	687,411.05		687,411.05
Including: Transferfrom other comprehensive income			
Decrease in the current period			
Including: Fair value rebounded back after the period			
Impairment balance accrued at the ending of the period	3,187,411.05		3,187,411.05

(5) Explanation of closing fair value of available-for-sale equity instruments sharply decreasing or non-temporary decreasing without provision for impairment accrued: None.

15. Other debt instruments (Applicable to New Financial Instrument Standard)

Item	Closing amount				
	Initial cost	Interest	Change in fair value	Book value	Accumulated provision for impairment
Financial debts	269,464,800.00	4,974,253.60	-217,123.60	274,221,930.00	145,728.71
Corporate debts	2,373,500,000.00	63,885,305.82	506,631.18	2,437,891,937.00	25,576,611.26
Total	2,642,964,800.00	68,859,559.42	289,507.58	2,712,113,867.00	25,722,339.97

(Continued)

Item	Opening amount				
	Initial cost	Interest	Change in fair value	Book value	Accumulated provision for impairment
Financial debts					
Corporate debts					
Total					

16. Long-term receivables

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debt	Book value	Book balance	Provision for bad debt	Book value
Financing lease funds	866,319,686.34		866,319,686.34	65,675,761.88		65,675,761.88
Including: unrealized financing income	167,701,385.73		167,701,385.73	3,495,870.48		3,495,870.48
Long-term intercourse funds	2,140,939,596.64		2,140,939,596.64	1,964,080,410.96		1,964,080,410.96
Total	3,007,259,282.98		3,007,259,282.98	2,029,756,172.84		2,029,756,172.84

17. Long term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Investment in subsidiaries				
Investment in joint ventures				
Investment in associates	5,013,576,577.16	3,948,726,464.65	70,384,177.84	8,891,918,863.97
Subtotal	5,013,576,577.16	3,948,726,464.65	70,384,177.84	8,891,918,863.97
Less: Provision for impairment of long-term equity investments	1,668,033.93			1,668,033.93
Total	5,011,908,543.23	3,948,726,464.65	70,384,177.84	8,890,250,830.04

(2) Details of long-term equity investments

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
I. Joint ventures											
II. Associates	5,013,576,577.16	3,580,794,091.46	2,101,115.00	261,648,479.84	-260,192.17	-22,460,242.08	38,926,975.00		177,840,249.76	8,891,918,863.97	1,668,021.93
Guangdong Haohan Technology Co., Ltd.[Note]	949,916.53									949,916.53	
Guangdong Yimetu Image Technology Co., Ltd.[Note]	11,891,395.82									11,891,395.82	
Guangzhou Yiding GET Venture Capital Limited Partnership	81,904,578.93			2,040,055.14						83,944,634.07	
Guangzhou Delong GET Investment Management Co., Ltd.	770,715.16			-74,381.80						696,333.36	
Guangzhou Delong GET Venture Capital Co., Ltd.	45,847,352.05		2,101,115.00	31,028,507.91						74,774,744.96	
Guangzhou Gobi GET Investment Management Co., Ltd.	100,000.00			3,002.11						103,002.11	
Guangzhou Huiling Construction Machinery Leasing Co., Ltd.	1,000,000.00									1,000,000.00	1,000,000.00

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Guangdong National GET Technology Venture Capital Enterprise (Limited Partnership)	57,313,922.13	45,000,000.00		-809,608.61						101,504,313.52	
Jinghui (Guangzhou) Equity Investment Partnership (Limited Partnership)	49,633,397.82			-4,440,255.93						45,193,141.89	
Guangzhou GET Fengjing Equity Investment Management Co., Ltd.	2,000,000.00			-69,975.87						1,930,024.13	
Zoda Credit Service (Guangzhou) Co., Ltd.		5,000,000.00		-341,972.97						4,658,027.03	
Guangzhou GET Chongkai Venture Capital Management Co., Ltd.		2,000,000.00		-1,283,284.51						716,715.49	
Hantou (Guangzhou) GET Equity Investment Management Partnership (Limited Partnership)		20,000,000.00		4,042.40						20,004,042.40	
Guangzhou Xaifuo Equity Investment Partnership (Limited Partnership)		39,180,000.00		-128,862.95						39,051,137.05	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognised under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
China Association for Science and Technology Guangzhou Science and Technology Park Joint Development Co., Ltd.	16,468,511.08			2,240,666.59			1,776,598.00			16,932,579.67	
Guangzhou Mong Real Estate Development Co., Ltd.		4,000,000.00		-4,000,000.00							
Guangzhou Aikong Real Estate Co., Ltd.		562,579,081.46		-479,680.02						562,099,351.44	
Guangzhou Keith Fund Management Co., Ltd.	4,139,812.27			843,626.90						4,983,539.17	
Guangzhou Liding GET Fund Management Co., Ltd.	4,443,454.33			884,595.89			700,000.00			4,628,050.22	
Guangzhou Yimi GET Equity Investment Management Partnership (Limited Partnership)		310,000.00		-216,903.11						93,096.89	
Guangzhou Kerun Industry Co., Ltd.		151,900,000.00		-176,364.82						151,723,635.18	
Guangzhou Digital Lehua Technology Co., Ltd.	11,773,237.52			-7,312,030.24						4,461,207.28	
LG Display Optical Electronic Technology (China) Co., Ltd.	1,994,290,179.55	1,638,000,000.00		42,412,373.72						3,674,702,553.27	

90

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
YingshengZhichuang Technology (Guangzhou) Co., Ltd.	6,466,413.39			-2,485,453.76						3,980,959.63	
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd.		3,000,000.00		-649,558.26						2,350,441.74	
Guangzhou Broadband Backbone Network Co., Ltd.				51,831,976.19					177,055,750.46	228,887,726.65	
Guangzhou GET Small Loan Co., Ltd.	95,956,459.82			7,140,617.45			1,489,535.58			101,607,541.69	
Guangzhou Development District Hongdi Technology Co., Ltd.	668,033.93									668,033.93	668,033.93
Suigang Technology Investment (Guangzhou) Co., Ltd.		30,000,000.00		-106,504.08						29,893,495.92	
SuigangZhizao (Guangzhou) Investment Co., Ltd.		75,000,000.00		7,728.20						75,007,728.20	
Guangzhou Financial Assets Trading Center Co., Ltd	22,799,151.98			1,854,224.10			2,000,000.00			22,653,376.08	
Zhongcheng Automobile Insurance Co., Ltd.		916,575,000.00		8,939,512.10						925,514,512.10	
Guangdong Equity	63,175,443.34			1,242,049.12						64,417,492.46	

Investee	Opening balance	Change in the current year								Closing balance	Closing balance of provision for impairment
		Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others		
Trading Center Co., Ltd.											
Guangzhou Yuedu Financial Holding Group Co., Ltd.	2,535,984,401.51			137,801,289.79	-260,192.17	-22,460,242.08	28,960,851.42		592,545.30	2,625,696,950.93	
Guangzhou Xiangtao Hydrogen Technology Co., Ltd.		8,250,000.00		-1,040,840.84						7,209,159.16	
Total	5,013,576,577.16	3,500,794,031.46	2,101,115.00	263,648,479.84	-260,192.17	-22,460,242.08	28,926,975.00		177,648,299.76	8,951,918,863.97	1,668,035.93

Note 1): Guangzhou Technology Innovation Investment Co., Ltd. sold the equity of Guangdong Haohan Technology Co., Ltd. and Guangdong Yimeitu Image Technology Co., Ltd. to Haihui Technology Innovation Venture Capital Partnership (Limited Partnership) in the current period, because the risk has not been transferred and the derecognition has not been carried out, so the investment income has not been recognized in the current period.

(3) Key financial information of significant joint ventures: None

(4) Key financial information of significant associates

Item	Amount during the year	
	LG Display Optical Electronic Technology (China) Co., Ltd.	Guangzhou Yuexiu Financial Holding Group Co., Ltd.
Current assets	6,170,726,289.14	
Non-current assets	33,630,957,764.39	
Total assets	39,801,684,053.53	114,533,785,509.30
Current liabilities	7,444,026,703.06	
Non-current liabilities	17,700,000,000.00	
Total liabilities	25,144,026,703.06	91,208,246,811.30
Shares of net assets calculated according to shareholding ratio	4,347,196,604.24	1,991,211,507.87
Adjustment		634,485,447.06
Book value of investments in associates' equity	3,674,702,553.27	2,625,696,954.93
Fair value of equity investments with public offers		3,311,682,591.46
Operating revenue	520,800,319.94	8,371,976,598.05
Financial expenses	48,458,357.68	
Income tax expenses	40,094,190.41	650,587,069.02
Net profits	141,374,579.08	1,673,627,883.90
Other comprehensive income		1,284,876.00
Total comprehensive income	141,374,579.08	1,674,912,759.90
Dividends received from associates in the current year		28,960,851.42

(Continued)

Item	Amount in previous year	
	LG Display Optical Electronic Technology (China) Co., Ltd.	Guangzhou Yuexiu Financial Holding Group Co., Ltd.
Current assets	5,501,928,781.25	
Non-current assets	14,522,193,983.99	
Total assets	20,024,122,765.24	96,901,389,497.36
Current liabilities	9,667,488,833.40	
Non-current liabilities	3,900,000,000.00	
Total liabilities	13,567,488,833.40	77,158,517,992.58
Shares of net assets calculated according to shareholding ratio	1,994,290,179.55	1,967,117,772.89
Adjustment		634,485,447.06
Book value of investments in associates' equity	1,994,290,179.55	2,601,603,219.95
Fair value of equity investments with public offers		2,364,644,286.86
Operating revenue		6,670,960,235.45
Financial expenses		
Income tax expenses		142,441,796.38
Net profits	-50,366,068.15	607,695,959.96
Other comprehensive income		74,907,086.58

Item	Amount in previous year	
	LG Display Optical Electronic Technology (China) Co., Ltd.	Guangzhou Yuexiu Financial Holding Group Co., Ltd.
Total comprehensive income	-60,366,068.15	682,603,046.54
Dividends received from associates in the current year		

Note: Guangzhou Yuexiu Financial Holding Group Co., Ltd. is a financial enterprise. According to the specific standards for the presentation of financial statements and its application guide in Accounting Standards for Business Enterprises No. 30, financial enterprises and other special industry enterprises can generally list all assets and liabilities in the order of liquidity, so their accounting statements do not distinguish between current assets, non-current assets and current liabilities, non-current liabilities.

18. Other equity instruments investment (Applicable to New Financial Instrument Standard)

(1) Details

Item	Closing amount		
	Initial cost	Fair value	Dividend income recognized in the current year
China Securities Inter Agency Quotation System Co., Ltd.	30,000,000.00	32,606,612.77	
Zhengtong Co., Ltd.	15,000,000.00	12,389,185.93	
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)	49,995,000.00	49,995,000.00	
Guangzhou Yilin Biological Industry Venture Capital Management Co., Ltd.	150,000.00	150,000.00	
Yichun Rural Commercial Bank Co., Ltd.	88,000,000.00	88,000,000.00	3,975,238.92
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center	60,000,000.00	60,000,000.00	
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	400,000,000.00	400,000,000.00	23,200,000.00
Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership)	80,000,000.00	60,000,000.00	
Total	723,145,000.00	773,130,798.70	27,175,238.92

(Continued)

Item	Opening amount		
	Initial cost	Fair value	Dividend income recognized in the current year
China Securities Inter Agency Quotation System Co., Ltd.			
Zhengtong Co., Ltd.			
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)	49,995,000.00	49,995,000.00	
Guangzhou Yilin Biological Industry Venture Capital Management Co., Ltd.	150,000.00	150,000.00	
Yichun Rural Commercial Bank Co., Ltd.	88,000,000.00	88,000,000.00	3,154,351.60
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center			

Item	Opening amount		
	Initial cost	Fair value	Dividend income recognized in the current year
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	400,000,000.00	400,000,000.00	21,861,917.81
Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership)	80,000,000.00	80,000,000.00	
Total	618,145,000.00	618,145,000.00	25,016,889.41

(2) Reasons for designating investments in equity instruments at fair value throughother comprehensive income

Item	Closing fair value	Reason for designation
Equity investments in China Securities Inter Agency Quotation System Co., Ltd.	32,605,612.77	Strategic equity investments
Equity investments in Zhengtong Co., Ltd.	12,389,185.93	Strategic equity investments
Guangzhou Sino Israel Biological Industry Investment Fund Partnership (Limited Partnership)	49,995,000.00	Strategic equity investments
Guangzhou Yilin Biological Industry Venture Capital Management Co., Ltd.	150,000.00	Strategic equity investments
Yichun Rural Commercial Bank Co., Ltd.	88,000,000.00	Strategic equity investments
Guangdong Midea Intelligent Technology Industry Investment Fund Management Center	60,000,000.00	Strategic equity investments
Guangzhou Development District State-owned Enterprise Industrial Investment Fund Partnership (Limited Partnership)	400,000,000.00	Strategic equity investments
Guangzhou Development District Hengkai Emerging Equity Investment Partnership (Limited Partnership)	80,000,000.00	Strategic equity investments
Total	723,139,798.70	

19. Investment properties

(1) Investment properties measured at cost

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Total gross carrying amount	7,727,574,161.07	3,792,485,676.07	539,239,524.84	10,980,820,312.30
1. Houses, buildings	7,655,568,219.63	3,790,778,184.09	539,239,524.84	10,907,106,878.88
2. Land use rights	72,005,941.44	1,707,491.98		73,713,433.42
Total accumulated depreciation (amortization)	1,128,695,981.15	210,797,349.72	93,421,453.90	1,246,071,876.97
1. Houses, buildings	1,122,230,070.53	208,841,167.68	93,421,453.90	1,237,649,784.31
2. Land use rights	6,465,910.62	1,956,182.04		8,422,092.66
Total net book value	6,598,878,179.92			9,734,748,435.33
1. Houses, buildings	6,533,338,149.10			9,669,457,094.57
2. Land use rights	65,540,030.82			65,291,340.76
Total provision for impairment				
1. Houses, buildings				
2. Land use rights				

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Total carrying amount	6,598,878,179.92			9,734,748,435.33
1. Houses, buildings	6,533,338,149.10			9,669,457,094.57
2. Land use rights	65,540,030.82			65,291,340.76

(2) Investment properties not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Technology Enterprise Accelerator (Phase I)	1,009,826,255.13	Consultation with relevant government departments is in progress, and relevant procedures are not complete
Guangzhou City Vocational Skills Talents Public Training and Appraisal Base Luogang Sub-base	44,874,441.75	Consultation with relevant government departments is in progress, and relevant procedures are not complete
Port and Navigation Center	291,773,682.28	Data submitted, in process
House-Pauli Roland Building 7	337,861,603.10	Data submitted, in process
Guangzhou International Intelligent Industry Center Plot F Property	1,580,886,728.90	Not yet at the title processing stage
Guangzhou International Intelligent Industry Center Plot G Property	810,069,086.58	Not yet at the title processing stage
Floor 1-34, building A2, Greenland Central Plaza	1,200,442,744.86	In preparation
Parking Space in Zone C1 of Greenland Central Plaza	35,312,349.43	In preparation
Building 58, Greenland Central Plaza	30,934,469.05	In preparation

20. Fixed assets

Item	Closing book value	Opening book value
Fixed assets	4,499,193,899.80	4,216,938,992.47
Disposal of fixed assets	61,895.08	67,100.49
Total	4,499,255,794.88	4,217,006,092.96

(1) Details of fixed assets

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
I. Total gross carrying amount:	**8,008,794,960.17**	**1,100,366,264.10**	**858,923,939.58**	**8,250,237,284.69**
Including: Land assets				
Houses and buildings	2,432,999,192.30	445,943,516.45	44,870,290.34	2,834,072,418.41
Transportation equipment	59,532,413.87	18,320,432.96	15,249,014.94	62,603,831.89
Machinery equipment	5,381,675,556.77	435,811,330.00	751,290,534.97	5,066,196,351.80
Electronic equipment	25,826,818.25	182,221,299.51	28,457,448.61	179,590,669.15
Office equipment	4,688,667.79	10,665,329.93	1,309,752.81	14,044,244.91
Other equipment	104,062,311.19	7,404,355.25	9,746,897.91	101,719,768.53
II. Total accumulated depreciation:	**3,686,108,477.03**	**575,980,784.76**	**512,583,062.57**	**3,749,506,199.22**
Including: Land assets				
Houses and buildings	874,973,834.17	149,170,046.21	6,742,730.22	1,017,401,150.16

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Transportation equipment	52,936,890.02	12,332,334.05	13,696,285.61	51,572,939.06
Machinery equipment	2,658,572,582.69	279,555,722.57	455,326,592.75	2,482,761,712.51
Electronic equipment	12,026,462.63	120,982,053.55	26,805,307.81	106,203,208.36
Office equipment	3,716,398.13	6,933,612.62	1,235,336.16	9,414,674.59
Other equipment	83,922,558.79	7,006,825.78	8,776,810.02	82,152,564.55
III. Total net book value of fixed assets	4,322,676,493.34			4,506,721,085.47
Including: Land assets				
Houses and buildings	1,558,025,358.33			1,816,671,268.25
Transportation equipment	6,595,573.75			11,030,942.83
Machinery equipment	2,723,142,974.08			2,583,434,639.29
Electronic equipment	13,800,355.62			73,387,460.80
Office equipment	972,469.66			4,629,570.32
Other equipment	20,139,757.40			19,567,203.98
IV. Total provision for impairment	105,737,400.67		96,210,235.00	9,527,165.47
Including: Land assets				
Houses and buildings	3,287,237.18			3,287,237.18
Transportation equipment	370,250.00			370,250.00
Machinery equipment	102,059,934.91		96,201,622.77	5,858,312.14
Electronic equipment	14,095.41		8,525.06	5,570.35
Office equipment	5,973.17		157.37	5,816.00
Other equipment				
V. Total book value of fixed assets	4,216,938,592.47			4,499,193,899.80
Including: Land assets				
Houses and buildings	1,554,738,120.95			1,813,384,031.07
Transportation equipment	6,225,323.75			10,660,692.83
Machinery equipment	2,621,083,039.17			2,577,576,327.15
Electronic equipment	13,786,260.21			73,381,890.45
Office equipment	966,496.49			4,623,754.32
Other equipment	20,139,752.40			19,567,203.98

(2) Fixed assets temporarily idle: None.

(3) Fixed assets not obtained title certificates

Item	Book value	Reasons for non-completion of title certificates
Room 1508, 18 Jianguomen St, Dongcheng District, Beijing	7,873,040.00	In preparation
2 / F, Building A2, Greenland Central Plaza	45,875,716.98	In preparation
25 / F, Building A2, Greenland Central Plaza	6,570,278.15	In preparation
32 / F, Building A2, Greenland Central Plaza	48,382,533.03	In preparation

(4) Disposal of fixed assets

Item	Closing book value	Opening book value	Reason for transferring to disposal
Fixed assets pending disposal for obsolescence	61,895.08	67,100.49	Pending scrapping
Total	61,895.08	67,100.49	

21. Construction in progress

Item	Closing balance		
	Book balance	Provision for impairment	Book value
West-East Long Distance Project (Phase I)	39,180,557.85		39,180,557.85
Project funds for Pauli Roland project	777,103,634.09		777,103,634.09
East District-Science City Planning 11th Road Central Heating Pipeline Project	10,312,605.14		10,312,605.14
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project	57,505,490.00		57,505,490.00
Coal-fired coupled sludge power generation project	8,162,701.00		8,162,701.00
Sino-Singapore Knowledge City North Start Area Project	46,014,872.77		46,014,872.77
Building A2, Greenland Central Plaza	6,280,738.19		6,280,738.19
SCR Denitration Liquid Ammonia to Urea Process Transformation Project	6,088,893.84		6,088,893.84
2 × 460MW "Gas for Coal" Cogeneration Project	281,906,936.31		281,906,936.31
Foreign Activity Center Project Reconstruction Project	94,311,242.09		94,311,242.09
Overall Upgrading and Reconstruction Project of Accelerator Park	21,202,456.88		21,202,456.88
Civil Engineering Decoration Project	3,838,549.64		3,838,549.64
Sporadic engineering	35,000,025.99		35,000,025.99
Total	1,386,909,703.79		1,386,909,703.79

(Continued)

Item	Opening balance		
	Book balance	Provision for impairment	Book value
West-East Long Distance Project (Phase I)	37,490,559.30		37,490,559.30
Project funds for Pauli Roland project	533,718,038.11		533,718,038.11
East District-Science City Planning 11th Road Central Heating Pipeline Project	1,063,599.14		1,063,599.14
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project	29,080,909.21		29,080,909.21
Coal-fired coupled sludge power generation project	2,625,158.34		2,625,158.34
Sino-Singapore Knowledge City North Start Area Project	202,412,884.74		202,412,884.74
Building A2, Greenland Central Plaza	1,294,621,619.27		1,294,621,619.27
West District Former Management Committee Building Public Area Function Restoration Project	9,433,153.34		9,433,153.34
High and low voltage distribution system transformation	1,693,500.00		1,693,500.00
Second sinking pool reconstruction project	1,563,383.03		1,563,383.03
Improvement of Heating Efficiency and Circulation of #6 unit	32,532,801.72		32,532,801.72
East District to Nangang District Central Heating Pipeline Project	33,220,615.70		33,220,615.70
Huaji Industrial Park Heating Project	2,474,972.31		2,474,972.31

Item	Opening balance		
	Book balance	Provision for impairment	Book value
LNG Gasification Station Project	10,826,623.48		10,826,623.48
Sporadic engineering	19,987,292.34		19,987,292.34
Construction materials	7,521,778.79	3,571,633.26	3,950,145.53
Total	2,220,264,886.82	3,571,633.26	2,216,695,253.56

(1) Changes in significant construction in progress

Project Name	Budget amount	Opening balance	Increase during the year	Transfer to fixed asset in the current year	Other decrease in the current year	Closing balance
West District Former Management Committee Building Public Area Function Restoration Project[Note 1]	46,913,500.00	9,433,153.34	18,004,212.17		27,437,365.51	
Foreign Activity Center Project Reconstruction Project	565,096,600.00		94,311,242.09			94,311,242.09
Building A2, Greenland Central Plaza[Note 2]	1,404,081,400.00	1,294,021,619.27	161,906,881.72	101,253,610.10	1,348,994,153.70	6,280,738.19
Project funds for Pauli Roland project	769,161,215.85	533,718,038.11	243,385,595.98			777,103,634.09
2 × 460MW "Gas for Coal" Cogeneration Project	2,726,760,900.00		281,906,936.31			281,906,936.31
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project[Note 3]	130,200,000.00	29,060,909.21	65,908,160.97		37,463,580.18	57,505,490.00
Sino-Singapore Knowledge City North Start Area Distributed Energy Station Project	348,023,200.00	202,412,884.74	110,233,624.56	258,911,924.30	7,719,712.23	46,014,872.77
West-East Long Distance Project (Phase I)	196,262,400.00	37,490,559.30	1,689,998.55			39,180,557.85
East District-Science City Planning 11th Road Central Heating Pipeline Project	58,000,000.00	1,063,599.14	11,742,705.72	2,493,699.72		10,312,605.14
Total	6,264,498,315.83	2,107,820,763.11	989,069,359.07	362,659,234.12	1,421,614,811.62	1,312,616,076.44

(Continued)

Project name	Ratio of cumulative investment in project to budget amount(%)	Project progress(%)	Accumulated amount of capitalized interest	Including: Current amount of capitalized interest	Current capitalized interest rate (%)	Source of funds
West District Former Management Committee Building Public Area Function Restoration Project	58.49	100.00				Self-fund
Foreign Activity Center Project Reconstruction Project	16.69	16.69				Self-fund
Building A2, Greenland Central Plaza	103.74	90.00	74,177,211.15	55,267,707.81	4.90~6.39	Self-fund, loans, group borrowings
Project funds for Pauli Roland project	101.03	93.42	15,471,645.67	9,652,311.96	0.46	Bank loans
2 × 460MW "Gas for Coal" Cogeneration Project	10.34	10.34				Self-fund

Project name	Ratio of cumulative investment in project to budget amount(%)	Project progress(%)	Accumulated amount of capitalized interest	Including: Current amount of capitalized interest	Current capitalized interest rate (%)	Source of funds
Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project	63.23	63.23	2,141,128.25	2,141,128.25	4.9	Self-fund
Sino-Singapore Knowledge City North Start Area Distributed Energy Station Project	98.75	98.75	11,136,216.11	2,768,422.28	6.48	Bank loans
West-East Long Distance Project (Phase I)	19.96	19.96				Financial allocations, Self-fund
East District-Science City Planning 11th Road Central Heating Pipeline Project	22.08	22.08				Self-fund
Total	—	—	102,920,201.18	65,849,570.38	—	

Note 1): Other decreases in the "West District Former Management Committee Building Public Area Function Restoration Project" and the "Building A2, Greenland Central Plaza" during the year are the transfer of investment properties at cost.

Note 2): Other decreases in the "Guangzhou Development District Water Purification Plant Sludge Drying Reduction Project" during the year are the transfer of the franchise rights of intangible assets.

(2) Provision for impairment of construction in progress accrued in the current year: None.

(3) Construction materials

Item	Closing balance	Opening balance
Materials		1,812,767.83
Specialized equipment and others		2,137,377.72
Total		3,950,145.55

22. Intangible assets

(1) Classification of intangible assets

Item	Software	Transaction seat fees	Non-patent technologies	Trademark	Land use rights	Patent	Quota of transaction with carbon emissions	Franchise rights	Total
I. Original book value									
1.Opening balance	19,803,299.21		3,800,000.16	34,337,672.77	366,569,077.07	147,746,385.98	39,071,254.43		611,317,689.62
2. Increase during the year	142,865,648.20	9,400,000.00		28.00	2.00	73.00		45,417,636.87	197,683,388.07
(1) Purchase	23,110,175.88								23,110,175.88
(2) Internal R&D	11,278.27							45,417,636.87	45,428,915.14
(3) Increase in business combinations	139,744,194.05	9,400,000.00		28.00	2.00	73.00			149,144,297.05
3.Decrease during the year	43,408,034.21		3,800,000.16		1,707,491.98	2,130,000.00	26,709,312.41		77,754,838.76
(1) Disposal	36,279,494.82				1,707,491.98	2,130,000.00	26,709,312.41		66,826,299.21
(2)Decrease in business combinations	7,128,539.39		3,800,000.16						10,928,539.55
4.Closing balance	119,260,913.20	9,400,000.00		34,337,700.77	364,861,587.09	145,616,458.98	12,361,942.02	45,417,636.87	731,256,238.93
II.Accumulated amortization									
1.Opening balance	10,853,777.11		3,800,000.16	12,829,814.94	86,854,369.93	4,340,466.67			118,678,428.81
2.Increase during the year	53,913,498.76	7,628,333.44		2,963,188.06	10,580,186.64	4,193,035.29		517,529.61	79,795,771.80
(1)Accrual	19,943,978.78			2,963,188.06	10,580,186.64	4,193,035.29		517,529.61	38,197,918.38
(2) Increase in business combinations	33,969,519.98	7,628,333.44							41,597,853.42
3.Decrease during the year	19,790,440.37		3,800,000.16		341,498.40				23,931,938.93
(1) Disposal	16,637,890.29				341,498.40				16,979,388.69
(2)Decrease in business combinations	3,152,550.08		3,800,000.16						6,952,550.24
4.Closing balance	44,976,835.50	7,628,333.44		15,793,003.00	97,093,058.17	8,533,501.96		517,529.61	174,542,261.68

Item	Software	Transaction seat fees	Non-patent technologies	Trademark	Land use rights	Patent	Quota of transaction with carbon emissions	Franchise rights	Total
III. Provision for impairment									
1.Opening balance									
2.Increase during the year		1,374,124.91							1,374,124.91
(1) Accrual									
(2) Increase in business combinations		1,374,124.91							1,374,124.91
3.Decrease during the year									
(1) Disposal									
4.Closing balance		1,374,124.91							1,374,124.91
IV. Book value									
1.Closing book value	74,254,077.70	397,542.65		18,544,697.77	267,758,528.02	137,112,957.02	11,361,942.02	44,500,107.26	556,339,852.34
2.Opening book value	8,969,521.10			21,505,857.83	271,714,707.14	143,405,919.31	39,071,254.43		492,667,260.81

Note 1): The amount of land use right, patent right and trademark right increased by the business combination of intangible assets in this year is RMB 2.00, RMB 73.00 and RMB 28.00 respectively. This is mainly because the intangible assets of Guangzhou optical Mechanical and Electrical Technology Research Institute are transferred to Optical Mechanical and Electrical (Guangzhou) Technology Research Institute Co., Ltd. free of charge. There is no corresponding consideration for reference in the market, so the intangible assets are calculated by the nominal amount.

2). Land use right not obtained title certificates: None.

23. Goodwill

Investee	Closing amount	Opening balance
Guangzhou GET Construction Engineering Co., Ltd.	3,563,698.14	3,563,698.14
Guangzhou Hengyun Equity Investment Co., Ltd.	10,565,751.96	10,565,751.96
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	134,918,193.05	142,558,889.00
Beijing Leadman Biochemistry Co., Ltd.	377,286,523.09	377,286,523.09
Shanghai Shangtuo Industry Co., Ltd.	77,379,515.34	
YUEKAI SECURITIES CO., LTD.	2,022,571,679.66	
Total	2,626,285,361.24	533,974,862.19

(1) Original book value of goodwill

Investee or items forming goodwill	Opening balance	Increase during the year	Decrease during the year	Closing balance
Guangzhou GET Construction Engineering Co., Ltd.	3,563,698.14			3,563,698.14
Guangzhou Hengyun Equity Investment Co., Ltd.	10,565,751.96			10,565,751.96
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	13,171,068.62			13,171,068.62
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.	142,558,889.00			142,558,889.00
Beijing Leadman Biochemistry Co., Ltd.	377,286,523.09			377,286,523.09
Shanghai Shangtuo Industry Co., Ltd.		77,379,515.34		77,379,515.34
Premium on acquisition of Business Department		7,350,000.10		7,350,000.10
YUEKAI SECURITIES CO., LTD.		2,022,571,679.66		2,022,571,679.66
Total	547,145,930.81	2,107,301,195.10		2,654,447,125.91

(2) Provision for impairment of goodwill

Investee or items forming goodwill	Opening balance	Increase during the year	Decrease during the year	Closing balance
Guangzhou GET Construction Engineering Co., Ltd.				
Guangzhou Hengyun Equity Investment Co., Ltd.				
DiaSys Diagnostic Products (Shanghai) Co., Ltd.	13,171,068.62			13,171,068.62
DiaSys Diagnostic Systems (Shanghai) Co., Ltd.		7,640,695.95		7,640,695.95
Beijing Leadman Biochemistry Co., Ltd.				
Shanghai Shangtuo Industry Co., Ltd.				
Premium on acquisition of Business Department		7,350,000.10		7,350,000.10
YUEKAI SECURITIES CO., LTD.				
Total	13,171,068.62	14,990,696.05		28,161,764.67

24. Long-term prepaid expenses

Item	Opening balance	Other transfer[Note 1]	Increase during the year	Amortization during the current year	Other decrease	Closing balance	Reason for other decrease
Renovation cost	9,566,957.76	12,593,011.27	15,508,404.87	7,133,171.59	106,556.38	30,778,545.01	Due to changes in the scope of consolidation
Land lease fees	13,249,975.31		1,544,375.50	2,082,242.68		12,712,108.13	
Alternative capacity compensation	65,463,108.99			4,863,720.13		60,599,388.86	
Optical Fiber Project Funds	18,756,322.69		49,541.73	2,211,355.53	16,554,508.89		Due to changes in the scope of consolidation
Consulting service fees	6,183,608.29		4,171,905.65	3,599,063.78		6,756,450.17	
Registration fees	636,480.00		1,956,400.00	319,240.00		2,276,640.00	
Rental fees	7,172,729.40		7,617,000.00	5,063,062.74	9,726,666.66		Lease terminated, costs transferred out
Plant Land Leveling Project	1,803,474.57		891,450.00	784,129.05		1,909,795.74	
Cold storage and refrigeration equipment	13,000.03			8,666.64		4,333.39	
Others		5,154,534.69	442,511.32	1,183,129.95		4,413,916.06	
Total	123,245,856.84	17,707,545.96	35,583,590.02	27,251,283.06	26,437,731.91	122,847,177.91	

Note 1): other transfers of long-term prepaid expenses in this year are the impact of changes in the scope of consolidation in this year.

25. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities before offsetting

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
Deferred tax assets				
Payroll payable	35,018,446.65	140,073,786.62	1,713,007.83	10,602,488.62
Provision for impairment of assets	18,915,465.13	111,490,518.80	15,981,126.52	89,806,620.58
Provisions	264,324.61	1,057,298.44		
Accrued costs	8,597,294.87	34,389,179.48	32,639,951.66	130,559,806.64
Investment income related to equity not derecognized	36,600,211.58	146,400,846.32		
Provision for impairment of buyback of the financial assets sold	19,086,857.19	76,347,428.74		
Provision for impairment of financing funds	661,205.95	2,644,823.70		
Government grants	2,487,350.15	16,582,334.38	2,560,203.50	17,068,023.33
Deferred income	17,712.49	70,849.96		
Construction in progress-commissioning gains and losses	82,940.54	331,762.16	94,598.48	378,393.95
Deductible losses	23,231,470.51	115,059,660.61	50,441,778.96	202,127,432.64
Unpaid interest	1,335,602.74	5,342,410.94		
Change in fair value of financial assets held for trading	7,519,605.41	30,078,421.61		
Guaranteed compensation reserves	10,234,025.00	40,936,100.00	8,847,000.00	35,388,000.00
Asset amortization difference			71,199.64	284,798.54
Estimated profits from advances from customers	5,591,308.72	22,365,234.88	1,677,806.62	6,711,226.49
VAT on land	41,491,818.77	165,967,275.08	37,377,994.64	149,511,978.56
Unpayable amounts	-	-	239,379.51	957,518.02
Total	211,135,640.31	909,117,921.86	151,654,047.37	643,396,297.37
Deferred tax liabilities				
Change in fair value of available-for-sale financial assets/ financing bonds	136,277,724.44	545,110,897.70	88,774,055.17	355,096,220.54
Change in fair value of financial assets held for trading	213,372.31	853,489.25		
Construction in progress-commissioning gains and losses	1,447,051.67	5,788,206.68	446,314.16	1,785,256.60
Change in fair value of derivative financial assets			615,000.00	4,100,000.00

Item	Closing balance		Opening balance	
	Deferred tax assets/liabilities	Deductible/taxable temporary differences	Deferred tax assets/liabilities	Deductible/taxable temporary differences
Asset amortization difference	254,905.74	1,019,626.96		
Impairment and depreciation effect of reversal of fixed assets			313,185.18	1,252,740.69
Restructuring gains			97,744,209.35	390,976,837.38
Appreciation of asset valuation of business combinations not under common control	137,986,245.68	880,845,853.17	133,492,981.83	989,938,027.61
Interest income from related-party borrowings	64,027,369.08	252,108,675.32	31,622,738.44	126,490,953.54
Change in fair value of other debt instruments	72,376.90	289,507.58		
Deferred income from transfer of non-monetary assets	73,308,157.02	293,232,628.08		
Total	412,567,054.84	1,979,148,884.74	353,009,484.14	1,769,840,096.56

(7) Deferred tax assets and deferred tax liabilities after offsetting: None.

76. Other non-current assets

Item	Closing balance	Opening balance
Prepaid engineering, equipment, land funds	31,645,785.31	1,193,524,555.27
Public welfare state-owned assets (houses and buildings)	1,348,191,500.83	1,349,800,837.35
Trust financing, bank financing	60,000,000.00	1,000,000.00
Debt assets	2,611,803.21	2,611,803.21
Investment intention funds		6,000,000.00
Prepaid equity	585,506,283.23	916,575,000.00
Capital borrowing	360,000,000.00	360,000,000.00
Property maintenance funds	367,356.21	
Total	2,388,312,748.84	3,829,512,195.83

27. Details of Proviston for impairment of assets

Item	Opening balance	Increase during the year		Decrease during the year				Closing balance
		Accrued in the current year	Increase in consolidation	Asset value rebounded back	Write-off amount	Other decrease	Decrease in consolidation	
Provision for bad debt of accounts receivable	74,132,653.31	13,476,304.37	610,004.32	439,262.61	3,897.89		1,616,712.71	86,159,382.79
Provision for bad debt of other receivables	6,347,323.96	1,973,467.30		2,901,555.29			556,360.53	4,862,875.44
Provision for impairment of fixed assets	105,737,490.67					1,354,451.59	94,855,853.41	9,527,185.67
Provision for impairment of intangible assets			1,374,124.91					1,374,124.91
Provision for impairment of available-for-sale financial assets	2,500,000.00		687,411.05					3,187,411.05
Provision for impairment of notes receivable	2,796,000.00	764,000.00						3,560,000.00
Provision for bad debt of buyback of the financial assets sold		24,690,918.05	41,656,510.69					76,347,428.74
Provision for impairment of goodwill	13,171,068.62	7,640,696.96	7,350,000.10					28,161,764.67
Provision for impairment of long-term equity investments	1,668,033.93							1,668,033.93
Provision for impairment of inventories	592,649.56	6,430,100.13			101,312.35			7,021,437.36
Provision for impairment of other debt instruments		23,529,230.67	2,707,002.60	513,893.30				25,722,339.97
Other current assets-provision for bad debt of financing funds			5,676,072.97	1,110,005.32				4,566,067.65
Provision for impairment of construction in progress	3,571,633.26						3,571,633.26	
Others			43,414.39	43,414.39				
Total	210,618,853.51	82,504,720.47	58,104,631.09	5,008,150.91	105,018.21	1,354,451.59	100,600,559.91	250,158,062.18

28. Short-term loans

(1) Classification of short-term borrowings

Categories of loans	Closing balance	Opening balance
Mortgage loans	48,199,194.44	
Guaranteed loans	1,040,000,000.00	
Credit loans	8,754,836,611.98	4,270,447,475.71
Total	9,843,035,806.42	4,270,447,475.71

(2) Details of outstanding short-term borrowings overdue: None.

29. Financial liabilities at fair value through profit or loss

Item	Closing fair value	Opening fair value
Financial liabilities held for trading		
Including: Trading bonds issued		
Financial liabilities designated as at fair value through current profit or loss	26,948,576.00	
Others		
Total	26,948,576.00	

Note: on July 18th, 2019, the Company borrowed RMB 497 million from its subsidiary Guangkai International Investment Holding Co., Ltd. and locked the purchase price of principal repayment after three years by signing a foreign exchange swap agreement with the bank. As the business is essentially a derivative instrument related to exchange rate purchased for the purpose of managing exchange rate risk, the Company designates it as a financial liability at fair value through profit or loss.

30. Sale of the financial assets bought back

(1) Details---by business type

Item	Closing amount	Opening amount
Bond pledge positive repurchase	3,528,394,910.50	
Bond buyout positive repurchase	567,251,754.97	
Total	4,095,646,665.47	

(2) Details---by categories of financial assets

Item	Closing amount	Opening amount
Bonds	4,095,646,665.47	
Including: Financial bonds	1,919,382,610.28	
Corporate bonds	2,176,264,055.19	
Total	4,095,646,665.47	

(3) Details of collateral

Item	Closing book value	Opening book value
Bonds	4,624,643,449.81	

Item	Closing book value	Opening book value
Total	4,624,643,449.81	

31. Notes payable

Categories	Closing balance	Opening balance
Bank acceptance bills	1,960,518.00	7,407,715.80
Total	1,960,518.00	7,407,715.80

32. Accounts payable

(1) Aging of accounts payable

Aging	Closing balance	Opening balance
Within 1 year(including 1 year)	465,109,060.91	216,813,361.41
1-2 years (including 2 years)	26,663,104.95	27,228,056.26
2-3 years (including 3 years)	5,932,628.71	92,639,093.87
Over 3 years	353,185,741.96	369,735,078.73
Total	850,890,536.53	706,415,590.27

(2) Significant accounts payable aged over 1 year

Name of creditor	Closing balance	Reason for non-payment
Hainan Industrial Equipment Installation Co., Ltd.	20,800,835.85	unsettled
Guangdong Yuantian Engineering Co., Ltd.	15,238,457.16	unsettled
Heilongjiang Construcion Installation Group Co., Ltd.	13,580,519.43	unsettled
Guangzhou Dongjin New Area Development Co., Ltd.	4,440,000.00	Settlement not yet completed
Guangzhou Electric Power Engineering Co., Ltd.	4,024,957.70	Settlement not yet completed
Dongfang Electric Corporation Dongfang Turbine Co., Ltd.	3,721,415.00	unsettled
Total	61,806,175.14	

33. Advances from customers

(1) Aging of advances from customers

Aging	Closing balance	Opening balance
Within 1 year(including 1 year)	391,995,199.84	320,009,560.20
Over 1 year	22,102,173.83	33,496,088.36
Total	414,097,373.67	353,505,648.56

(2) Significant advances from customers aged over 1 year

Name of creditor	Closing balance	Reasons for not carried forward
Guangzhou Intelligent Equipment Research Institute Co., Ltd.	21,574,953.17	Rent received in advance

Name of creditor	Closing balance	Reasons for not carried forward
Total	21,574,953.17	

34. Payroll payable

(1) Categories of payroll payable

Item	Opening balance	Other transfer	Increase during the year	Decrease during the year	Others transfer out	Closing balance
Short-term remuneration	64,242,050.05	50,940,169.33	827,812,823.00	750,705,382.50	608,545.46	191,591,114.42
Post-employment benefits-defined contribution plan	7,974,197.55	643,529.32	79,752,489.03	81,764,806.48		5,605,409.42
Severance benefits	31,538.54		1,558,947.11	1,227,413.57		358,072.08
Total	72,247,786.14	51,583,698.65	909,124,259.14	833,697,602.55	608,545.46	197,554,595.92

(2) Short-term remuneration

Item	Opening balance	Other transfer	Increase during the year	Decrease during the year	Others transfer out	Closing balance
Salaries, bonus, allowances and subsidies	60,305,346.95	49,409,709.59	710,080,690.31	633,704,515.59	214,953.51	185,874,277.75
Staff welfare	828,258.92	587,000.00	26,801,609.78	26,599,166.10		1,612,705.80
Social security	14,685.67	412,759.64	30,958,408.34	30,999,589.08		386,274.17
Including: Medical insurance	12,596.08	380,179.24	27,293,394.75	27,341,805.87		344,363.20
Work injury insurance	505.14	13,659.24	857,078.71	858,436.03		12,807.06
Maternity insurance	1,595.45	18,921.16	2,807,934.58	2,799,347.18		29,104.01
Housing funds	165,667.00	15,718.68	47,550,235.36	47,508,991.36	336.50	222,353.68
Labor union operating funds and employee education costs	2,930,081.51	519,981.42	11,647,849.63	11,119,151.49	393,255.95	3,585,505.12
Other short-term remuneration			773,969.68	773,969.38		
Total	64,242,050.05	50,940,169.33	827,812,823.00	750,705,382.50	608,545.46	191,591,114.42

(3) Defined contribution plan

Item	Opening balance	Other transfer in	Increase during the year	Decrease during the year	Other transfer out	Closing balance
Basic pension insurance	72,452.86	506,438.56	51,768,559.28	51,403,566.42		548,384.13
Unemployment insurance	1,173.62	37,090.76	1,682,953.06	1,688,503.82		32,713.82
Contribution to pension fund	7,899,570.67		25,600,978.69	28,472,736.24		5,023,811.32
Total	**7,974,197.55**	**543,529.32**	**78,752,459.03**	**81,764,806.46**		**5,605,409.42**

Note 1: Other transfers in and out in this year are the impact of changes in the scope of consolidation in this year.

35. Taxes payable

Item	Opening balance	Other transfer in	Due in the current year	Paid in the current year	Other transfer out	Closing balance
VAT	45,450,744.24	1,842,022.29	359,097,047.32	358,210,963.25	208.16	48,179,242.44
Income tax on transfer of property of restricted shares		163,873.20	21,854,009.99	18,308,457.03		3,709,426.16
VAT on land	149,594,625.48		364,719,880.33	345,945,100.57		167,369,405.24
Corporate income tax	24,219,496.78	406,055.45	426,481,751.63	335,953,373.77	27,611.45	115,186,298.65
Urban maintenance and construction tax	990,997.58	236,760.63	22,023,723.86	20,137,445.86		3,111,036.21
Property tax	3,524,143.63		52,280,573.39	51,898,997.38		3,905,719.64
Land use tax	93,722.82		5,412,912.76	5,506,076.47		559.11
Individual income tax	2,545,957.84	1,594,490.01	45,066,714.48	43,088,313.71	22,326.28	6,095,862.34
Education surtax	768,953.70	165,938.12	16,000,869.44	14,675,595.24		2,260,166.02
Customer interest tax withholding		3,647.42	167,191.67	75,105.16		95,733.93
Deed tax			19,070,468.61	19,070,468.51		-
Withholding of taxes in lieu of payment (VAT)	1,963.06	11,381.57	206,136.62	205,464.59		14,016.81

Item	Opening balance	Other transfer in	Due in the current year	Paid in the current year	Other transfer out	Closing balance
Others	2,635,707.97		11,901,889.75	12,655,387.03		1,883,210.69
Total	130,887,303.30	4,483,778.80	1,154,281,189.34	1,237,701,348.61	50,205.39	951,900,677.24

Note 1: Other transfers in and out in this year are the impact of changes in the scope of consolidation in this year.

36. Other payables

Item	Closing balance	Opening balance
Interest payable	202,348,510.83	166,280,222.60
Dividends payable	18,669,841.85	96,794.93
Other payables	2,110,485,471.31	738,632,642.08
Total	**2,331,503,823.99**	**905,009,659.61**

(1) Interest payable

1) Classification of interest payable

Item	Closing balance	Opening balance
Interest payable on bonds	138,795,915.42	124,847,738.39
Interest on short-term borrowings	11,352,035.34	5,900,064.78
Interest on long-term borrowings	15,753,816.71	8,716,961.72
Interest on customer deposits	625,982.93	
Interest payable on finance lease	35,820,760.43	26,815,457.71
Total	**202,348,510.83**	**166,280,222.60**

2) Significant overdue interest: None.

(2) Dividends payable

Item	Closing balance	Opening balance
Dividends on ordinary shares	18,669,841.85	96,794.93
Total	**18,669,841.85**	**96,794.93**

Including: Dividends payable unpaid for over 1 year

Name of unit	Closing balance	Opening balance	Reasons for non-payment for over 1 year
Huizhou Huicheng District Investment Management Office	43,836.92		No account provided
Huizhou Huibao Gold and Silver Jewelry Co., Ltd.	529,210.00		No account provided
Total	**573,046.92**		

(3) Other payables

1) Other payables classified by nature of payment

Nature of payment	Closing balance	Opening balance
Lease deposit, deposits	137,939,045.75	122,515,135.02
Unit contacts	179,785,246.72	151,758,996.10
Agency funds	11,825,160.26	26,065,248.40
Accrued costs	3,296,725.17	7,615,467.00
Project funds	21,204,602.50	13,060,246.65

Nature of payment	Closing balance	Opening balance
Financial funds	399,294,382.77	397,717,824.54
Employee reimbursements	304,403.00	106,550.98
Purchase price and related taxes	1,274,020,964.00	
Others	37,815,940.54	24,793,163.99
Total	2,110,485,471.31	738,632,642.08

2) Significant other payables aged over 1 year

Name of unit	Closing balance	Reason for non-payment
Finance Bureau of Guangzhou Economic and Technological Development Zone	333,569,247.37	Financial funds, collection and payment in lieu
Science Bank Preparation Group	26,077,531.79	Financial funds, projects not completed
Guangzhou Yuanshengde Municipal Service Co., Ltd.	16,531,822.43	Related intercourse funds
Guangzhou Liding GET Venture Capital Partnership	77,865,273.44	Outstanding payment
Guangzhou Nantian Commercial Plaza Construction Development Co., Ltd.	10,000,000.00	Lease deposits
Guangzhou Xinchen Real Estate Development Co., Ltd.	7,729,311.42	Temporary resettlement fund
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	5,575,546.12	Outstanding payment
Wang Yiving	5,217,750.00	Restricted share repurchase obligations not settled
Total	482,566,482.57	

37. Funds for securities trading

Item	Closing balance	Opening balance
General brokerage business	3,746,621,431.52	
Including: Individuals	3,476,965,675.64	
Organizations	269,655,755.88	
Subtotal	**3,746,621,431.52**	
Credit business	290,771,098.45	
Including: Individuals	272,925,090.18	
Organizations	17,846,008.27	
Subtotal	**290,771,098.45**	
Individual stock options business	11,474,558.01	
Including: Individuals	11,474,474.73	
Organizations	83.28	
Subtotal	**11,474,558.01**	
Total	4,048,867,087.98	

38. Non-current liabilities due within 1 year

Item	Closing balance	Opening balance
Long-term borrowings due within 1 year	1,612,175,547.21	1,189,402,149.17
Bonds payable due within 1 year	632,929,852.35	500,000,000.00
Long-term payables due within 1 year	444,987,278.71	331,500,382.30

Item	Closing balance	Opening balance
Total	2,690,092,678.27	2,070,902,531.47

39. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Short-term sale and leaseback		485,367,267.67
Deposits received	3,916,589.70	3,916,589.70
Short-term bonds payable		500,000,000.00
Output tax to be transferred	28,875,064.54	
Accrued costs	4,117,281.04	5,756,158.58
Short-term financing funds payable	153,482,189.57	
Total	190,391,124.85	995,040,015.95

(2) Details of short-term bonds payable

Bond name	Face value	Issuing date	Bond period	Issued amount	Opening balance
The first ultra-short-term financing bond in 2018	500,000,000.00	August 7th, 2018	270 days	500,000,000.00	500,000,000.00
Total				500,000,000.00	500,000,000.00

(Continued)

Bond name	Issued during the year	Interest accrued at face value	Amortization	Repaid during the year	Closing balance
The first ultra-short-term financing bond in 2018				500,000,000.00	
Total				500,000,000.00	

40. Long-term borrowings

Categories of loans	Closing balance	Opening balance
Pledged loans	219,421,569.79	
Mortgage loans	722,565,372.17	1,371,644,196.75
Guaranteed loans	3,046,723,906.49	1,678,075,105.00
Credit loans	3,397,022,847.36	1,726,993,269.32
Total	7,385,733,695.81	4,776,712,571.07

41. Bonds payable

(1) Classification of bonds payable

Item	Closing balance	Opening balance
Corporate bonds	8,529,228,532.97	5,088,579,504.23
Medium-term notes	4,492,273,010.42	
ABS intellectual property securitization	263,745,999.43	
Total	13,285,247,542.82	5,088,579,504.23

(2) Changes in bonds payable (excluding other financial instruments such as preferred stocks classified as financial liabilities, perpetual bonds, etc.)

Bond name	Total face value	Issuing date	Bond period	Issued amount	Opening balance	Issued during the year
Guangzhou Development District Financial Holdings Group Co., Ltd 2018Corporate bonds (Phase I) (Type 1)[Note 1]	1,500,000,000.00	2018-7-24	5 years	1,500,000,000.00	1,496,552,234.17	
Guangzhou Development District Financial Holdings Group Co., Ltd.2018Corporate bonds (Phase I) (Type 2)[Note 1]	3,500,000,000.00	2018-7-24	3+2 years	3,500,000,000.00	3,491,553,220.06	
Guangzhou Development District Financial Holdings Group Co., Ltd. 2019 1st Medium-term notes[Note 2]	3,000,000,000.00	2019-10-21	3+2 years	3,000,000,000.00		3,000,000,000.00
Guangzhou Development District Financial Holdings Group Co., Ltd. 2019 2nd Medium-term notes[Note 2]	1,500,000,000.00	2019-11-1	3+2 years	1,500,000,000.00		1,500,000,000.00
Guangzhou Kangyuan Enterprises Holding Ltd.2015 Corporate bonds[Note 3]	500,000,000.00	2015-7-28	3+2	500,000,000.00	100,076,000.00	
17Lianxun01	530,000,000.00	2017-11-28	3 years	530,000,000.00		
16Lianxun01[Note 4]	1,000,000,000.00	2016-12-13	3 years	1,000,000,000.00		
ABS Intellectual property securitization	301,000,000.00	2019-9-11	No more than 5 years	285,950,000.00		285,950,000.00
USD 500,000,000 3.75% guaranteed bond due 2022 from Guangzhou International Investment Holding Co., Ltd	3,488,100,000.00	2019-7-18	3 years	3,488,100,000.00		3,488,100,000.00
Total	15,319,100,000.00			15,304,050,000.00	5,086,579,504.23	8,274,050,000.00

(Continued)

Bond name	Interest accrued at face value	Amortization	Repaid during the year	Other changes	Closing balance
Guangzhou Development District Financial Holdings Group Co., Ltd.2018Corporate bonds (Phase I) Type 1[Note 1]		-709,730.77			1,497,260,014.94
Guangzhou Development District Financial Holdings Group Co., Ltd.2018Corporate bonds (Phase I) (Type 2)[Note 1]		-1,659,692.65			3,493,612,912.71

Bond name	Interest accrued at face value	Amortization	Repaid during the year	Other changes	Closing balance
Guangzhou Development District Financial Holdings Group Co., Ltd. 2019 1st Medium-term notes[Note 2]		5,139,249.97			2,994,860,750.03
Guangzhou Development District Financial Holdings Group Co., Ltd. 2019 2nd Medium-term notes[Note 2]		2,587,739.61			1,497,412,260.39
Guangzhou Hengyun Enterprises Holding Ltd.2015 Corporate bonds[Note 3]				-100,076,000.00	-
17Lianxun01		14,222,355.31		14,222,355.31	
16Lianxun01[Note 4]		19,072,605.62	1,000,000,000.00	1,019,072,605.62	-
ABS intellectual property securitization	3,645,651.35	2,784,067.07	23,065,584.85		263,745,999.43
USD 500,000,000 3.75% guaranteed bond due 2022 from Guangkai International Investment Holding Co., Ltd.	59,309,645.56	5,054,040.24			3,598,355,605.32
Total	62,955,296.91	50,490,834.40	1,023,065,584.85	933,219,960.93	11,285,347,542.82

Note 1: The Company's public issuance of corporate bonds of no more than 5 billion Yuan to QFII (hereinafter referred to as "the bonds") has been approved by CSRC's (China Securities Regulatory Commission)license [2018] No. 981. The total scale of bond issuance in this year is no more than RMB 5 billion, the basic scale is RMB 1 billion, and the over allotment is no more than RMB 4 billion (including RMB 4 billion). On July 17th, 2018, Guangfa Securities Co., Ltd., the issuer and the lead underwriter, made bookkeeping and filing to the QFII offline. This year's bonds are divided into two types, one is a five-year period, and the other is a five-year period with the issuer's option to adjust the coupon rate at the end of the third interest year and the investor's option to sell back. According to the results of bookkeeping and filing, through full consultation and prudent judgment of the issuer and the lead underwriter, the coupon rate of bond type I and type II in this year is finally determined to be 4.95% and 4.75% respectively.

Note 2: Two new medium-term notes will be issued in 2019. Guangzhou Development District Financial Investment Holdings Group Co., Ltd. (hereinafter referred to as "Development District Financial Holdings") will issue the 2019 1st Medium-term notes on October 21st, 2019. The value date is October 23rd, 2019, with a term of 3 + 2 years. The payment date is October 23rd, 2024, with a total issue amount of RMB 3 billion and an issue interest rate of 3.98%. On November 1st, 2019, 2019 2nd Medium-term notes were issued. The value date is November 5th, 2019, with a term of 3 + 2 years. The payment date is November 5th, 2024, with a total issuance amount of RMB 1.5 billion and an issuance interest rate of 3.95%. The financial controller of the Development District has the right to decide to adjust the coupon rate of 2 years after the medium-term notes of this year at the end of the third year of its duration. The adjusted coupon rate is the basis point for the increase or decrease of the coupon rate of 3 years before the medium-term notes of this year plus or minus the issuer.

Note 3: According to the resale terms set out in the 2015 corporate bond prospectus of Guangzhou Hengyun Enterprises Holding Ltd., the Company issued the first suggestive announcement of Guangzhou Hengyun Enterprises Holding Ltd. on the face rate adjustment of "15 Hengyun bonds" and the implementation measures for resale of investors on July 2nd, 2018, July 3rd, 2018 and July 4th, 2018 respectively, the second suggestive announcement of Guangzhou Hengyun Enterprises Holding Ltd. on the Implementation measures of "15 Hengyun bonds" nominal interest rate adjustment and investors resale " and the third suggestive announcement of Guangzhou Hengyun Enterprises Holding Ltd. on the implementation measures of" 15 Hengyun bonds "nominal interest rate adjustment and investors' resale. The resale price of "15 Hengyun bonds" is 100.00 Yuan / piece (excluding interest), and the Company chooses not to increase the coupon rate, that is, the coupon rate of the two years after the duration of this year's bonds is still 4.19%. "15 Hengyun bond" has 3,999,240 pieces of resale declaration, 416,680,815.60yuan of resale amount (including interest), and 1,000,760 pieces of remaining custody. The balance of bonds payable is reclassified to non-current liabilities due within 1 year at the end of this year.

Note 4: other transfer amount of 17 Lianxun 01 and 16 Lianxun 01 in this year are the impact of the consolidated Yuekai Securities. The book value of 17 Lianxun 01 at the end of the year is RMB 532,853,852.35, which is reclassified to non-current liabilities due within 1 year.

42. Long-term payables

Item	Closing balance	Opening balance
Long-term payables	2,975,147,817.20	2,459,407,298.87
Special payables	1,108,897.87	684,887.18
Total	2,976,256,715.07	2,460,092,186.05

(1) The top five long-term payables

Item	Closing balance	Opening balance
Total	2,975,147,817.20	2,459,407,298.87
Including: 1.financing lease funds payable		30,000,000.00
2.Sale and leaseback payments	3,887,044,787.18	3,453,978,183.57
Less: Unrecognized financing expenses	672,605,326.28	777,070,502.40
Less: Part due within 1 year	436,687,278.71	331,500,382.30
Others	197,395,635.01	34,000,000.00

(2) The top five special payables

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Total	684,887.18	2,400,000.00	1,975,989.31	1,108,897.87
Including:				
Special project of replacing business tax with value added tax	512,941.69		127,294.24	385,647.45
Special project of One Touch	161,466.69		82,694.99	78,771.70
Special project of tax collection and management system reform		2,400,000.00	1,766,000.08	633,999.92
Others	10,478.80			10,478.80

43. Accruals and provisions

Item	Closing balance	Opening balance
Excess losses	40,587.25	40,587.25
Pending litigation[Note1]	1,057,298.44	
Total	1,097,885.69	40,587.25

Note 1: on December 14th, 2018, Li Chunming applied for labor arbitration to Chaoyang District Labor and Personnel Dispute Arbitration Committee of Beijing Municipality for the cancellation of the Notice on Termination of Labor Contract, required to continue to perform the labor contract, and required to pay wages, allowances and wages for unused annual leave. On August 2nd, 2019, the Chaoyang District Labor and Personnel Dispute Arbitration Commission of Beijing Municipality ruled to cancel the Notice of Termination of Labor Contract, continue to perform the labor contract, and pay a total of RMB 1,057,298.44Yuan of wages, allowances and unused annual leave wages. The Company has filed a lawsuit with the People's Court of Huicheng District, Huizhou City against the arbitration award. On the date of this statement,

the Company accrued a provision of RMB 1,057,298.44 according to the arbitration result of Chaoyang District Labor and Personnel Dispute Arbitration Commission of Beijing Municipality.

44. Deferred income

Item	Opening balance	Other transfer	Increase during the year	Decrease during the year	Closing balance
Government grants	192,158,402.48	7,358,114.33	17,156,308.21	19,849,724.25	196,823,100.77
Rental fees	68,965.52		804,394.27	154,775.72	718,584.07
R&D funds		12,304,079.17			12,304,079.17
Total	192,227,368.00	19,662,193.50	17,960,702.48	20,004,499.97	209,845,764.01

Note 1: other transfers of deferred income in this year are generated from changes in the scope of consolidation in this year.

Government grants:

Categories of government grants	Opening balance	Amount of newly subsidy for the year	Amount included in other income for the year	Amount included in non-operating revenue for the year	Other changes	Closing balance	Related to assets/income
GET Dream Space	2,206,563.67				-200,000.00	2,006,563.67	Related to income
Sino foreign cooperation zone construction project	1,099,089.23		43,401.13			1,055,688.10	Related to income
Other special funds	862,575.94	455,908.00	15,000.00			1,303,483.94	Newly subsidy is related to income, Others are related to income
Big data construction project	3,709,500.00		2,835,960.00			873,540.00	Related to income
Funds for renovation of the People's Court of the West District		1,500,000.00				1,500,000.00	Related to income
Investment risk guidance fund	226,700.00					226,700.00	Related to income
Guangzhou Equity Investment Base Project	200,000.00					200,000.00	Related to income
Government Business contribution award		1,550,000.00		1,550,000.00			Related to income
Enterprise bonus		636,238.00		636,238.00			Related to income
Guarantee risk compensation subsidy	26,213,400.00	1,590,500.00				27,803,900.00	Related to income
2018 Pork stabilization subsidy		6,016.98				6,016.98	Related to income
Poly Zhongyu Plaza Pooling fund	8,839,698.28	324,975.00	1,960,976.42			7,203,696.86	Related to assets
Subsidy for front site decoration of Intelligent Equipment Research Institute	2,913,449.75		971,149.92			1,942,299.83	Related to assets
Chemiluminescence project	3,980,152.23		234,383.76			3,745,768.47	Related to assets
X53 project discount	16,996,892.74		414,558.36			16,582,334.38	Related to assets
Medical device (in vitro diagnostic reagents) testing and reference evaluation service platform project	497,528.37		497,528.37				Related to income
2019 Huizhou Modern Industry Top 100 Special Fund Project Investment Plan			116,666.69		193,217.66	76,550.97	Related to assets
Xiamen Financial Industry Support Incentive Funds				116,666.69	1,325,919.98	1,209,253.29	Related to income
Xiamen Municipal Government Support Fund				8,271.69	-838,923.31	-847,195.00	Related to income

Categories of government grants	Opening balance	Amount of newly subsidy for the year	Amount included in other income for the year	Amount included in non-operating revenue for the year	Other changes	Closing balance	Related to assets/income
Financial subsidies from the Guangzhou Finance Bureau				116,666.69	520,815.75	404,149.06	Related to income
Shenzhen Finance Commission one-time landing incentive				116,092.00	434,552.08	318,460.08	Related to income
Xiamen City rent subsidy		141,600.00	15,361.71		51,897.97	178,136.26	Related to income
Foshan financial institution introduce incentives				175,000.00	546,070.06	371,070.06	Related to income
Luoyang City settlement award		500,000.00		166,666.67		333,333.33	Related to income
Luolong District settlement award		300,000.00		100,000.00		200,000.00	Related to income
Boiler desulfurization technology transformation project	12,565,969.71		769,345.08			11,796,624.63	Related to assets
#7 boiler electric dust removal reconstruction project	945,209.46		57,931.28			887,278.18	Related to assets
Technical transformation project of boiler denitration	14,335,687.71		851,625.04			13,484,062.67	Related to assets
Steam seal technical transformation project of steam turbine	310,791.30		69,064.76			241,726.54	Related to assets
Frequency conversion transformation of primary fan	507,500.00		30,000.00			477,500.00	Related to assets
#6, #7 Boiler Plasma Ignition Technology Modification Item	558,388.52		30,054.36			528,334.16	Related to assets
Dry slag removal energy saving special	378,933.33		22,400.00			356,533.33	Related to assets
Boiler air preamplifier sealing technology modification	818,719.63		44,455.36			774,264.27	Related to assets
Special energy saving project of heating transformation	7,685,117.79	9,390,500.00	1,272,367.62			15,803,250.17	Related to assets
Subsidy for energy management information system construction		100,000.00				100,000.00	Related to assets
Special fund subsidy for denitration project	572,953.61		42,704.64			530,248.97	Related to assets
Special fund subsidy for frequency conversion transformation of condensate pump	421,373.87		30,542.48			390,831.39	Related to assets
Special fund subsidy for reclaimed water comprehensive utilization pipe network project	490,156.93		34,720.52			455,436.41	Related to assets
#8 Furnace Dry Debris Removal Project Special Funding Grant	558,169.27		42,105.28			516,063.99	Related to assets

Categories of government grants	Opening balance	Amount of newly subsidy for the year	Amount included in other income for the year	Amount included in non-operating revenue for the year	Other changes	Closing balance	Related to assets/Income
#9 Furnace Dry Debris Removal Project Special Funding Grant	386,591.37		29,268.76			357,322.61	Related to assets
#9 Furnace Electric De-dusting Project Special Funding Grant	637,756.75		44,754.88			593,001.87	Related to assets
#9 Furnace Pre-Avoidance Sealing Technology Improvement Project Special Funding Grant	233,687.42		16,363.64			217,323.78	Related to assets
#89 Furnace Low Nitrogen Combustion Project Specific Funding Grant	2,038,854.57		151,965.08			1,886,889.49	Related to assets
#89 Furnace Super Clean Emissions Retrofit Project Special Funding Grant	10,218,890.01		760,130.04			9,458,759.97	Related to assets
#9 Furnace inverter technology renovation item special funding subsidy	480,277.82		23,333.32			456,944.50	Related to assets
9# Steam Turbine Generator Capacity Enhancement and Consumption Reduction Project Special Fund Subsidy	865,319.87		40,404.04			824,915.83	Related to assets
#8, 9 Furnace Integrated Upgrade Special Funding Grant	4,986,137.00		284,286.24			4,701,850.76	Related to assets
Thematic funding for post-incentive awards for integrated upgrades to units #8 and #9	28,677,478.94		2,137,451.84			26,540,027.09	Related to assets
#8 and #9 furnaces retrofitted with soot blower and tail flue hydrogen explosion soot blower to acoustic soot blower technology modification item special funds		1,320,000.00	59,230.78			1,260,769.22	Related to assets
Special funds for supporting enterprise development, industrial and commercial energy conservation development	1,304,238.92		436,677.05			867,561.87	Related to assets
Special subsidy for circular economy of photovoltaic power generation	858,708.28		222,385.09			636,323.19	Related to assets
Special funds for ultra clean emission transformation	1,174,115.68		339,875.56			834,240.12	Related to assets
Wasted water replacement project	549,978.34		156,137.91			393,840.43	Related to assets
Circular economy subsidies in the North Start area	15,900,000.00		518,750.00			15,381,250.00	Related to assets
Photovoltaic project in North start area	1,000,000.00					1,000,000.00	Related to assets

Categories of government grants	Opening balance	Amount of newly subsidy for the year	Amount included in other income for the year	Amount included in non-operating revenue for the year	Other changes	Ending balance	Related to assets/income
Ecological civilization construction special investment in the central budget for 2019		5,000,000.00	17,961.45			4,982,038.55	Related to assets
West to East Long Distance Heating Pipeline Project	12,500,000.00					12,500,000.00	Related to assets
Hejiea photovoltaic power generation project	636,923.08		48,994.08			587,929.00	Related to assets
Tenglong photovoltaic power generation project	876,923.10		67,455.60			809,467.50	Related to assets
Special funds for screw adjustment machines	300,000.00		300,000.00				Related to assets
Total	192,159,402.48	12,816,997.88	57,197,218.14	2,988,171.74	7,047,150.39	196,823,100.77	

45. Other non-current liabilities

Item	Closing balance	Opening balance
Unexpired liabilities reserves	18,787,396.56	15,292,074.98
Guaranteed compensation reserves	47,586,856.21	45,473,100.00
Output tax to be transferred		7,589,457.23
Total	66,374,252.77	68,354,632.21

46. Paid-in capital

Investor	Opening balance		Increase during the year	Decrease during the year	Closing balance	
	Investment amount	Ratio (%)			Investment amount	Ratio (%)
Guangzhou Economic and Technological Development Zone Management Committee	10,363,233,809.64	100.00			10,363,233,809.64	100.00
Total	10,363,233,809.64	100.00			10,363,233,809.64	100.00

47. Capital reserves

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Capital premium[Note 1]	6,899,164,210.14	290,166,100.89	54,410,808.63	7,134,919,502.40
Others capital reserves[Note 2]	54,589,575.72	80,387,474.67	26,684,641.73	108,292,408.66
Total	6,953,753,785.86	370,553,575.56	81,095,450.36	7,243,211,911.06

Note 1: The reasons of increase in the capital reserve - capital premium for the year are as follows:

(1)According to the "Huangpu District Development and Reform Bureau Guangzhou Development Zone Development and Reform Bureau on the Huangpu District Kaida Building Parking Lot Expansion and Renovation Project Feasibility Study Report" (Suipu Development and Reform Plan [2019] No. 1) document, the Finance Bureau allocated the Kaida Building Parking Lot Expansion and Renovation capital increase, making the capital reserves increased by RMB 60,000 000;

(2)In accordance with the provisions of Sui Kai State Capital [2019] No. 60, the turnover housing for scientific and technological personnel was transferred to the Company without compensation, resulting in an increase in capital surplus of RMB 21,640,895.83;

(3) The District Assets Supervision Bureau allocated funds for the establishment of SuigangZhizao (Guangzhou) Investment Co., Ltd., Suigang Technology Investment (Guangzhou) Co., Ltd. and Guangzhou High-tech Zone Industrial Investment Fund Co., Ltd., resulting in an increase of RMB 100,000,000.00 in capital reserves;

(4) In accordance with the spirit of Sui Kai State Capital [2019] No. 99, the Foreign Activity Center Building was transferred to the Company for free, resulting in an increase in capital reserves of RMB 49,960,773.97;

(5) In accordance with the spirit of the notice of transfer of state-owned assets and

related documents, the photo electricity was transferred to Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd. for free, resulting in an increase of RMB 58,564,431.09 in capital surplus.

The reasons of decrease in the capital reserve - capital premium for the year are as follows:

(1)According to the approval of the final accounts of the completion of the training base SuipuCai [2019] No. 223, adjust the original estimated entry value, resulting in a decrease of capital reserves by RMB 3,750,333.69;

(2)According to the approval of the final accounts of the completion of Accelerator phase IV Project SuipuCai [2019] No. 397, adjust the original estimated value, resulting in a decrease of capital reserves by RMB 48,180,347.87.

Note 2:The reasons of increase in the capital reserve – other capital reserves for the year are as follows:

(1) In September 2019, Guangzhou Value Innovation Park Industrial Investment Fund Partnership (Limited Partnership) obtained 49.16% of the equity of the subsidiary Guangzhou Yonglong Land Investment Co., Ltd. and all the corresponding shareholders' equity through capital increase, resulting in the change of the net assets of Guangzhou Yonglong Land Investment Co. Ltd. and an increase of RMB 80,387,474.67 in the capital reserve attributable to the parent company;

(2)Guangzhou Yuexiu Financial Holding Group Co., Ltd., an associate of Guangzhou Hengyun Enterprises Holding Ltd., received capital increase from shareholders this year, resulting in a decrease of capital reserve of RMB 22,547,200.91.

The main reason for the decrease of capital reserve - other capital reserve in this year is that Guangzhou Hengyun Enterprises Holding Ltd. acquired the minority shareholders' equity of its subsidiary Guangzhou Hengyun East District Heating Power Co., Ltd. and reduced the capital reserve by RMB 4,137,440.82 at the level of combination.

48. General risk provisions

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
General risk provisions	9,631,916.39	23,907,959.47		33,539,875.86
Total	9,631,916.39	23,907,959.47		33,539,875.86

49. Retained earnings

Item	Amount during the year	Amount in previous year
Closing balance in the prior year	1,020,307,791.20	954,315,386.44
Add: Changes in accounting policies	-17,511,718.28	
Opening balance in the current year	1,002,796,072.92	954,315,386.44
Increase during the year	69,137,831.40	177,641,985.92
Including: Transfer in of net profit attributable to owners of the parent company in the current year	68,545,282.10	177,641,985.92
Other adjustment factors	592,549.30	
Decrease during the year	63,877,405.85	111,649,579.16
Including: Appropriation to surplus reserves in the current year		
Appropriation to general risk provisions in the current year	23,907,959.47	1,754,638.61

Item	Amount during the year	Amount in previous year
Cash dividend allocated to the current year	39,969,466.38	109,894,940.55
Transfer to capital		
Other decrease		
Closing balance in the current year	1,008,056,494.47	1,010,307,791.20

50. Other comprehensive income

Item	Opening balance	Incurred during the year						Closing balance
		Incurred before the income tax	Less: Amount recognized in other comprehensive income in the previous period and recognized in profit and loss in current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority interests after tax	Other adjustments	
Other comprehensive income to be reclassified into profit or loss	246,336,162.14	189,357,589.20	6,190,155.44	45,782,051.39	137,385,382.37	2,777,701.37	-410,376.67	383,311,167.84
Including: Shares of other comprehensive income that will be reclassified into profit and loss in the investee under equity method	3,864,584.93	39,228.19			39,228.19	110,956.31	-410,376.67	3,493,436.45
Profit and loss on changes in fair value of available-for-sale financial assets	242,471,577.21	184,701,680.94		45,175,420.23	138,526,260.71	3,984,747.38		380,997,837.92
Change in fair value of other debt instruments		-6,690,536.31	5,676,262.14	-3,091,699.61	-9,275,098.84	-10,358,895.31		-9,275,098.84
Provision for credit impairment on other debt instruments		11,307,226.38	513,893.30	2,698,330.77	8,094,992.31	9,040,693.19		8,094,992.31
Total other comprehensive income	246,336,162.14	189,357,589.20	6,190,155.44	45,782,051.39	137,385,382.37	2,777,701.37	-410,376.67	383,311,167.84

51. Total operating revenue and total operating cost

Item	Amount during the year		Amount in previous year	
	Revenue	cost	Revenue	cost
Total operating revenue and total operating cost	6,441,192,013.01	3,849,527,857.31	3,703,519,093.19	2,977,706,790.97
Including: Operating revenue and cost	5,882,011,067.09	3,653,041,851.81	3,703,519,093.19	2,977,706,790.97
Interest income and cost	308,476,085.31	141,301,389.34		
Handling fees and commission income and costs	250,704,860.61	55,184,616.16		

- Details of operating revenue by industrial classification standard of national economy

No	Categories of income	Amount during the year	Amount in previous year
1	General contracting		
2	Real estate sales	1,595,712,855.44	175,124,237.35
3	Property leases:	417,408,520.78	368,237,932.51
	Including: Shops	14,696,244.62	
	Workshops	15,298,368.29	57,078.10
	Office buildings	328,153,336.40	286,571,167.54
	Conference rooms		
	Apartments		12,119,144.80
	Places	5,925,544.32	1,225,156.91
	Others	53,335,027.15	68,265,385.16
4	Property management services	115,667,894.29	108,594,863.48
5	Engineering management services:	4,705,267.11	210,407.55
	Including: Engineering services on behalf of the owner		
	Construction agency services	4,705,267.11	210,407.55
	Demolition and relocation services		
6	Customs declaration, loading and unloading, warehousing and cargo inspection		
7	Accommodation and catering:	12,127,896.70	
	Including: Hotel accommodation		
	Catering	12,127,896.70	
8	Commercial wholesale and retail		
9	Consulting services:	12,928,507.75	
	Including: Investment promotion		
	Business consulting services	12,854,690.77	
	Others	73,816.98	
10	Information technology services	36,536,110.64	41,499,143.33
11	Sports, culture and entertainment		
12	Electricity production industry	2,519,670,929.94	2,799,494,577.96
	Including: Electricity	2,246,086,749.31	2,115,048,834.72
	Steam	273,584,180.63	684,445,743.24
13	Chemical raw materials and chemical products manufacturing		
14	Chemical preparations pharmacy	497,904,514.00	
15	Financial industry	620,489,118.59	37,562,549.44
	Including: Financing guarantees	9,316,555.54	37,562,549.44

No	Categories of income	Amount during the year	Amount in previous year
	Securities business	559,504,615.63	
	Finance lease	51,667,947.42	
16	Others	208,040,397.77	172,795,381.57
	Total	**6,441,192,013.01**	**3,703,519,093.19**

(1) Operating revenue and cost

Item	Amount during the year		Amount in previous year	
	Revenue	cost	Revenue	cost
(1)Subtotal of main businesses	5,711,482,084.21	3,600,117,549.65	3,595,440,098.65	2,938,767,899.13
(2)Subtotal of other businesses	170,528,982.88	52,924,302.18	108,078,994.54	38,938,891.84
Total	**5,882,011,067.09**	**3,653,041,851.81**	**3,703,519,093.19**	**2,977,706,790.97**

(2) Net interest income

Item	Amount during the year	Amount in previous year
Interest income	**308,476,085.31**	
- Deposits in other banks	58,535,384.73	
-Including: Own funds	13,211,158.38	
-Including: Customer funds	45,324,226.35	
- Interest income from margin trading	85,109,070.06	
- Buyback of the financial assets sold	61,739,196.65	
Including: Interest income from stock pledge repurchase	42,643,524.75	
Interest income from bond repurchase	19,095,671.90	
- Interest income from other debt instruments	103,092,433.87	
Interest expenses	**141,301,389.34**	
- Interest expenseson customer funds deposits	8,670,049.27	
- Interest expenses on sale and repurchase	71,918,814.84	
- Interest expenses on borrowing funds	1,719,444.45	
- Interest expenses payable on short-term financing funds	5,509,041.71	
- Interest payable on bond expenditures	43,585,039.07	
- Interest expenses payable on subordinated debts	9,899,000.00	
Net interest income	**167,174,695.97**	

(3) Netincome from handling fees and commission

1) Details

Item	Amount during the year	Amount in previous year
Income from handling fees and commission	**250,704,860.61**	
- Income from brokerage business	143,208,214.54	
Including: Income from bond brokerage business	143,162,031.12	
Including: Deputy securities trading business	138,108,818.62	
Trading unit seat lease	3,301,194.47	
Financial products distribution business	1,752,018.03	
Income from other brokerage businesses	46,183.42	
- Income from investment banking	50,160,782.16	
Including: Securities underwriting business	36,591,981.13	
Financial advisory business	13,568,801.03	
- Income from asset management business	21,203,590.38	
- Income from fund management business	702,265.47	
- Income from investment advisory business	35,292,617.57	
- Others	137,390.49	
Expenses on handling fees and commission	**55,184,616.16**	
- Expenses on brokerage business	55,156,314.28	
Including: Expenses on securities brokerage business	55,156,314.28	
Including: Deputy Securities Trading Business	55,156,314.28	
- Expenses on investment banking	28,301.88	
Including: Securities underwriting business	28,301.88	
Net income from handling fees and commission	**195,520,244.45**	
Including: Net income from financial advisory business	13,568,801.03	

2) Income from financial product distribution business

Item	Amount during the year		Amount in previous year	
	Total sales	Total sales revenue	Total sales	Total sales revenue
Funds	441,690,375.25	1,623,078.91		
Asset management plan for securities companies	9,663,437,000.00			
Trust, bank financing, etc.	154,500,000.00	128,939.12		
Total	**10,259,630,375.25**	**1,752,018.03**		

3) Net income from financial advisory business

Item	Current amount	Prior amount
Net income from other financial advisory businesses	13,568,801.03	
Total	**13,568,801.03**	

52. Taxes and surcharges

Item	Current amount	Prior amount
Urban construction tax	21,209,341.47	12,218,030.15
Resource tax	19,252.75	48,276.95
Property tax	62,409,947.22	49,692,736.46
Land use tax	5,269,900.43	4,502,354.62
VAT on land	362,332,426.47	24,541,974.90
Education surtax	9,833,543.15	5,331,739.14
Local education surtax	5,586,648.41	3,554,492.76
Vehicle use tax	94,560.58	80,197.76
Stamp duty	9,291,510.19	8,033,650.14
Other	1,583,537.74	1,295,640.55
Total	477,630,668.41	109,299,093.43

53. Seling expenses

Item	Amount during the year	Amount in previous year
Employee benefits	42,271,737.89	7,166,497.42
Entertainment expenses	228,207.71	215,307.00
Vehicle usage fees	55,308.89	207,221.73
Agency fees	255,034.34	519,344.32
Advertising costs	718,444.64	114,397.67
Business promotion costs	2,000,077.22	
Conference costs	74,074.98	39,665.18
Agency service fees	4,033,833.28	1,320,495.51
Transportation costs	10,703,825.22	8,455,694.22
Marketing and travel expenses	18,297,437.53	
Power centre transaction fees	1,452,809.95	1,376,202.98
Administrative fees	33,000.00	3,085,150.00
Announcement fees	452,830.19	
Depreciation and amortization expenses	5,515,190.61	
Rental fees	13,388,229.14	
Material consumption costs	4,386,616.26	
Other expenses	22,329,178.74	7,460,223.63
Total	126,195,836.59	29,958,200.46

54. General and general and administrative expenses

Item	Amount during the year	Amount in previous year
Employee benefits	516,077,410.89	218,075,644.70
Property insurance premiums	277,721.01	194,577.89
Office expenses	7,086,985.92	2,657,009.94
Advertising and business promotion costs	3,082,290.92	496,650.30
Transportation costs	2,409,988.87	1,727,849.28

Item	Amount during the year	Amount in previous year
Rent and property management fees	45,938,370.80	5,444,808.94
Communication costs	6,818,776.13	179,415.69
Entertainment expenses	9,617,203.31	3,334,911.17
Depreciation and amortization expenses	117,257,626.13	17,384,535.88
Consulting and agency fees	23,480,392.38	22,204,064.05
Utilities	3,286,826.85	1,017,253.05
Maintenance and material consumption	5,506,210.75	803,785.47
Travel expenses	7,746,166.42	1,123,723.78
Conference costs	385,486.69	382,350.25
Labor costs	6,697,279.93	2,321,838.85
Vehicle usage fees	3,681,307.97	3,182,169.31
Upfront costs of new products	6,065,755.00	1,663,896.22
Litigation costs	800,497.24	3,021.50
Funding for party building activities	585,868.43	169,969.63
Other expenses	56,366,324.56	22,734,131.32
Total	823,168,490.20	305,101,607.62

55. Research & development expenses

Item	Amount during the year	Amount in previous year
Employee benefits	54,381,033.41	
Office expenses	8,645.68	
Transportation costs	158,138.38	
Depreciation and amortization expenses	8,367,708.31	
Consulting and agency fees	555,040.62	
Maintenance and material consumption	8,481,440.76	
Travel expenses	170,232.26	
Conference costs	1,468.00	
Other expenses	6,270,290.26	
Energy power	927,892.93	
Total	79,321,890.61	

56. Financial expenses

Item	Amount during the year	Amount in previous year
Interest expenses	1,296,524,410.41	464,827,382.75
Less: Interest income	431,286,210.57	182,211,975.55
Add: Net exchange losses	-17,262,133.76	
Add: Other expenditures	9,991,135.39	10,837,536.10
Total	857,967,211.47	293,452,943.30

57. Other income

Item	Amount during the year	Amount in previous year
Financial subsidy for operating expenses	2,894,361.13	3,836,756.67

Item	Amount during the year	Amount in previous year
Support fund subsidy	35,155.75	24,161,904.76
Thematic funding for post-incentive awards for integrated upgrades to units #8 and #9	3,589,283.00	2,115,630.41
Subsidy for photovoltaic power generation project	520,882.72	303,423.39
Subsidy for technical transformation project	3,254,713.14	4,517,263.64
VAT return and plus deduction	2,507,445.35	2,420,318.71
North Start Zone subsidy	12,703,086.00	2,146,886.13
Poly Zhongyu Plaza Pooling fund	2,960,976.42	1,062,728.00
Small and medium-sized enterprises financing guarantee business fee reduction incentive funds	2,178,800.00	
Others	8,400,370.65	38,144.65
Total	39,045,083.06	40,603,056.46

58. Investment income

(1) Details of investment income

Source of investment income	Amount during the year	Amount in previous year
Gain on long-term equity investments under the equity method	291,887,762.94	-5,066,567.37
Investment income arising from disposal of long-term equity investments	152,528.49	110,550,181.31
Investment income during the period in which financial assets held for trading were held	15,524,324.60	
Investment income during the period in which available-for-sale financial assets were held	187,094,375.47	240,219,753.45
Investment income during the period in which the investments in other equity instruments were held	27,175,238.92	
Investment income arising from disposal of financial assets held for trading	42,562,025.16	
Investment income arising from disposal of other debt instruments	-280,081.71	
Investment income arising from disposal of available-for-sale financial assets	-113,353.52	2,055,300.00
Investment income arising from disposal of derivative financial instruments	677.93	
Investment income from financial products	5,159,302.02	35,592,410.70
Interest income from related-party borrowings	125,617,722.33	77,734,169.03
Others	1,048,362.12	551,100.59
Total	695,820,884.84	461,636,347.71

59. Income from change in fair value

Source of income from change in fair value	Amount during the year	Amount in previous year
Financial assets held for trading	8,563,998.21	
Financial liabilities at fair value through current profit or loss	-26,948,576.00	
Total	-18,384,577.79	

60. Impairment loss of assets

Item	Amount during the year	Amount in previous year
Provision for bad debt	-1,557,500.36	-1,710,902.36

Item	Amount during the year	Amount in previous year
Impairment loss of investments in provision for depreciation of inventories	-6,430,100.13	
Impairment loss of investments in available-for-sale financial assets		-2,500,000.00
Impairment loss of fixed assets	1,354,451.59	-1,354,451.59
Impairment loss of goodwill	-7,640,695.95	
Total	**-14,273,844.85**	**-5,574,353.95**

61. Impairment loss of credit

Item	Amount during the year	Amount in previous year
Provision for bad debt	-11,315,457.41	
Impairment loss of other debt instruments	-23,015,337.37	
Provision for bad debt for financing funds	1,110,005.32	
Provision for bad debt on buyback of the financial assets sold	-34,690,918.05	
Provision for bad debt of financing bonds	43,414.39	
Total	**-67,868,293.12**	

62. Income from disposal of assets

Item	Amount during the year	Amount in previous year	Extraordinary profit and loss taken as amount during the year
Income from disposal of non-current assets	43,864,687.21	559,838.64	43,864,687.21
Including: Income from disposal of non-current assets not classified as held for sale	43,864,687.21		43,864,687.21
Including: Income from disposal of fixed assets	260,399.61	559,838.64	260,399.61
Income from disposal of intangible assets	43,604,287.60		43,604,287.60
Total	**43,864,687.21**	**559,838.64**	**43,864,687.21**

63. Non-operating revenue

(1) Details of non-operating revenue

Item	Amount during the year	Amount in previous year	Extraordinary profit and loss taken as amount during the year
Total gains from damage and scrap of non-current assets	279,327.33		279,327.33
Including: Gains from damage and scrap of fixed assets	279,327.33		279,327.33
Government grants	75,604,511.27	18,579,064.09	75,604,511.27
Compensation and penalty income	65,250.00	1,672,541.75	65,250.00
Others	11,735,276.39	8,336,329.41	11,735,276.39
Total	**87,684,364.99**	**28,587,935.25**	**87,684,364.99**

(2) Details of government grants

Item	Amount during the year	Amount in previous year
Business contribution award	19,480,000.00	12,950,000.00
Financial subsidy for operating expenses	2,261,943.52	20,564.09
Expanding production incentives	536,230.00	4,610,000.00
Subsidy for policy losses	50,000,000.00	
Specific enterprise subsidy taxes	2,480,000.00	
Settlement subsidy	490,033.74	490,500.00
Others	236,298.01	508,000.00
Total	75,604,511.27	18,579,064.09

64. Non operating revenue

Item	Amount during the year	Amount in previous year	Extraordinary profit and loss taken as amount during the year
Gains from damage and scrap of non-current assets	57,814,875.28	5,866,998.83	57,814,875.28
External donations	6,227,687.95	3,946,725.47	6,227,687.95
Fine, overdue payment	12,732,007.81	5,163,923.33	12,732,007.81
Arbitration expenses	1,057,298.44		1,057,298.44
Amount arising from business combination Note 1	66,839,283.30		66,839,283.30
Performance compensation	13,346,750.67		13,346,750.67
Others	593,132.05	320,330.54	593,132.05
Total	158,611,035.50	15,297,978.34	158,611,035.50

Note 1: On December 27th, 2019, according to the Reply of the Approval of Opto-electromechanical (Guangzhou) Science and Technology Research Institute Co., Ltd. as the enterprise transformation successor of Guangzhou Opto-electromechanical Technology Research Institute(Sui Kai State Capital [2019] No. 212)issued by the State-owned Assets Supervision and Administration Bureau of Guangzhou Development Zone, the Finance Bureau of Huangpu District and the Finance Bureau of Guangzhou Development Zone, the Company fully inherits all intangible assets of Guangzhou Opto-electromechanical Technology Research Institute, such as intellectual property, qualification, etc., creditor's rights and debts, and foreign investment, which are recorded in the net assets of Guangzhou Opto-electromechanical Technology Research Institute as of December 31st, 2017 of RMB 58,564,431.09 in accordance with the notice of allocation of state-owned assets. The company reviewed the net assets of Guangzhou Opto-electromechanical Technology Research Institute as of December 31st, 2019, and generated non-recurring profit and loss of RMB 66,839,283.30 due to the absorption of the merger.

65. Income tax expenses

(1) Income tax expenses

Item	Amount during the year	Amount in previous year
Current tax expenses calculated in accordance with tax laws and related regulations	365,040,731.24	108,503,522.78
Deferred tax adjustments	-30,864,319.07	150,765,097.54
Total	334,176,412.17	259,268,620.32

(2) Accounting profit and income tax expenses adjustment process

Item	Amount during the year
Total consolidated profits for the year	834,657,327.26
Income tax expenses measured at statutory / applicable tax rates	208,664,331.82
Effect of different tax rates applicable to subsidiaries	5,243,420.57
Effect of adjusting income tax in prior periods	-2,017,072.92
Effect of non-taxable income	-57,008,840.08
Effect of non-deductible costs, expenses and losses	15,334,354.73
Effect of using deductible losses of deferred tax assets not recognized in the prior period	-1,258,428.96
Effect of deductible temporary differences or deductible losses of deferred tax assets not recognized in the current period	174,313,966.16
Others[Note 1]	-9,095,328.14
Income tax expenses	334,176,412.17

Note 1: Others are the R & D expense plus deduction.

66. Lease

(1) Details of finance lease

1) Finance lease lessor

Remaining lease term	Minimum lease amount
Within 1 year(including 1 year)	521,133,676.71
1-2 years (including 2 years)	503,447,246.00
2-3 years (including 3 years)	371,985,481.40
Over 3 years	159,588,344.67
Total	1,556,154,748.78

67. Consolidated cash flow statement

(1) Supplement toconsolidated cash flow statement

Item	Amount during the year	Amount in previous year
1.Adjustment from net profits to cash flows from operating activities		
Net profits	500,480,915.09	339,256,683.06

140

Item	Amount during the year	Amount in previous year
Add: Provision for impairment of assets	14,271,644.85	5,574,353.95
Impairment loss of credit	67,868,293.12	
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	797,508,272.64	432,203,855.13
Amortization of intangible assets	38,125,634.78	10,224,402.33
Amortization of long-term prepaid expenses	27,251,883.06	18,962,337.47
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains listed with "-")	-43,864,667.21	-569,038.64
Losses on scrap of fixed assets (gains listed with "-")	-797,554,313.08	5,866,998.83
Losses on changes in fair values (gains listed with "-")	18,384,577.79	
Financial expenses (gains listed with "-")	1,076,378,946.25	475,731,453.57
Investment losses (gains listed with "-")	-650,109,315.59	-461,636,347.71
Decrease in deferred tax assets (Increase listed with "-")	-59,481,592.04	33,718,535.29
Increase in deferred tax liabilities (Decrease listed with "-")	12,074,301.43	117,086,582.22
Decrease in inventories (Decrease listed with "-")	-110,159,718.60	-510,321,491.36
Decrease in operating receivables	-7,000,542,756.64	-612,702,637.26
Increase in operating payables	4,069,363,649.80	-72,719,663.98
Others[Note 1]	66,839,283.30	
Net cash flow from operating activities	-2,063,162,181.45	319,424,257.10
2. Significant investing and financing activities that do not involve cash receipts and disbursements		
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Finance leased fixed assets		
3. Changes in cash and cash equivalents		
Closing balance of cash	16,101,015,782.09	7,975,391,280.85
Less: Opening balance of cash	7,975,391,280.85	6,218,009,417.18
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	8,125,624,501.24	1,757,381,863.67

Note 1: On December 27th, 2019, according to the Reply of the Approval of Opto-electro mechanical (Guangzhou) Science and Technology Research Institute Co., Ltd. as the enterprise transformation successor of Guangzhou Opto-electromechanical Technology Research Institute(Sui Kai State Capital [2019] No. 212) issued by the State-owned Assets Supervision and Administration Bureau of Guangzhou Development Zone, the Finance Bureau of Huangpu District and the Finance Bureau of Guangzhou Development Zone, Opto-electromechanical Technology Research Institute Co., Ltd. fully inherits all intangible assets of Guangzhou Opto-electromechanical Technology Research Institute, such as intellectual property, qualification, etc., creditor's rights and debts, and foreign investment, which are recorded in the net assets of Guangzhou Opto-electromechanical Technology Research Institute as of December 31st, 2017 of RMB 58,564,431.09 in accordance with the notice of allocation of state-owned assets. Opto-electromechanical (Guangzhou) Science and Technology Research Institute Co., Ltd. reviewed the net assets of Guangzhou Opto-electromechanical Technology Research Institute as of December 31st, 2019, and generated non-recurring profit and loss of RMB 66,839,283.30 due to the absorption of the merger.

(2) Cash and cash equivalents

Item	Amount during the year	Amount in previous year
Cash	16,103,015,782.09	7,979,391,280.85
Including: Cash on hand	363,495.28	492,550.39
Cash at bank available for payment	15,266,690,848.29	7,978,541,689.79
Other monetary funds available for payment	348,280,271.69	357,040.67
Central bank deposits available for payment		
Deposits in other banks	487,681,166.83	
Interbank funds		
Cash equivalents		
Including: Bond investments due within 3 months		
Closing balance of cash and cash equivalents	16,103,015,782.09	7,979,391,280.85
Including: Restricted cash and cash equivalents used by the parent company or a subsidiary of the Group	288,392,777.88	963,261,564.70

Note: Interest receivable on bank deposits of RMB 4,107,722.25 has been deducted from the closing balance of cash and cash equivalents.

68. Foreign currency monetary items

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Monetary funds			112,454,086.41
Including: USD	14,535,494.76	6.9762	101,402,518.52
EUR	16,047.76	7.8155	125,421.27
GBP	21.39	9.1501	195.72
HKD	12,197,136.34	0.8958	10,925,950.90
Accounts receivable			209,694.60
Including: USD	6,506.65	6.9762	45,391.69
EUR	21,022.70	7.8155	164,302.91
Prepayments			685,562.94
Including: USD	1,078.87	6.9762	7,526.41
EUR	3,048.00	7.8155	23,821.64
GBP	916.00	9.1501	8,381.49
SEK	511,025.00	1.2638	645,833.40
Other receivables			3,549,213,604.86
Including: USD	508,760,300.00	6.9762	3,549,213,604.86
Accounts payable			11,042,105.01
Including: USD	454,536.91	6.9762	3,170,940.39
EUR	744,463.85	7.8155	5,818,355.66
JPY	30,617,280.00	0.0641	1,962,567.65
GBP	9,862.33	9.1501	90,241.31
Advances from customers			128,794.74
Including: USD	18,462.02	6.9762	128,794.74
Other payables			6,976.20

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Including: USD	1,000.00	6.9762	6,976.20
Long-term borrowings			60,913,040.00
Including: HKD	68,000,000.00	0.8958	60,913,040.00
Bonds payable			3,538,355,605.32
Including: USD	507,203,866.33	6.9762	3,538,355,605.32
Interest payable			481,921.81
Including: HKD	537,992.36	0.8958	481,922.81

69. Assets with restrictions in titles or use rights

Item	Closing book value	Reason for restriction
Monetary funds	284,285,055.64	Investment regulatory funds, restricted time deposits, restricted structured deposits, frozen funds for loan purposes
Construction in progress	6,280,738.19	Bank mortgage loans
Accounts receivable	16,041,485.32	Pledge
Investment properties	2,411,262,754.30	Bank mortgage loans
Fixed assets	472,669,241.97	Litigation preservation due to judicial proceedings, pledge release in process, bank mortgage loans
Intangible assets	28,321,898.60	Bank mortgage loans
Other non-current assets	65,304,945.38	Litigation preservation due to judicial proceedings, pledge release in process, bank mortgage loans
Buyback of the financial assets sold	1,532,619,752.81	Transfers for buyout, pledge repurchase operations
Financial assets held for trading	1,367,780,352.80	
Including: Bonds	797,572,442.00	Pledge created for pledge repurchase operations
Stocks	35,497,262.00	One-year restriction on sale after board transfer
Others	534,710,648.80	The collective asset management plan and financial products invested by the Company are restricted because they do not have an opening period or are still within the commitment period of sales restriction.
Other debt instruments	2,347,759,855.00	Pledge created for pledge repurchase operations, freeze on bond resale

IX. Interest in subsidiaries

1. Structured entities included in the scope of consolidation

For details of the structured entities included in the consolidation scope of the enterprise, please refer to "Note VII. (XII) Relevant information of the structured entities included in the consolidated statements".

2. Equity in structured entities not included in consolidated financial statements

(1) Basic information of structured entities not included in consolidated financial statements

On December 31st, 2019, the structural entity associated with the Company but not included in the scope of the Company's consolidated financial statements is asset management plans initiated by YUEKAI SECURITIES CO., LTD. (hereinafter referred to as " YUEKAI SECURITIES "), a subsidiary within the scope of the Company's consolidation. The income from these structured entities, which are not included in the consolidated financial statements, consists primarily of income from holding investments directly or earning management fees through the management of these structured entities. YUEKAI SECURITIES' return on a consolidated assessment of its shareholding and its remuneration as administrator of the asset management plan are not included in the scope of consolidation due to the insignificant impact of variable returns on YUEKAI SECURITIES.

At December 31st, 2019, structured entities associated with the Company but not included in the Company's consolidated financial statements were primarily engaged in investment business. The total fiduciary assets of this structured entity asat December 31st, 2019 were RMB 1,720,362,233.35.

(2) Book value and maximum loss exposure of equity-related assets and liabilities

Item	Item presented in financial statements	Book value		Maximum loss exposure	
		Closing amount	Opening amount	Closing amount	Opening amount
Asset management plan	Financial assets held for trading	199,395,827.49		199,395,827.49	

(3) Details of structured entities not included in the scope of the consolidated financial statements

Item	Closing amount	Opening amount
LianxunThird Board Hui 1 collective asset management plan		
LianxunTianxing capital No.1 collective asset management plan	3,097,854.64	
LianxunTianxing capital No.2 collective asset management plan	878,245.01	
LianxunTianxing capital No.3 collective asset management plan	281,127.78	
LianxunSecurities No.1 collective asset management plan		
LianxunSecurities No.2 collective asset management plan		
LianxunSecurities No.5 collective asset management plan		
LianxunSecurities No.7 collective asset management plan		
LianxunSecurities pledge huo No. 7 collective asset management plan	187,197,808.00	
Lianli No.2 collective asset management plan	7,940,790.06	
Total	199,395,827.49	

X. Significant commitment and contingencies

1. Significant commitment

(1)The Company, Guangzhou Development District Investment Holdings Group Co., Ltd. (hereinafter referred to as "Guangkai Investment"), and China Life Insurance Co., Ltd. (hereinafter referred to as "China Life Insurance") signed the "Agreement of Acquisition of Trust Income of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan" (hereinafter referred to as "Acquisition Agreement"), and the "Difference replenishment agreement of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan" (hereinafter referred to as the " Balance replenishment agreement"), which constitute the difference replenishment obligation and the acquisition obligation.

Zhongrong International Trust Co., Ltd. (hereinafter referred to as "Zhongrong Trust Company"), on behalf of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Scheme (hereinafter referred to as "trust plan"), participated in the establishment of industrial investment fund as a priority limited partner. For the partnership, Zhongrong Trust Company subscribed for a capital contribution of RMB 7.001 billion.

The total size of the trust plan is RMB 7.001 billion, which was initiated by Zhongrong Trust Company. China Life Insurance subscribed RMB 7 billion as a Class A beneficiary. Up to now, Zhongrong Trust Company has represented the "Partnership Capital" of the trust plan paid fund of RMB 3.001 billion.

① Difference replenishment obligation

The Group and Guangkai Investment and China Life Insurance signed the "Supply Balance Agreement for Zhongrong-HuafuCaitong No. 10 Collective Func Trust Plan", and the agreement stipulates that Zhongrong Trust Company will transfer to China Life Insurance during any distribution period of the trust plan. The distribution of the trust income of Life Insurance failed to enable China Life to obtain sufficient current trust income for the trust unit under the trust plan during the accounting period. The contractual difference between the current trust income of the current life and the actual distribution of the trust income of the China Life Insurance period is supplemented until the China Life Insurance obtains the current trust income that can be allocated in full.

② Acquisition obligation

The Group and Guangkai Investment and China Life Insurance signed the "Agreement of Acquisition of Trust Income of Zhongrong-HuafuCaitong No. 10 Collective Fund Trust Plan". The acquisition agreement stipulates that any accounting after the trust plan is established for 8 years, the actual principal allocated to China Life on the date of distribution is less than 20% of the historical maximum of the investment trust principal of China Life, or during the duration of the trust plan, and China Life may not receive the full amount of China Life during the accounting period, China Life may initiated the delivery process when the condition of the current trust income, such as the current trust income, are allocated, and require the Group or Guangka Investment or the Group and Guangkai Investment to acquire the trust usufruct under the trust plan held by China Life Insurance.

(2)The Company signed the "Letter of Guarantee for the First Phase Asset Support Special Plan of Guojun-Guangzhou Talent Leasing" and agreed that the Company, as the difference payer under the "First Phase Asset Support Special Plan of Guojun-Guangzhou Talent Leasing", will provide unlimited joint and several liability guarantees to Shanghai GuotaiJunanSecurities Asset Management Co., Ltd. As of December 31st, 2019, the balance of the guarantee is RMB 504.00 million and the term of the guarantee is from April 25th, 2019 to February 26th, 2039.

(3) Guangzhou Hengyun Construction Investment Co., Ltd., the controlling subsidiary of the Company, provides mortgage loan guarantee for buyers of commercial properties in accordance with real estate business practices. The guarantee period is from the date when the bank signs the loan contract with the buyers to the date when the official mortgage registration of the houses purchased by the buyers is completed and the real estate title certificate and other real estate title certificates are handed over to the bank for custody. As of December 31st, 2019, Guangzhou Hengyun Construction Investment Co., Ltd. assumed a guarantee balance of RMB45.32 million.

(4) In 2014, Beijing Leadman Biochemistry Co., Ltd. Signed a contract with Germany DiaSys Diagnostic Systems Co., Ltd., Ms. Qian Yingying and Mr. Ding Yaoliang in the acquisition of the equity of DiaSys Systems Co. Ltd. not under common control.The DiaSys Diagnostic Systems (Shanghai) Co., Ltd. has been revised and the cooperative operation contract described in the contract stipulates the terms of the minority shareholder's compulsory sale right, namely: "Whether or not there are other contrary provisions in this contract, if the following event occurs (exit event), Germany DiaSys Diagnostic Systems Co., Ltd., Ms. Qian Yingying and Mr. Ding Yaoliang (collectively referred to as "Exit Shareholders") have the right (but not the obligation) to require Leadman Company to purchase part or all of the shares held by the existingshareholders at the price specified in the contract at any time thereafter, The Group's equity, and it is able to send a written notice to the buyer indicating its willingness to initiate mandatory sale process, Exit event: After the lock-up period expires, the combined net profit growth of the Group and DiaSys Diagnostic Products (Shanghai) Co., Ltd. will increase to zero or negative for two consecutive years."

(5) In 2014, Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of the Company, signed a contract with Germany DiaSys Diagnostic Systems Co., Ltd. in the acquisition of the equity of DiaSysProduct Co. Ltd. not under common control. The DiaSys Diagnostic Products (Shanghai) Co., Ltd.has been revised and the cooperative operation contract described in the contract stipulates the terms of the minority shareholder's compulsory sale right, namely: "Whether or not there are other contrary provisions in this contract, if the following event occurs (exit event), Germany DiaSys Diagnostic Systems Co., Ltd. have the right (but not the obligation) to require Leadman Company to purchase part or all of the shares held by the sellers at the price specified in the contract at any time thereafter, and it is able to send a written notice to the buyer indicating its willingness to initiate mandatory sale process, Exit event: After the lock-up period expires, the combined net profit growth of the Company and DiaSys Diagnostic Products (Shanghai) Co., Ltd. will increase to zero or negative for two consecutive years."

(6) The consolidated net profit growth of DiaSys Diagnostic Systems (Shanghai) Co., Ltd. and DiaSys Diagnostic Products (Shanghai) Co., Ltd. for 2018 is RMB -13,606,524.45, and the consolidated net profit growth for 2019 is RMB -2,062,568.97.

2. Contingencies

(1) Significant contingencies as at balance sheet date

As of December 31st, 2019, the subsidiary Guangzhou GET Finance guarantee Co., Ltd. had an external financing guarantee of RMB 174,640,000.00, of which the guarantee amount due within 1 year was RMB 17,016,806.80.

(2)Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of the Company, signed a joint investment agreement with Mr. Tang Liang on March 30th, 2017 to establish Xiamen Leadman Medical Devices Co., Ltd. According to the investment cooperation agreement, if the performance assessment of the first three fiscal years after the establishment of the joint venture company reaches the assessment indicators agreed in the agreement, the Company has the right to acquire 9% of the equity of the joint venture company held by Mr. Tang Liang. According to the principle of "low price", the two indicators with the lowest completion rate of the joint venture company's net profit and Leadman's product purchase amount are selected as the performance evaluation indicators according to the agreement.

(3) Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of the Company, signed the equity transfer agreement with Mr. Tang Liang on December 28th, 2018. According to the relevant provisions in the investment cooperation agreement signed on March 30th, 2017, the Company transferred 9% of the equity of Xiamen Leadman Medical Devices Co., Ltd. held by Tang Liang with RMB 9 million. As of January 17th, 2019, Xiamen Leadman has completed industrial and commercial changes. The Company and Mr. Tang Liang failed to reach an agreement on the performance appraisal in 2018 and 2019. Due to Mr. Tang Liang's failure to perform the change of business scope of Xiamen Lichang Medical Equipment Co., Ltd., which was held by him in the investment cooperation agreement, and in violation of the non-competition agreement, the Company has filed a lawsuit against him. As of the report date, the court hearing notice has not been received. Mr. Tang Liang has filed a lawsuit against the Company in the People's Court of Daxing District, Beijing, asking the company to pay the 2018 equity transfer fund. The indictment has not yet been received, and the bank account has been frozen by RMB 10.4829 million.

(4) Daren Investment Management Group Co., Ltd. sued Luo Xianzhi (Former Vice Chairman of Daren Asset Management), Li Xiaoyan (General Manager and Investment Director of Shanghai Daren Centralized Trading Department) and YUEKAI SECURITIES CO., LTD. for tort liability dispute. Daren investment sued Luo Xianzhi, Li Xiaoyan and YueKai Securities for collusion to manipulate transaction price, interest transmission and misappropriate Daren Investment Company, causing a huge amount of abnormal investment losses to the free funds under Darren Investment Management. In accordance with the provisions of Article 6 and Article 8 of the Tort Liability Law, the court appealed to the three defendants to make compensation for the plaintiff's loss of RMB 23.63 million, and requested the court to make the three defendants bear all litigation costs such as the case acceptence fee and preservation fee. The case is accepted by Futian District People's Court of Shenzhen. The case was originally scheduled to open on May 13th, 2019, and Daren Investment Management Group Co., Ltd. raised a jurisdictional objection. Shenzhen Futian District People's Court made a civil ruling on September 18th, 2019, ruling to reject the lawsuit of Daren Investment Management Group Co., Ltd.. Daren Investment Management Group Co., Ltd. filed an appeal to Shenzhen Intermediate People's Court against the ruling, which has yet to be heard by Shenzhen Intermediate People's Court.

XI. Subsequent events after the balance sheet date

1. Significant non-adjustment events

(1)Guangzhou Hengyun Clean Technology Investment Co., Ltd., the controlling subsidiary of the Company, has been renamed as Guangzhou Hengyun City Service Co., Ltd. since March 10th, 2020. The main project category has been changed from public facilities management industry to commercial service industry.

(2)Guangzhou Hengyun Enterprises Holding Ltd., the controlling subsidiary of the Company, subscribed RMB 200 million to participate in Guangdong Midea Intelligent Technology Industry Investment Fund Management Center (Limited Partnership) as one of the limited partners. Guangdong Midea intelligent technology industry investment fund has a total scale of RMB 2.033 billion, with the Company's contribution accounting for 9.84%. As of December 31st, 2019, the Company has paid in RMB 80 million.

(3) According to the reply on Approving the free transfer of equity of Guangzhou Kylin Development Co.,Ltd., Science City (Guangzhou) Park Investment and Operation Development Co., Ltd. and other companies (Suikaiguozi[2020] No. 20) issued by the State-Owned Assets Supervision and Administration Bureau of Guangzhou Development Zone on February 17th, 2020, it is agreed that Guangzhou Development District Financial Holdings Group Co., Ltd. will take November 30th, 2019 and January 1st, 2020 as the transfer benchmark date and the delivery date. It held 23% of the equity of Guangzhou Kylin Development Co.,Ltd.and the book net asset value of RMB 1, 9.2727 million was transferred to Science City (Guangzhou) Investment Group Co., Ltd. for free; meanwhile, Science City (Guangzhou) Investment Group Co., Ltd. will hold 100% equity of Science City (Guangzhou) Park Investment and Operation Development Co., Ltd. and Guangzhou Economic and Technological Development Zone Hongmin Property Development Co., Ltd., and the book net asset value of RMB 2, 5.0295 million was transferred to Guangzhou Kylin Development Co.,Ltd. for free.

(4) On October 28th, 2019, the board of directors of Guangzhou GET Capital Management Co., Ltd. reviewed and passed the Request for Instructions on the Newly Established Technology Financial Service Company Responsible for The Operation And Management of Technology Financial Supermarket, and agreed that GET Capital invested RMB 4 million to establish a new technology financial service company for a wholly-owned subordinate enterprise, which shall be subject to the industrial and commercial registration information. On January 8th, 2020, Guangzhou Huangpu District Market Supervision Administration approved the registration and establishment of Guangzhou GET Financial Services Co., Ltd. The registered capital is RMB 4 million, invested by Guangzhou GET Capital Management Co., Ltd., which is a limited liability company (solely owned by legal person). The Company's unified social credit code is 91440101MA5D3YUF0Y, legal representative: Liu Jianchun, registered address: 33/F, 34/F, Golden Control Center, No.60 Science Avenue, Huangpu District, Guangzhou, China.

(5) Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of the Company, signed an investment cooperation agreement with Mr. Chen Qian on January 10th, 2020 to jointly invest in the establishment of Anhui Lima Medical Device Co., Ltd. the registered capital of Anhui Lima Medical Device Co., Ltd. is RMB 5.1 million, and the Company's contribution in currency is RMB 2.601 million, accounting for 51% of the registered capital of the joint venture. As of January 21st, 2020, the industrial and commercial registration has been completed, and the name approved by the industry and commerce is Anhui Dexian Medical Equipment Co., Ltd.

(6) Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of the Company, signed an investment cooperation agreement with Henan Langeng Trading Co., Ltd. on January

16th, 2020 to jointly establish Henan Deyue Biotechnology Co., Ltd.. The registered capital of Henan Deyue Biotechnology Co., Ltd. is RMB 5.1 million and the contribution in currency is RMB 4.08 million, accounting for 80% of the registered capital of the joint venture. By February 15th, 2020, the industrial and commercial registration has been completed, and the name approved by the industry and commerce is Henan Deling Biotechnology Co., Ltd.

(7) Beijing Leadman Biochemistry Co., Ltd., the controlling subsidiary of the Company, held the 10th office meeting in 2019 on December 5th, 2019, and deliberated and approved the issue of establishing the APIs New Material, Co., Ltd..As of January 16th, 2020, the company has completed the industrial and commercial registration. The name approved by the industry and commerce is Beijing APIs Biotechnology Co., Ltd. with a registered capital of RMB 2 million.

(8) According to the reply of Guangzhou Development Zone Investment Group Co., Ltd. and Guangzhou Development District Financial Holdings Group Co., Ltd. to transfer relevant equity for free issued by the State-owned Assets Supervision and Administration Bureau of Guangzhou Development Zone on March 20th, 2020 [Suikaiguozi[2020] No. 34], it is agreed to hold Guangzhou Development Zone Investment Group Co., Ltd. (hereinafter referred to as "Development Zone Investment") in Guangzhou Suikai property investment 100% of the equity of the limited company is transferred to Guangzhou Development District Financial Holdings Group Co., Ltd. (hereinafter referred to as the Development Zone Financial Holding Company) for free; it is agreed to transfer 100% of the equity of Guangzhou Runpu Investment Co., Ltd. held by the Development Zone Financial Holding Company to the development zone for investment, and 3.83% of the equity of Guangzhou Bank Corporation and 0.01% share of Bank of Communications Co., Ltd. held by the Development Zone Investment Company for free are transferred to the Development Zone Financial Holding Company.

2. Details of profit distribution

(1)The profit or dividend of RMB 68,508,282.00 proposed to be distributed by the Company's controlling subsidiary, Guangzhou Hengyun Enterprises Holding Ltd. for the 2019 annual profit distribution after consideration and approval.

(2)The Company's Controlling Subsidiary Beijing Leadman Biochemistry Co., Ltd.: A cash dividend of Yuanper 10 shares (including tax) will be paid to all shareholders on the basis of 417,798,335 shares out of the total share capital of the Company of 421,051,985 shares at the end of 2019, after deducting 3,253,650 shares from the special account for repurchases, for a total cash payment of RMB4,177,983.35.

3. Other events

None

XII. Related party relationships and transactions

1. Related party relationships

(1) Controlling shareholder and final controlling party

Name of controlling shareholder and final controlling party	Registered address	Nature of business	Registered capital	Proportion of ownership interest (%)	Proportion of voting power (%)
Guangzhou Economic and Technological Development Zone Management	Guangzhou			100.00	100.00

(2) Subsidiaries

For details of the Company's subsidiaries, please refer to "Note VII Basic information of subsidiaries included in the scope of consolidated statements".

(3) Joint ventures and associates

For details of the Group's joint ventures and associates, please refer to the relevant information disclosed in note VIII (XVII) Long term equity investments.

(4) Othe: related parties

Name of other related parties	Relationship with the Company
Guangzhou Development District Water Purification Management Center	Important shareholding company with shareholding ratio over 50%
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	Important shareholding company with shareholding ratio over 50%
Guangzhou Hengli Testing Co., Ltd.	Important shareholding company with shareholding ratio over 50%
Guangzhou kaigchengheng Asset Management Co., Ltd.	Important shareholding company with shareholding ratio over 50%
Guangzhou Puli Real Estate Development Co., Ltd.	Important shareholding company with shareholding ratio over 50%
Guangzhou Yuanshengde Municipal Service Co., Ltd.	Important shareholding company with shareholding ratio over 50%
Guangzhou Knowledge City Investment Holding Co., Ltd.	Important shareholding company with shareholding ratio over 50%
Guangzhou Zhifang A itomation Technology Co., Ltd.	Important shareholding company with shareholding ratio over 50%
LG Display (China) Co., Ltd.	Important shareholding company with shareholding ratio over 50%

2. Related transactions

(1) Purchase of goods

Related party	Content of related transaction	Incurred during the year	Incurred in previous period
Guangzhou GET Small Loan Co., Ltd.	Interest on borrowings	1,769,785.07	
Guangzhou Broadband Backbone Network Co.,Ltd.	Provision of network services	97,680.00	
Guangzhou Broadband Backbone Network Co.,Ltd.	Network usage fee	20,827.08	
Chongqing Daji Business Management Co., Ltd.	Rental of property of related parties, rental fees	514,542.66	
Hainan HNA Property Management Co.,	Access card, property fees and utilities	67,283.31	

Related party	Content of related transaction	Incurred during the year	Incurred in previous period
Ltd.			
Total		2,470,118.12	

(2) Sales of goods/provision of labor services:

Related party	Content of related transaction	Incurred during the year	Incurred in previous period
Guangzhou Broadband Backbone Network Co.,Ltd.	Property fees	150,285.68	
Guangzhou Ivlong Real Estate Development Co., Ltd.	Income from capital occupation	207,317.12	
Guangzhou Ivlong Real Estate Co., Ltd.	Income from capital occupation	7,400,690.74	
Guangdong Yuecai Trust Co., Ltd.	Brokerage services	333,231.57	
Huizhou LianxunDewei Investment Partnership (Limited Partnership)	Providing fund management services	1,240,000.01	
Tibet Lianxun North Glass Venture Capital Partnership (Limited Partnership)	Providing fund management services	185,236.79	
Guangzhou Equity Trading Center Co., Ltd.	Service fees, property management fee		104,466.51
Guangzhou GET Small Loan Co., Ltd.	Service fees, property management fee	121,923.13	43,821.32
China Association for Science and Technology Guangzhou Science and Technology Park Joint Development Co., Ltd.	Service fees, property management fee		371,787.92
Guangzhou Detong GET Investment Management Co., Ltd.	Service fees, property management fees	12,272.33	5,995.19
Guangzhou Liding GET Fund Management Co., Ltd.	Service fees, property management fees	6,839.62	12,549.15
LG Display (China) Co., Ltd.	Service fees, property management fees	6,618,816.51	1,501,181.58
LG Display Optical Electronic Technology (China) Co., Ltd.	Service fees, property management fees	946,166.34	30,365.01
Total		17,222,788.79	2,240,166.68

(3) Details of related lease (Company as a leaser)

Name of lessee	Lease income recognized during the year	Lease income recognized in previous period
Guangzhou Broadband Backbone Network Co.,Ltd.	356,111.99	
Guangzhou Detong GET Investment Management Co., Ltd.	24,619.05	59,085.71
Guangzhou Equity Trading Center Co., Ltd.	904,562.14	1,809,124.29
Guangzhou GET Small Loan Co., Ltd.	475,575.69	432,421.43
Guangzhou Keith Fund Management Co., Ltd.	135,447.62	118,857.14
Guangzhou Liding GET Fund Management Co., Ltd.	20,142.86	40,190.70
LG Display (China) Co., Ltd.		1,490,167.00
LG Display Optical Electronic Technology (China) Co., Ltd.	829,952.99	542,571.00
Guangzhou Zhifang Automation Technology Co., Ltd.	12,398.40	
Guangzhou Detong GET Venture Capital Co., Ltd. (Limited Partnership)	21,485.71	
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	16,785.71	

Name of lessee	Lease income recognized during the year	Lease income recognized in previous period
Guangzhou Liding GET Venture Capital Co., Ltd. (Limited Partnership)	30,214.29	
Total	2,827,296.45	4,492,417.27

(4) Details of related guarantees

1)Company as a guarantor

Name of guaranteed party	Guarantee amount	Guarantee start date	Guarantee due date	Whether the guarantee has been fulfilled
Guangdong Huayang Environmental Protection Technology Co., Ltd.	9,000,000.00	January 2018	January 2021	No

2)Company as a guaranteed party

None

(5) Related party fund borrowing

Name of related party	Borrowing amount	Start date	Due date	Closing interest receivable
Guangzhou GET Small Loan Co., Ltd.	10,000,000.00	2019-4-25	2020-4-25	407,101.67
Guangzhou GET Small Loan Co., Ltd.	20,000,000.00	2019-5-21	2020-5-21	729,035.62
Guangzhou GET Small Loan Co., Ltd.	20,000,000.00	2019-6-18	2020-6-18	633,647.78
Guangzhou Mong Real Estate Development Co., Ltd.	21,650,852.00	2019-10-23	2020-10-22	219,756.15
Guangzhou Mong Real Estate Co., Ltd.	563,559,031.46	2019-9-27	2020-9-26	7,844,741.72
Total	635,209,883.46			9,834,282.94

3. Balance of related party transactions

(1) Accounts receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Huangpu Biomedical Industry Investment Fund Management Co., Ltd	10,000.00	
Guangzhou GET Small Loan Co., Ltd.	3,072.33	4,206.00
LG Display (China) Co., Ltd.	363,459.38	270,778.00
LG Display Optical Electronic Technology (China) Co., Ltd.	7,756.00	385,473.00
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)		67.00
Guangdong Equity Trading Center Co., Ltd.	91,874.90	189,958.05
Guangzhou Detong GET Investment Management Co., Ltd.	650.00	
Total	476,812.61	850,482.05

(2) Other receivables of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co.,Ltd.	18,867.92	

Guangzhou Development District Water Purification Management Center		57,600.00
Guangzhou Yuanshengde Municipal Service Co., Ltd.	13,540.00	13,540.00
Total	32,407.92	71,140.00

(3) Long-term receivables of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co.,Ltd.	8,086,342.86	
Total	8,086,342.86	

(4) Interest receivable of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co.,Ltd.	167,222.39	
Total	167,222.39	

(5) Accounts payable of related parties

Related party	Closing balance	Opening balance
Huizhou LianxunDewei Investment Partnership (Limited Partnership)	103,333.30	
Guangzhou Hengli Testing Co., Ltd.		53,715.08
Total	103,333.30	53,715.08

(6) Other payables of related parties

Related party	Closing balance	Opening balance
Guangzhou Broadband Backbone Network Co.,Ltd.	1,275,063.50	
Guangzhou GET Small loan Co., Ltd.	5,000.00	143,885.00
Guangzhou Detong GET Venture Capital Co., Ltd.	21,978,370.00	2,101,115.00
Guangzhou Detong GET Investment Management Co., Ltd.		20,000.00
Guangzhou Equity Trading Center Co., Ltd.		569,874.15
Guangzhou Liding GETFund Management Co., Ltd.	1,000.00	11,575.00
Guangzhou Liding GETVenture Capital Partnership (Limited Partnership)	80,360,030.34	77,891,414.44
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)		5,506,121.12
Guangzhou Liding GETInvestment Management Co., Ltd.	10,575.00	10,575.00
Guangzhou Kangchengheng Asset Management Co., Ltd.		2,500,000.00
Guangzhou Zhifang Automation Technology Co., Ltd.	50.00	17,058.20

Related party	Closing balance	Opening balance
LG Display Optical Electronic Technology (China) Co., Ltd.		190,000.00
Guangzhou Yuanshengde Municipal Service Co., Ltd.	16,531,812.43	16,531,822.43
Total	120,111,911.27	106,573,440.34

(7) Advances from customers of related parties

Related party	Closing balance	Opening balance
Guangzhou GET Small Loan Co., Ltd	8,907.50	10,061.17
Guangzhou Broadband Backbone Network Co.,Ltd.	366,037.67	
Guangzhou Liding GET Fund Management Co., Ltd.	6,737.50	4,525.00
Guangzhou Equity Trading Center Co., Ltd.	134,057.80	47,296.90
Guangzhou Detong GET Investment Management Co., Ltd.	1,000.00	
Guangzhou LidingHengyi Investment Co., Ltd. (Limited Partnership)	8,945.97	6,870.72
Total	525,686.44	68,753.79

XIII. Notes to key items of parent company's financial statements

1. Notes to key items of financial statements

(1) Accounts receivable

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant but with provision for bad debt made on an individual basis	1,426,456.00	17.23	1,426,456.00	100.00
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	6,850,132.21	82.77		
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis				
Total	8,276,588.21	100.00	1,426,456.00	100.00

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Accounts receivable that are individually significant but with provision for bad debt made on an individual basis				
Accounts receivable subject to provision for bad debt on credit risk characteristics basis	1,221,838.20	100.00		
Accounts receivable that are individually insignificant but with provision for bad debt made on an individual basis				
Total	1,221,838.20	100.00		

1) Accounts receivable that are individually significant and with provision for bad debt made on an individual basis as at year end

Debtor	Book balance	Bad debt amount	Aging	Accrual ratio (%)	Accrual reason
Guangzhou JinjianMedical Equipment Co., Ltd.	1,426,456.00	1,426,456.00	Within 1 year	100.00	Expected to be unrecoverable
Total	1,426,456.00	1,426,456.00			

2) Accounts receivable subject to provision for bad debt on credit risk characteristics basis

3) Accounts receivable with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(including 1 year)	6,850,132.21	100.00		1,221,838.20	100.00	
1-2 years						
2-3 years						
Total	6,850,132.21	100.00		1,221,838.20	100.00	

4) Provision for bad debt recovered or reversed: None.

5) Accounts receivable actually written off during the current year: None.

6) The top five accounts receivable collected by debtors

Debtor	Book balance	Ratio to total accounts receivable (%)	Provision for bad debt
Guangzhou Kaiyun Property Service Co., Ltd.	2,032,596.04	24.56	
Guangzhou JinjianMedical Equipment Co., Ltd.	1,426,456.00	17.23	1,426,456.00
Guangzhou Hongpeng Helicopter Remote Sensing Technology Co., Ltd.	1,291,266.84	15.60	
Guangzhou Chenwin Automatic Control Equipment Co., Ltd.	1,016,046.08	12.28	
Guangzhou Baoyun Information Technology Co., Ltd.	707,117.55	8.54	
Total	6,473,482.51	78.21	1,426,456.00

(2) Other receivables

Item	Closing balance	Opening balance
Dividends receivable	84,962,679.09	9,334,786.61
Other receivables	12,768,526,827.59	6,966,020,134.45
Total	12,853,489,506.68	6,975,354,921.06

1) Dividends receivable

Item	Closing balance	Opening balance	Reason for not recovery	Whether impairment has occurred
Dividends receivable aged within 1 year				
Including: Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	77,436,927.73		The approval process is not yet completed.	No
Guangzhou GET Capital Management Co., Ltd.		9,334,786.61	The approval process is not yet completed.	No
Guangzhou Kylin Development Co.,Ltd.	7,525,751.36		The approval process is not yet completed.	No
Total	84,962,679.09	9,334,786.61		

2) Other receivables

Categories	Closing balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant but with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	12,768,526,827.59	100.00		
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis				
Total	12,768,526,827.59	100.00		100.00

(Continued)

Categories	Opening balance			
	Book balance		Provision for bad debt	
	Amount	Ratio (%)	Amount	Ratio (%)
Other receivables that are individually significant but with provision for bad debt made on an individual basis				
Other receivables subject to provision for bad debt on credit risk characteristics basis	6,966,020,134.45	100.00		
Other receivables that are individually insignificant but with provision for bad debt made on an individual basis				
Total	6,966,020,134.45	100.00		

1) Other receivables subject to provision for bad debt on credit risk characteristics basis

a) Other receivables with the provision for bad debt made under the aging analysis method

Aging	Closing balance			Opening balance		
	Book balance		Provision for bad debt	Book balance		Provision for bad debt
	Amount	Ratio (%)		Amount	Ratio (%)	
Within 1 year(Including 1 year)				1,020,144,740.00	100.00	
1-2 years						
2-3 years						
Total				1,020,144,740.00	100.00	

b) Other receivables with the provision for bad debt made under other combination methods

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Provision for bad debt	Book balance	Accrual ratio (%)	Provision for bad debt
Government arrears, staff reserves, deposits, guarantees, related transactions, etc.	12,768,526,827.59			5,945,875,394.45		

Combination name	Closing balance			Opening balance		
	Book balance	Accrual ratio (%)	Provision for bad debt	Book balance	Accrual ratio (%)	Provision for bad debt
Total	12,768,526,827.59			5,945,875,394.45		

2) The top five other receivable collected by debtors

Debtor	Nature of payment	Book balance	Aging	Ratio of total other accounts receivable (%)	Provision for bad debt
Guangzhou Development District Industrial Fund Investment Group Co., Ltd.	Intercourse funds	3,136,589,999.99	Within 2 years	24.57	
Guangzhou GET Finance Holdings Co., Ltd.	Intercourse funds	2,620,592,661.01	Within 1 year	20.52	
Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	Intercourse funds	2,442,328,452.60	Within 2 years	19.13	
YUEKAI SECURITIES CO., LTD.	Intercourse funds	1,202,084,000.00	Within 1 year	9.41	
Guangzhou Knowledge City Investment Holding Co., Ltd.	Intercourse funds	1,043,983,333.33	Within 2 years	8.18	
Total		10,445,578,446.93		81.81	

(3) Long-term equity investments

1) Classification of long-term equity investments

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Investments in subsidiaries	11,596,116,922.25	7,539,856,225.55	1,458,646,918.06	17,677,326,229.74
Investments in associates	362,654,939.53	1,053,365,635.96	7,489,535.58	1,408,531,039.91
Subtotal	11,958,771,861.78	8,593,221,861.51	1,466,136,453.64	19,085,857,269.65
Less: Provision for impairment of long-term equity investments	668,033.93			668,033.93
Total	11,958,103,827.85	8,593,221,861.51	1,466,136,453.64	19,085,189,235.72

2) Details of long-term equity investments

a. Investments in subsidiaries

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance	Provision for impairment accrued during the year	Closing balance of provision for impairment
Guangzhou GET Finance guarantee Co., Ltd.	314,614,400.00			314,614,400.00		
Guangzhou Technology Innovation Investment Co., Ltd.		343,743,739.29		343,743,739.29		
Guangzhou GET Finance Holdings Co., Ltd.	988,902,586.30	190,000,000.00	343,743,739.29	835,158,847.01		
Guangzhou Kaide Environmental Protection Beauty Co., Ltd.	174,004,631.29			174,004,631.29		
Guangzhou High-Tech Zone Technology Holdings Group Co., Ltd.	3,954,046,194.93	248,564,431.09	5,000,000.00	4,197,610,626.02		
Guangzhou Hengyun Enterprises Holding Ltd.	222,364,048.00			222,364,048.00		
Guangzhou GET Investment Holdings Co.,Ltd	495,000,000.00	500,000,000.00		995,000,000.00		
Guangzhou GET Capital Management Co., Ltd.	1,133,172,094.44	195,300,000.00	1,094,903,178.77	233,568,915.67		
Runpu Investment Co., Ltd. Guangzhou	367,924,028.69	1,454,377,488.77		1,822,301,517.46		
Guangzhou GET Finance Lease Co., Ltd.	100,000,000.00	50,000,000.00		150,000,000.00		
Guangzhou Development Zone (Hong Kong) Investment Co., Ltd.		992,216.40		992,216.40		
Guangzhou Kylin Development Co.,Ltd	22,900,000.00	20,100,000.00		43,000,000.00		
Guangzhou High-tech Zone Industrial Investment Fund Co., Ltd.		40,000,000.00		40,000,000.00		
YUEKAI SECURITIES CO., LTD.		4,336,778,350.00		4,336,778,350.00		
GDD Investment Holdings Co.,Ltd.	3,808,188,938.60	60,000,000.00		3,868,188,938.60		
Guangzhou Oversear Students Pioneer Park Co., Ltd.	15,000,000.00		15,000,000.00			
Total	11,596,116,922.25	7,539,856,225.55	1,458,646,918.06	17,677,326,229.74		

b. Long-term equity investments under the equity method

Investee	Opening balance	Change in the current year: Added investment	Reduced investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Cash dividends or profits declared	Provision for impairment accrued	Others	Closing balance	Provision for impairment
I. Joint ventures											
II. Associates											
Guangzhou Broadband Backbone Network Co., Ltd.(Note1)	177,065,750.46			13,713,109.07						190,759,559.53	
Guangzhou GET Small Loan Co., Ltd	99,956,459.52			7,140,617.45			5,489,535.38			101,607,541.59	
Guangzhou Development District Hongdi Technology Co., Ltd.	668,033.93									668,033.93	668,033.93
Suigang Technology Investment (Guangzhou) Co., Ltd.		30,000,000.00		-106,504.08						29,893,495.92	
SuigangZhizao (Guangzhou) Investment Co. Ltd.		75,000,000.00		7,728.20						75,007,728.20	
Guangzhou Financial Assets Trading Center Co., Ltd.	22,799,251.98			1,854,124.10			2,000,000.00			22,653,376.08	
Zhongcheng Automobile Insurance Co., Ltd.		916,575,000.00		6,939,512.19						923,514,512.19	
Guangdong Equity Trading Center Co., Ltd	62,175,443.34			2,242,049.12						64,417,492.46	
Total	361,654,939.53	1,021,575,000.00		31,790,635.96			7,489,535.38			1,408,531,040.11	668,033.93

Note 1: On June 28th, 2019, the Company signed a capital increase agreement with Guangzhou Broadband Backbone Network Co., Ltd. ("Guangzhou Broadband Company"), Guangzhou City Investment Environmental Energy Investment Management Co., Ltd. (City Investment Company) and Guangzhou Dingsheng Investment Development Co., Ltd. (Dingsheng Company). It was agreed that a capital increase of RMB 245.963 million was made, which was subscribed by City Investment Company for RMB 245.963 million in cash, and Guangzhou Broadband Company received the full amount of the capital increase in September 2019. After the completion of the capital increase, the City Investment Company owns 51% of the equity interest in Guangzhou Broadband Company and has control over Guangzhou Broadband Company, and the Company's original 95.85% equity interest in Guangzhou Broadband Company has been diluted to 46.97% and has lost control over Guangzhou Broadband Company. Accordingly, the Company's accounting for its long-term equity investment in Guangzhou Broadband Company was converted from the cost method to the equity method with a retrospective adjustment.

(4) Operating revenue and cost

Item	Amount during the year		Amount in previous year	
	Revenue	Cost	Revenue	Cost
Lease income	112,830,887.60	108,544,613.54	96,919,105.97	86,460,492.19
Other revenue	22,867,449.31		73,053,406.83	439,480.00
Total	135,698,336.91	108,544,613.54	169,972,512.80	86,899,972.19

-Details of operating revenue by industrial classification standard of national economy

No.	Categories of revenue	Incurred during the period	Incurred in previous period
1	General contracting		
2	Real estate sales		
3	Property leases:	112,830,887.60	96,919,105.97
	Including: Shops		
	Workshops		
	Office buildings	112,830,887.60	96,919,105.97
	Conference rooms		
	Apartments		
	Places		
	Others		
4	Property management services		
5	Engineering management services:		
	Including: Engineering services on behalf of the owner		
	Construction agency services		
	Demolition and relocation services		
6	Customs declaration, loading and unloading, warehousing and cargo inspection		
7	Accommodation and catering:		
	Including: Hotel accommodation		
	Catering		
8	Commercial wholesale and retail		
9	Consulting services:		
	Including: Investment promotion		
	Business consulting services		
	Others		
10	Information technology services		
11	Sports, culture and entertainment		
12	Electricity production industry		
	Including: Electricity		
	Steam		
13	Chemical raw materials and chemical products manufacturing		
14	Financial industry		
	Including: Financing guarantees		
	Securities business		

No.	Categories of revenue	Incurred during the period	Incurred in previous period
15	Others	22,867,449.31	73,059,406.63
	Total	135,698,896.91	169,972,532.80

(5) Investment income

Source of investment income	Amount during the year	Amount in previous year
Investment income from long-term equity under the equity method	566,831,342.08	306,338,769.40
Gain on long-term equity investments under the equity method	31,790,635.96	10,633,076.78
Investment income during the period in which available-for-sale financial assets were held	22,896,493.44	7,084,364.17
Investment income arising from disposal of available-for-sale financial assets	-2,136,053.52	
Investment income from financial products	268,803.31	9,607,208.97
Total	619,641,121.27	333,663,419.32

(6) Supplement to parent company's cash flow statement

Item	Amount during the year	Amount in previous year
1.Adjustment from net profits to cash flows from operating activities		
Net profits	124,648,561.97	235,185,335.75
Add: Provision for impairment of assets	1,426,456.00	
Depreciation of fixed assets, depreciation of oil and gas assets, depreciation of productive biological assets	51,566,345.48	47,220,203.43
Amortization of intangible assets	38,634.05	
Amortization of long-term prepaid expenses		
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains listed with "-")	-31,248.77	
Losses on scrap of fixed assets (gains listed with "-")		132,894.78
Losses on changes in fair values (gains listed with "-")	26,940,576.00	
Financial expenses (gains listed with "-")	513,360,432.03	197,393,386.87
Exchange losses (gains listed with "-")	-23,518,547.16	
Investment losses (gains listed with "-")	-619,641,121.27	-333,663,419.32
Decrease in deferred tax assets (increase listed with "-")	-356,614.00	
Increase in deferred tax liabilities (Decrease listed with "-")		
Decrease in inventories (increase listed with "-")		
Decrease in financial assets at fair value through current profit or loss		
Decrease in operating receivables (increase listed with "-")	78,108,022.85	-73,407,559.97
Increase in operating payables (Decrease listed with "-")	79,088,850.52	166,841,438.45
Others		
Net cash flow from operating activities	64,422,702.50	-93,977,596.91

Item	Amount during the year	Amount in previous year
2.Significant investing and financing activities that do not involve cash receipts and disbursements		
Transfer of debt to capital		
Convertible corporate bonds due within 1 year		
Finance leased fixed assets		
3.Changes in cash and cash equivalents		
Closing balance of cash	6,058,342,022.14	3,884,134,259.74
Less: Opening balance of cash	3,884,134,259.74	3,289,285,940.29
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	2,174,207,762.40	594,848,319.45

XIV. Other disclosures in accordance with relevant financial accounting principle

1. On August 16th, 2019, Guangzhou Technology Innovation Investment Co., Ltd. (hereinafter referred to as "Technology Innovation Investment"), a controlling subsidiary of the Company, and Guangzhou Haihui Technology Innovation Venture Capital Partnership (Limited Partnership) (hereinafter referred to as " Haihui Technology Innovation") signed a transfer agreement on seven equities, including equities in Guangzhou Ruilikermi Automotive Electronics Co., Ltd., Guangzhou Fumei Soft Porcelain Co., Ltd., Guangzhou Fenghua Biological Engineering Co., Ltd., Guangzhou Keyi Optoelectronic Technology Co., Ltd., Guangdong Yimeitu Image Technology Co., Ltd., Guangdong Haohan Technology Co., Ltd., and Guangzhou Jinghua Precision Optics Co., Ltd.held by Technology Innovation Investment and the contract equity in the agreement, which Technology Innovation Investment signed with Zhongshan University and Yan Guangmei on December 4th, 2003. According to the agreement, the 8 equities shall be transferred at the same time and the transfer price shall be paid in one time within 5 working days from the date of signing the contract. If Party B fails to become the legal investor (shareholder) of the target enterprise / company in the process of handling the change procedures of the investor (shareholder), the contract shall be terminated. In August 2019, the Company has received the transfer payment of 8 equities transferred by Haihui Technology Innovation. As of December 31st, 2019, except for Guangdong Haohan Technology Co., Ltd. , Guangzhou Ruilikermi Automotive Electronics Co., Ltd. and the contract rights and interests enjoyed by the Company in the agreement signed with Zhongshan University and Yan Guangmei on December 4th, 2003, the property right settlement procedures of the remaining five equities have been completed.

As of December 31st, 2019, while Technology Innovation Investment has received payments for these eight projects, the actual risk of these eight projects has not been fully transferred. As a result, the eight equities have not been derecognized in available-for-sale financial assets in this statement.

XV. Approval of Financial Statements

The Group's financial statements for 2019 have been approved by the Group's Board of Directors.

Guangzhou Development District Financial Holdings Group Co., Ltd.
April 28th, 2020

统一社会信用代码

91110101592354581W

营业执照

（副　本）（3-1）

名　　称	信永中和会计师事务所（特殊普通合伙）
类　　型	特殊普通合伙企业
执行事务合伙人	李晓英、张克、叶韶勋、顾仁荣、谭小青
经营范围	审查企业会计报表，出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度财务决算审计；代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。（企业依法自主选择经营项目，开展经营活动；依法须经批准的项目，经相关部门批准后依批准的内容开展经营活动；不得从事本市产业政策禁止和限制类项目的经营活动。）
成立日期	2012年03月02日
合伙期限	2012年03月02日 至 2042年03月01日
主要经营场所	北京市东城区朝阳门北大街8号富华大厦A座8层

登记机关

2020 年 01 月 19 日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

市场主体应当于每年1月1日至6月30日通过国家企业信用信息公示系统报送公示年度报告。

国家市场监督管理总局监制

会计师事务所

执业证书

名　　称：信永中和会计师事务所（特殊普通合伙）

首席合伙人：叶韶勋

主任会计师：

经营场所：北京市东城区朝阳门北大街8号富华大厦A座8层

组织形式：特殊普通合伙

执业证书编号：11010136

批准执业文号：京财会许可[2011]0056号

批准执业日期：2011年07月07日

证书序号 0000186

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

二〇一八年四月二日

中华人民共和国财政部制

证书序号：000380

会计师事务所
证券、期货相关业务许可证

经财政部、中国证券监督管理委员会审查，批准

信永中和会计师事务所（特殊普通合伙） 执行证券、期货相关业务。

首席合伙人：叶韶勋

证书号：16　　发证时间：[illegible]年十　月十[illegible]日

证书有效期至：二〇[illegible]年十月　十五日

姓名 Full name 韦家玉
性别 Sex 女
出生日期 Date of birth 1968-06-18
工作单位 Working unit 信永中和会计师事务所（特殊普通合伙）广州分所
身份证号码 Identity card No. 512301196806180023

信永中和会计师事务所(特殊普通合伙)
1101010065573

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

韦家玉(440100720010)，已通过广东省注册会计师协会2018年任职资格检查。通过文号：粤注协（2018）38号。

年 月 日

440100720010
证书编号：
No. of Certificate

批准注册协会：广东省注册会计师协会
Authorized Institute of CPAs

发证日期：2000 年 11 月 20 日
Date of Issuance

2018年3月换发

韦家玉(440100720010)，已通过广东省注册会计师协会2019年任职资格检查。通过文号：粤注协（2019）94号。

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

年 月 日

年 月 日

姓 名 Full name
性 别 Sex
出生日期 Date of birth
工作单位 Working unit
身份证号码 Identity card No.

信永中和会计师事务所(特殊普通合伙)

证书编号: 110101365300
No. of Certificate

批准注册协会: 广东省注册会计师协会
Authorized Institute of CPAs

发证日期: 2017 年 05 月 01 日
Date of Issuance

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

券丹(110101365300)，已通过广东省注册会计师协会2018年任职资格检查。通过文号：粤注协〔2018〕38号。

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

券丹(110101365300)，已通过广东省注册会计师协会2019年任职资格检查。通过文号：粤注协〔2019〕98号。

年 月 日

年 月 日

ISSUER

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AUDITOR

For 2018, 2019 and 2020 Issuer's Audited Consolidated Financial Statements

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Dongcheng District, Beijing

For 2021 Issuer's Reviewed Consolidated Interim Financial Statements

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Beijing

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China Construction Bank (Asia) Corporation Limited
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REGISTRAR AND TRANSFER AGENT

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